

Howard Schultz  
with Joanne Gordon

#1  
New York  
Times  
Bestseller



# Onward

How Starbucks Fought for Its Life  
without Losing Its Soul



# Onward



**LOVE**

**CONFIDENCE**

**PAIN**

**HOPE**

**COURAGE**

**THE MERCHANT**

# Love



## BELIEVE

- As a merchant we take the ordinary and give it a new life, believing that what we create has the potential to touch others lives because it touched ours. We infuse it with emotion and meaning.
- Belief in ourselves and in what is right catapults us over hurdles, and our lives unfold.
- There are moments in our lives when we summon the courage to make choices that go against reason, against common sense and the wise counsel of people we trust. But we lean forward nonetheless because, despite all risks and rational argument, we believe that the path we are choosing is the right and best thing to do. We refuse to be bystanders, even if we do not know exactly where actions will lead.

## A RESERVOIR OF TRUST

- No business can do well for its shareholders without first doing well by all the people it's business touches.
- Everything we've tried to do is steeped in humanity. Respect and dignity. Passion and laughter. Compassion community and responsibility. Authenticity.
- As a merchant, my desire has always been to inspire customers, exceed their high expectations, and establish and maintain their trust in us.
- Creating an engaging, respectful, trusting workplace culture is not the result of any one thing. It's a combination of intent, process, and heart, a trio that must constantly be fine-tuned.
- Starbucks is at its best when we are creating enduring relationships and personal connections.
- The best words are never big or complicated, but are packed with emotion and meaning, leaving no question of what I expect of myself and others.



# Confidence

## ELEVATING THE CORE



- The merchant's success depends on his or her ability to tell a story. What people see or hear or smell or do when they enter a space guides their feelings, enticing them to celebrate whatever the seller has to offer.
- The one thing we could not do was dismiss the ability of any competitor capture our customers. It was going to be a hand-to-hand combat as we tried our best to differentiate ourselves in the marketplace.
- I strongly believe that if we protect, preserve, and enhance the experience to the point where we truly demonstrate the relationship we have with our customers is not based on a transaction and then let the coffee speak for itself we're going to win.
- Starbucks desperately needed barista's and managers to be genuinely friendly, enthusiastic, and willing to go the extra mile millions of times a week.
- "A core capacity of leadership is the ability to make right decisions while flying blind, basing them on knowledge, wisdom, and the ability to stay wedded to an overriding goal." - Warren Bennis

## BEYOND THE STATUS QUO

- The Starbucks experience is a personal connection and is an affordable necessity. We are all hungry for community.
- My leadership philosophy: self-examination in the pursuit of excellence and a willingness not to embrace the status quo.
- Icons assert a cultural authority, hoping to frame the way people view the times they live in.
- Icons don't confuse history with heritage, and always protect and project their values.
- Icons disrupt themselves before others disrupt them.
- Enduring icons are willing to sacrifice near-term popularity for long term relevance.
- Every day I ask myself what I can do today to win someone's business and earn his or her loyalty.





# Pain



## NO SILVER BULLETS

- The only filters to our thinking should be: will this make our people proud? Will this make the customer experience better? And will this enhance Starbucks in the minds and hearts of our customers?
- Starbucks' store managers are coaches, bosses, marketers, entrepreneurs, accountants, community ambassadors, and merchants all at once.
- We have to be highly focused on the things that matter and stop wasting time and money on things that are irrelevant.
- I was no silver bullet and, like any leader, I needed to surround myself with strong talent who would bring new ideas and, with fervor, challenge the old as well as challenge me.
- “When you get in a tight place and everything goes against you, till it seems as though you could not hang on a minute longer, never give up then, for it is just the place and time that the tide will turn.” Harriet Beecher Stowe

## GET IN THE MUD

- The world belongs to the few people who are not afraid to get their hands dirty.
- Companies pay a price when their leaders ignore things that may be fracturing their foundation.
- If not checked, success has a way of covering up small failures.
- Many companies fail because of the challenges on the inside, not because of the challenges in the marketplace. They are trying to deliver the expected, not deliver the unexpected.
- Onward: a word that eluded to the power of our past as well as the potential of our future. One word that implied passion as well as planning and spoke to the confidence with which we had to forge ahead, despite dancing hurdles. A word that implied a willingness to dig deep and get hands dirty, but always with heads held high.

