

LeaderPerfect Newsletter

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Four Essentials for Business Success

by Dr. Mike Armour

Businesses are frequently reminded, "Don't work harder. Work smarter."

But how do you translate this advice into action? If you run a business, or are thinking of starting one, what does it mean to "work smarter"?

Let me suggest that working smarter means adhering to four key principles:

- Knowing yourself
- Knowing your customer
- Knowing what your customer wants
- Consistently exceeding the customer's expectation

It's really as simple as that. The trouble is, these four things are not all that simple.

Knowing Yourself

If you are going to exceed customer expectations consistently, you obviously must never over-promise and under-deliver. To avoid these mistakes, you must be ruthlessly honest with yourself about the things that you can and cannot do.

When times are economically tough, it's especially tempting to grab for potential business by promising things that probably exceed your personal capability or the capability of your organization. I struggled with this very temptation recently myself.

My health crisis earlier in the year sidelined me for nearly four months. By late summer the company's cash flow was at an all time low.

Just as I was getting back on my feet (literally), I received a call from a company offering me a contract for extensive leadership training. The contract would have meant significant revenue, well into six-digit figures.

As I talked with the company's reps, my mind kept racing through the backlog of bills that this contract would erase.

At the same time, a gnawing voice inside my head kept saying, "Careful now!!" Try as I might, I just could not quell that voice. Finally I decided to quit pushing the voice aside and let it have its say.

"Sure, you and your colleagues can deliver what this client wants," the voice counseled. "You're going to have to develop and package a ton of new material to meet the client's requirements. But you can do it. The question is, can you really do it and do it well by the deadline that the client has set in stone?"

When I was honest with myself — brutally honest — the answer was "no." At every step along the way we were going to be stretched to our limit to meet the next milestone. One little thing going wrong could have quickly spelled disaster for the entire project. In the end, as emotionally difficult as it was, I had to decline the opportunity.

Ironically, in the weeks immediately following, new business came along that fit more naturally into our capabilities. Had I ignored the gnawing voice and signed the earlier contract, we would have been in no position to say "yes" to these new, unanticipated opportunities.

Know Your Customer

One of the most difficult challenges for any business is defining its target customer. It's far easier just to say, "Our customer is anyone who wants our service or product." The trouble is, it's hard to put a face on "someone." Without a clear profile of our target customer, we don't have clear guidance on how to craft our marketing message, what venues to use for advertising, or even how to package our product or our store.

My own target customer is a small to medium-sized business that needs to professionalize its leadership, but cannot afford the high cost of the large leadership development firms. In all likelihood, I know from experience, this business either does not have a training department or has a training staff that is rather new to its craft.

The odds are better than 90% that the company is contacting me because they found me on the web. They do not have an established working relationship with a leadership development specialist, which is why they undertook a search on the web in the first place. When they find my web site, I want them to quickly conclude (in less than ten seconds) that I am precisely the person that they were looking for.

Commonly I find that the company's training staff has never hired an outside leadership specialist before. Therefore, I anticipate the need to mentor them on how to set up an outside engagement, how to structure it, and how to market it within the organization.

Does this mean that I turn down business from Fortune 200 companies? Or from individuals who are looking for a personal coach to enhance their success? Not at all. But they are not the primary focus of my marketing effort. They are not my primary customer.

Know What Your Customer Wants

The reason that I am confident in targeting small to medium-sized businesses is that I know them so well. I've worked with scores of them. I have a good feel for what they are looking for when they seek the services of an outside leadership development specialist.

But I don't make the mistake of thinking that what they wanted four years ago is what they want today. Four years ago no one was looking for coaching on how to manage in tough times. Today I get inquiries constantly from companies wanting help with this very challenge.

Obviously the best way to determine what customers want is to ask them. And you can do that in a myriad of ways.

I'm starting a joint venture currently with a colleague who frequents networking events to meet owners of small businesses. Once the introductions are out of the way, he turns the discussion to their company. Usually he opens with, "So how is business going these days?" Then he moves rather quickly to, "With the challenges you face, what are you doing to develop your leaders?"

At this point he is going to receive one of two answers. Occasionally the business owner will have a leadership development program in place, in which case my friend follows up with, "So how is that working for you? Is it meeting all of your needs?"

On the other hand, if the business owner indicates that he does not have a formal leadership development program in place (which is more often the case than not), the follow-up question is, "What leadership skills do you see the greatest need for in your company?"

These conversations may lead to business for my friend, of course,. But whether they do are not, he has gathered valuable intelligence about what small business owners are wanting today in terms of leadership development. He is becoming more informed about his customers' likely felt needs.

Every business needs its own established strategy for staying abreast of what its customers want. Otherwise you can have a great product, a great service, and a talented workforce, but no revenue.

Consistently Exceed The Customer's Expectations

Early in the discussion of every possible engagement I put the same question to potential client. For the moment let's assume that we are talking about a six-month engagement. I ask, "Six months from now, when we have successfully completed this engagement, what will you be seeing, hearing, and experiencing that will let you know that we really nailed it?"

Notice what this question does. First, it uses presuppositional language that reinforces the idea that the engagement will be a success.

More importantly, it tells me upfront the criteria that the client will use to measure the degree of our success. Now, having these criteria before me, I know what it will take to meet and exceed them.

My goal for the end of the engagement is to have the client saying, "I got far more than I anticipated." I want good referrals and repeat business. And the secret of both is exceeding customer expectations every step of the way.

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