



Chapter 1: The Roadmap for Extraordinary Business Performance, Results Achievement, and Sustainable Success

Success Factor #1: Three Critical Questions That Cut to the Core of What's Important for Business Success

Ever wondered what the *real* secrets behind the success of high-growth organizations, market leaders, and iconic companies are? Of course you have – we all have. We all want to lead a company with a track record of remarkable business results and know what the formula is to do that. And while there are a lot of things those companies focus on, in the end a large part of their success can be stripped down to one essential: business leaders and employees continually answer three critical questions that cut to the core of what's important in business. Equally important, the entire organization is able to answer these questions consistently and with confidence each and every day.

These three questions are so powerful because they get to the true imperatives behind high performance, successful business results, and profitable business growth – no matter the business. And while you could ask a lot of other questions and focus on additional contributors to success, business leaders only have limited time and capacity, so they need to spend their energy on the things that will have the biggest impact on moving their company forward, producing the caliber of results they require. When you strip down all of the advice from business experts and gurus, you'll find that market-leading results come down to three bare essentials:

(1) Being able to clearly articulate a value proposition that is different and irresistible to a defined target customer.

(2) Clearly aligning everyone and everything in your organization behind this customer proposition, so that you can give your customers what they need, with a great experience every time they interact with you.

(3) Always having your finger on the pulse of your customer, the marketplace and your company's performance, so that you can continuously redefine and deliver a meaningful and compelling customer value proposition to your target customer.

You can evaluate your company's capability in relation to these essentials by asking and answering three simple questions: **(1) Why do our customers do business with us? (2) Why do our employees think our customers do business with us? (3) Are we sure?**

Does this sound too simple? Let's take a closer look.

Question 1: Why do our customers do business with us?

To be successful, you need to attract customers to your company and delight them so that they keep coming back. How do you attract customers? By meeting their needs and expectations better than anyone else in the marketplace. To be able to do that, you need to understand prospective customers, your competitors, and your business environment. This, in turn, allows you to identify unmet customer needs and the opportunity this generates, and create products and/or services (and ultimately a business) that capitalize on the opportunity. To truly answer Question 1, you must be able to clearly say who your customer is and describe how your company gives them what they want, how they want it, in a way that makes them feel the way they want to feel. It takes a little work to be able to come up with a viable answer to Question 1 but it's important. In fact, it's the most important question to answer in business.

Question 2: Why do our employees think our customers do business with us?

To be maximally successful the answers to Questions 1 and 2 should be the same. Why? Because if they aren't it's guaranteed that your employees are taking actions and making decisions based on what they *think* the answer to Question 1 is, not on what it actually is. The lack of consistency and alignment that this causes is frankly costing you money and customers. You have to take some very specific steps to ensure that everyone in your organization answers the question, "Why do our customers do business with us?" correctly, consistently and with confidence. The payoff includes consistent decision-making at all levels of your organization, greater synergies and improved operational efficiencies, and the ability to test and validate your customer value proposition and business model. Being able to

do this translates into significantly better customer and business results for your company.

Question 3: Are we sure?

The third question is designed to give you the confidence that your company is continually moving forward in the right direction when it comes to the three essentials for business success outlined on the previous page. To have this level of confidence, there's a lot you need to be sure of. You want to be certain you've identified the right customer and are giving them what they want, how they want it, in a way that makes them feel the way they want to feel. You also want to know, at any moment in time, what's going on in the marketplace, what's changed, what the new opportunities are and the impact, if any, this has had on your customers and company. As changes come, are you confident that you still know what your customer wants, how they want it, and what you need to do to make them feel the way they want to feel? And do you know what your company could be doing better right now?

You must also consider customer loyalty and evaluate whether you're truly achieving it. You must be sure that your employees know how to deliver your customer value proposition consistently, efficiently, and cost effectively, and that your business model is working with your customer value proposition, not against it. Finally, you absolutely must know whether you're growing – and, of course, whether you're making money.

These are just some of the elements you must be sure of if you're going to achieve your customer and business performance results, as well as profitable business growth. Your key levers for answering these questions are measurement and dialogue. The answers and information you discover allow you to learn, refine, and improve your response to Question 1, and rebuild alignment so that the answers to Questions 1 and 2 are always the same.

It's important to realize that answering the three critical business questions –“Why do our customers do business with us?” “Why do our employees think our customers do business with us?” and “Are we sure?”– is an ongoing and dynamic process. While the key to sustainable high performance and business success is being able to answer these three questions consistently and with confidence, the real secret to extraordinary business results performance and achievement is to keep asking, answering, learning from, and responding to these three simple questions for as long as you're in the business of serving customers.