# Hope



## A GALVINIZING MOMENT

- Unlike other retailers that sell coffee, the equity of the Starbucks brand is steeped in the unique experience customers have from the moment they walk into a store. The aroma. The sense of community. The familial relationships customers establish with their local barista and the pride they feel knowing that their purchases support our high standards and socially responsible practices.
- We can't think in terms of millions of customers and thousands of stores, we must instead think of one customer, one partner, and one cup of coffee at a time. "Ones" add up.
- "Life is the sum of all your choices." - Albert Camus
- When we are fully engaged, we connect with, laugh with, and uplift the lives of our customers – even if just for a few moments.
- Our stores and partners are at their best when they collaborate to provide an oasis, and uplifting feeling of comfort, connection, as well as a deep respect for the coffee and communities we serve.
- The new idea's execution has to be as good as the idea itself.

## STAY THE COURSE

- Grow with discipline. Balance intuition with the rigor. Innovate around the core. Don't embrace the status quo. Find new ways to see. Never expect a silver bullet. Get your hands dirty. Listen with empathy and over communicate with transparency. Tell your story, refusing to let others define you. Use authentic experience to inspire. Stick to your values, they are your foundation. Hold people accountable but give them the tools to succeed. Make the tough choices; it's how you execute that counts. Be decisive in times of crisis. Be nimble. Find truth in trials and lessons in mistakes. Be responsible for what you see, hear, and do. Believe.



# Courage

## CONVICTION



- In any well-run retail business there is, by definition, a maniacal focus on details.
- “You never know what's going on in a person’s life when you serve them. For all you know, it could be someone's last day on earth.” - Officer Kevin Coffey
- I will do everything humanly possible to represent you the way that I ask you to represent the company. Passionately. Honestly. With great sincerity in humility and doing everything I can to exceed your expectations to make sure our future is as great as our past.
- “Great companies will be the ones that find a way to have and hold onto their values while chasing their profits. Brand value will converge to create a new business model that unites commerce and compassion. The heart and the wallet.” - Bono

## PLAYING TO WIN

- Our partners (employees) are the true ambassadors of our brand, the real merchants of romance in theater, and as such the primary catalyst for delighting customers.
- Our annual meetings are an investment in the company's people and our transformation, a sincere reminder what Starbucks stands for, and the transfer of tools and knowledge so each manager will be excited and incentivized to return to his or her store to run a better business.
- When people can see things, feel things, interact with things, that is when their minds actually begin to shift.
- It is my responsibility as CEO to push people further than they think they can go, yet not further than they are capable of going.
- Starbucks is at its best when we lead, not follow, when we reinvent categories, create new rituals, and transform an industry.
- At its core, I believe leadership is about instilling confidence in others.



# The Merchant

## INNOVATE



- Instinctively I understood that we had to return to our roots, but if that heritage was not linked to a willingness to reinvent and innovate, then we would fail.
- The concepts that my words convey may be strategic in their intent, but the words themselves are spontaneous manifestations of my love for Starbucks. I feel them before I voice them.
- The best innovations sense and fulfill a need it before others realize the need even exists, creating a new mindset.
- Be curious and always look for ways to get better, smarter, more efficient, and push for reinvention and innovation.

## CONSCIENCE

- Success is not sustainable if it's defined by how big you become.
- To achieve long-term value for shareholders, a company must first create value for its employees as well as its customers.
- More than our scale, the brand can and should be defined by the quality of its coffee as well as its values: Community. Connection. Respect. Dignity. Humor. Humanity. Accountability.
- Our aspiration: to become an enduring, great company with one of the most recognized and respected brands in the world, known for inspiring and nurturing the human spirit.
- Our partners' attitude and actions have such great potential to make our customers "feel" something. Yet the only reason our partners can make our customers feel good is because of how our partners feel about the company.
- We aim high and have high expectations of ourselves and we try to manage the company through the lens of humanity.
- The emotional connection in the Starbucks experience is the ethos of our culture. It is our most original and irreplaceable asset.
- Starbucks is not a coffee company that serves people. It's a people company that serves coffee.