

HOW TO ACHIEVE THE ULTIMATE CUSTOMER-FOCUSED COMPANY

BY BILL HOGG

In May 2007, Ranjay Gulati (Michael Ludwig Nemmers Distinguished Professor of Strategy and Organizations at Northwestern University's Kellogg School of Management), wrote an article for the Harvard Business Review entitled "[Silo Busting: How to Execute on the Promise of Customer Focus](#)".

Gulati's main point is as true today as it was then -- that while many companies claim to be focused on their customers, they are unable to deliver on these promises within their current company culture. His basis for this argument is that companies continue to focus on their own needs versus the customer needs.

Gulati identified four values that companies must adopt in order to successfully be customer-focused. These are **coordination, cooperation, capability and connection**.

Coordination: Most companies are organized around a specific function, product or geographical location. However, customers don't think that way, and often the solutions they need do not fit within those boundaries. Gulati suggests that companies need to create processes or mechanisms that break these divisions - or silos - so that the customer gets the benefit of the entire company.

Cooperation: Here the focus is two-fold. Separate business units need to cooperate to support each other's activities to achieve measurable customer satisfaction, and employees who are closest to customers need the authority to make decisions that benefit the customer. This kind of cooperation ensures the customer always comes first.

Capability: According to Gulati, companies need more "generalists". These are described as employees who "have experience in several products or services and a deep knowledge of customer needs" as well as having the skill and flexibility to cross organizational boundaries. These people see the big picture and resultant are able to produce tailored solutions that meet customer needs.

Connection: Gulati's research supports aligning with suppliers and partners. The rationale is that it support better solutions for the customer as well as provide cost-cutting opportunities.

Gulati's four "C's" make sense, as they provide companies with a process map that focuses on the customer. Interesting to note, everything still focuses on the big 'C' -- the customer.

Bill's passion is improving business results by working with leadership teams to change employee behaviours. He does this by equipping leaders with the principles, processes and tools to cultivate and influence an engaged customer-focused culture that recognizes improved performance and productivity. For additional information please visit online at www.billhogg.ca or email bill@billhogg.ca

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