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You can't have 5 priorities—even Steve Jobs and Bob Iger couldn't

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Steve Jobs famously asked his top executives to come up with 10 priorities for Apple—then scrapped seven.

JUSTIN SULLIVAN - GETTY IMAGES

Business strategy is a multi-faceted discipline. No two industries or competitive landscapes are precisely similar. But business history yields one universal lesson: Focus energizes, while complexity paralyzes.

During my 20 years as the CEO of various enterprises, I developed an ingrained habit. Recognizing that the core responsibility of a leader is to unify an organization behind a clear strategic direction, I followed conventional wisdom and developed five key priorities for the business, and asked each function and business unit to follow suit.

However, at progress review meetings I saw that executives were often trudging through these priorities mechanically like a project checklist, without connecting them to a central strategic thrust or inspiring story.

To overcome this lack of clarity, I instituted a second step. We used the five priorities as the basis for framing the most critical challenges facing the organization, then distilled the priorities down to the few crucial drivers to meet those challenges. These seldom exceeded three. This simplification enabled me to define a compelling leadership narrative that galvanized the energies of employees.

What I didn't realize at the time was that in applying this instinctive two-step approach towards clarity of focus I was in fact following the rules of brain science.

In 2011, groundbreaking [research by Nelson Cowan](#), a professor of psychology at the University of Missouri into what he called “working memory,” showed conclusively that five priorities is the wrong number. He found that people can follow a maximum of four things, sometimes fewer. More than four eliminates focus completely.

Studies of how this works in practice provide supporting evidence. For example, in an article in the [*Sloan Management Review*](#), [Donald and Charles Sull and James Yoder](#) cited a large survey showing that in firms with five priorities, only one-quarter of the managers could list three correctly.

Successful companies prioritize a handful of critical issues and inspire every employee to focus on those issues—and only those.

Steve Jobs is a business legend whose story illustrates this principle. After losing a boardroom battle, Jobs left [Apple](#), the company he co-founded, in 1985. In the ensuing years, under different CEOs, the company added a large array of products and peripherals. The company's performance declined precipitously, and by 1996, it was close to collapse.

In 1997, Jobs returned to the company. To begin the turnaround, he reduced Apple's [bloated product line by 70%](#), focusing the business on only four key products. This intense focus worked brilliantly, and Apple became the most valuable company in the world.

Jobs continued to run the company in this vein until his untimely death in October 2011. On the last day of each year's annual retreat, he would challenge Apple's 100 top executives to name the 10 things the company should do next. [Then he systematically deleted seven, declaring, "We can only do three."](#)

Robert Iger, the CEO of the Walt [Disney](#) Company from 2005 to 2020, [offers us another valuable lesson about prioritization](#). In the lead-up to his appointment, the board asked Iger to define his priorities for the future of the company. His experience was like my own. He started to make a list, but when he got to five, he realized, "I hadn't prioritized any of them... My overall vision lacked clarity and

inspiration.” Instead, he narrowed the list down to three, which he says guided the company from the outset of his term as CEO:

- We must devote most of our time and capital to the creation of high-quality branded content.
- We must embrace technology to create higher-quality products and to reach consumers in more modern and relevant ways.
- We must become a truly global company by penetrating certain markets, particularly the world’s most populous countries, like China and India.

Note the stark clarity of Iger’s three priorities—content, technology, and globalization. They fit together in an integrated narrative. By the time Iger retired from the CEO role in February 2020, the company’s market capitalization had increased from [\\$48 billion to \\$257 billion](#).

Iger’s successor, Bob Chapek, faced new challenges, especially the disruptive shift in viewership from traditional network television to streaming, and profitability plunged. After less than three turbulent years, Chapek was dismissed by the board, which asked Iger to return as CEO.

To restore Disney’s fortunes, Iger named [four specific priorities](#), all linked to two key businesses—streaming content and live experiences:

- Upgrade the studios to generate higher-quality content.
- Feed this superior content into the streaming business to spur growth and profitability.
- Transform sports network ESPN into a streaming-only business.
- Continue to develop the thriving experiences segment, which includes theme parks and cruises.

Iger's list of priorities is mutually reinforcing and focuses on fewer than five. Early signs suggest that this new approach is working. [Results from the third quarter of 2024](#) showed that Disney earned \$47 million in its streaming segment compared with a \$512 million loss in the prior year period.

As these examples illustrate, Cowan's compelling 2011 research has become increasingly relevant in today's complex and fast-changing environment. Brain science dictates the rules of human performance. To galvanize the limited attention of employees on the three or four priorities that matter most, the formula for success is: Subtract first, then multiply.

This article is adapted from [Willie Pietersen](#)'s 2024 book [Leadership – The Inside Story: Time-Tested Prescriptions for Those Who Seek To Lead](#), with permission from the publisher, Rivertowns Books. All rights reserved.