



## Stanford eCorner

### Culture Archetypes: Customer-focused Culture

Andy Freire, *Axialent*

May 01, 2007

Video URL: <http://ecorner.stanford.edu/videos/1854/Culture-Archetypes-Customer-focused-Culture>

Andy Friere, Co-founder and CEO of Axialent, describes the customer-focused culture archetype, one of the five basic cultural archetypes into which organizations fall: 1) Achievement, 2) Innovation, 3) One-team, 4) People-first or 5) Customer-focused. Specifically, Friere suggests that customer-focused cultures value flexibility to service customer needs above other potential activities. Friere describes the behaviors, symbols and processes that build this type of culture as well as the actions that destroy it.



#### Transcript

Customer-centric. What does a customer-centric organization do? Well, at the level of behaviors, what you see basically is, senior management spends a lot of time with customers. So, really literally. I remember when we started with something, we had this angel investor who was sort of a nightmare. I mean literally, we had this assumption that he. He made a lot of money based on a lot of luck. I'm not going to give his name. He was lucky. He was really lucky. And he kept on coming to us and saying, "Are you going in the van to ship products?" We're like, "Yeah, yeah." "Are you just going in the van wearing the Officenet uniform and going to ship boxes to people who're ordering office supplies?" And delivery boys and vans were going to deliver.

"Are you actually going there?" "Well, yeah, sometimes." "How many days a week are you going?" And we were just lying to him. We never did it. We were not very client-focused. Seriously, we weren't really going and doing it, but that's really what a client-focused organization does. Effective listening is widespread. I'm really happy with Michael, when he said, "What's the unique thing? I know how to listen. I've learned how to listen to people." Well, learning is the key skill or the key behavior that great client-focused leaders express in the way they do things. Customers' issues are part of every meeting agenda. You go to see the agendas, and it's client issues, client topics. They talk about clients all the time.

They sit and say, "Well, this is a client situation. How do we address it? How can we do it better? How can we address their needs more effectively?" Which is different from saying, "How can we sell more to them? How are we going to renew the contract?" That's not client-focused. Client-focused is saying, "Let's talk about their needs," not, "How are we going to sell more?" Symbols: top investments go to client-related projects. Untrained staff are never put in front of a client. So never put untrained people, because basically, you're really focused on the client experience. People probably share success stories of exceeding customer expectations. When you do the story telling, you go and you say, "We have here Mike, who did this amazing job to go the extra mile to serve a client." And that's what people see, and they say, "Oh, that's really what they value. That's what the leaders value. So if I want to grow in this organization, that's what I really need to do." And systems, well, really customer feedback is integrated into everyone's compensation. And you're really focused on serving the client.

You build flexible structures so you can address clients' needs. Now, this is what you see at the surface level. What needs to happen at the mental level, what you need to think or really believe in in order for this to happen? What you need to believe in is those closest to the customers know more about their needs than senior leaders. Now, clients are always right: beautiful phrase. Do you really believe it? Do you really have that sort of mindset in everything you do, or not? And the values that you

need to have is: are you really a humble organization? Are you really a learning organization? Do you respect other perspectives? Is relationship based on trust and mutual respect and reliability, what you really believe in? Believe it or not, I'm not talking about.. Well, some organizations, most of the Fortune 50 companies, when they see these things, they say, "You know what, we're not really humble. We're about building this pharmaceutical company." They are like, fantastic R&D amazing, \$80 billion market, and they say, "We're not humble enough to really focus on what the client really needs." And the deal breakers: what's a deal breaker? Deal breaker is, if you have this, don't even try becoming client-focused, because it's not going to happen. Arrogance, the I know what is good for you attitude, and reject feedback. You don't listen to each other, you don't have open dialogues, people talk to each other without listening to what the other person is saying. Have you seen those typical meetings where someone starts talking, and you see the other people thinking what they're going to say next rather than listening to what someone is saying? Well, that is the pattern that would let you know that this is not for you.

Don't try it at home. If you see that happening, and you're in the next meeting, and you say, "Oh my god, no one is listening to no one. This is just people talking." Well, don't even try it.