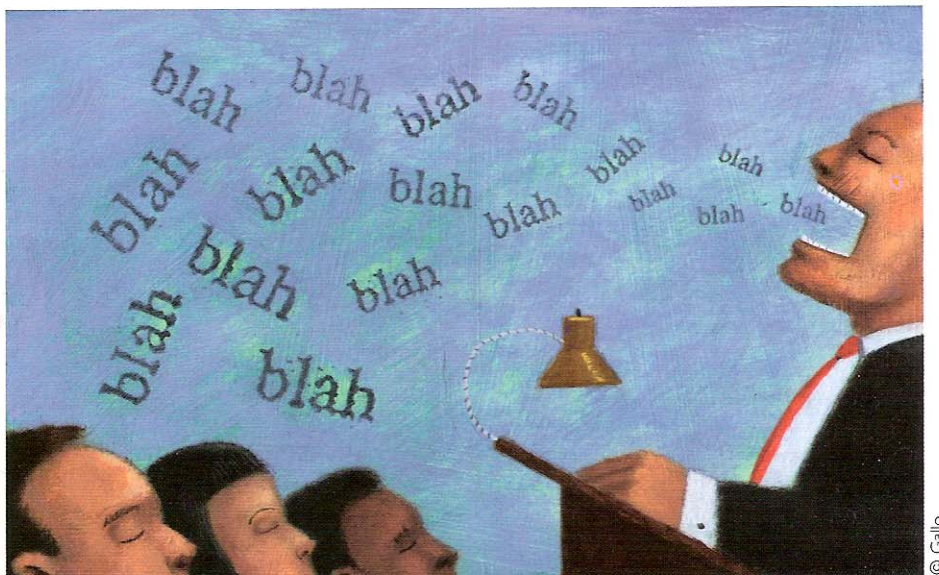


Possibly the biggest risk to any firm is that its leaders spend more time looking inwards than outwards.



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# Would you buy from your company?

Tony Manning

They become obsessed by internal squabbles, people problems, cost-cutting and productivity. They trap themselves in meetings to resolve conflicts, haggle about the fine print in contracts, and debate the detail of a new factory or software system. And of course, they spend time on big issues too – strategy, black economic empowerment, and social responsibility programmes.

Meanwhile, their customers shop around and drift away, possibly forever. Their competitors have a field day as new buyers seek them out. Sales slump. Distributors complain that stock isn't moving, and demand that prices be slashed.

And the solution?

More meetings and greater pressure to drive down costs. "We have to give bigger discounts," say the sales people. "We have to slash inventory," says the finance director. "We need a new ad campaign," says the marketing guy. "But we'll hold the budget down because this time we'll spend more below the line on promotions than above the line on TV."

While the team turns ever further inwards, they fail to notice the real problem. They don't care about their customers, so their customers don't care about them. And the

more introverted the organization becomes, the worse the situation gets.

Opportunities start looking like problems. Every message from the marketplace is interpreted as bad news. The temperature in meetings goes through the roof as tempers rise and people start blaming each other for everything. There's panic in the passages and key individuals start looking around for safer jobs.

Usually, the boss is a big part of the problem. She starts looking for scapegoats, and of course, they're easy to find. And there are plenty of people willing to help by pointing fingers.

She goes on the offensive and zaps the sales head. There's a signal of seriousness! The trouble is, it just causes more tremors, suspicion and distrust. The climate becomes increasingly poisonous.

So what's the real solution? Is it really wrong to focus inside when things come off the rails outside?

Absolutely not. But what is stupid is to do it without first – and continually – looking outwards.

Results come from customers. They decide what to buy, how to buy, how to pay. If they're happy, you're OK, if they're not, you're toast. This is what strategy is all about.

Your fine vision and mission, your SWOT

analysis or five-forces analysis, and your carefully designed value chain are complete waste of time if they do not enable you to win the hearts and minds of customers. Those folks 'out there' don't care how clever you and your team are about segmenting markets or designing business models. All they care about is themselves.

So best you care about them too. Best you get your butt off your chair, and go watch them, listen to them, talk to them. Best you get into their lives and under their skin, and swarm all over them.

Strategy is not a desk job. Without a 'fingertip feel' for what your customers need, it's impossible to offer them what they'll buy. Without a firm hold on them, they'll quickly slip away.

Would you buy from your company? Why don't you try? Call your switchboard. Wander around your stores. Hang out with customers.

What you learn may shock you. It may also point the way to a really meaningful internal revolution.

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