

5 Decision-Making Styles of Customer-Focused CEOs

Jeanne Bliss | Mar 4, 2016

Since CEOs are often the major decision-maker within an organization, it's important to understand the decision-making styles of customer-focused CEOs. Because the C-Suite as a whole tends to make dozens (if not hundreds) of decisions in a given week, understanding of the decision-making styles of leaders with a successful customer focus is key to growing your own business.

#1 Decision-Making Style: They Decide with Clarity of Purpose

This behavior is a hallmark of CEOs obsessed with building customer-driven growth. I've written entire sections of books about this throughout my career. Clarity of purpose refers to several concepts and can be identified in different ways by different people, but here's what I mean:

- As a leader, you're clear that your higher purpose is supporting the lives of your customers
- How you guide the company and direct people's actions comes from that first bullet
- How work is prioritized and understood comes from this clarity about the singular purpose, which is improving the lives of customers

Think about it in these terms: if you asked 10 random people throughout your company why your company exists to help customers, how many different answers might you get? If you get one essential answer, that's true clarity of purpose that leaders embrace and guide the company from. Now consider a situation where you get 10 different responses. Try to imagine what your company and brand is likely delivering to customers. That's why clarity of purpose matters. Especially in a world of social media, clarity for what you will and will not be to customers as a company must be united, and rigorously reinforced.

#2 Decision-Making Style: They Guide Company Behavior with Decisiveness

This is important in any leader, but especially in a customer-focused CEO.

Oftentimes, C-Suite is approached, with well intentions, to react and approve what I like to call "one-off" requests. These are presented by a *specific silo to achieve an objective, or to swat away an urgent issue that has come up.*

A great customer-driven leader will *press for solutions that solve for the customer experience.* They will ask for a solution that goes beyond the individual silo proposal to understand the implications to the customer.

Research from MIT and the London School of Business recently showed that only 1/3 of senior executives typically understand a CEO's top three priorities for the organization.

Taken at face value, that means 2 of any 3 ideas presented to the C-Suite might not accurately reflect organizational priority. As a result, being decisive is crucial to stay focused on the end experience for the customer.

#3 Decision-Making Style: They Unite the Organization

The idea of 'uniting the organization' is about consensus. It is about everyone singing from the same song book.

A CEO who wants to grow their business through customer-driven growth takes the time to unite the C-Suite on how they will — and will not — grow. They all discuss topics such as:

- What are the conditions for growth?
- What will they and will not they do to customers and employees to make a sale, beat the competition, or make the quarter?

Without C-Suite alignment, each leader translates actions based on silo metrics and goals. This may result in actions in the marketplace that actually work *against* customer experience and long-term growth.

With C-Suite alignment, the organization sees how leaders uniformly steer the decisions and the behavior of the organization.

But this does not happen accidentally. The best CEOs take the time to do this work.

#4 Decision-Making Style: They Focus the Organization On Delivering Value

This takes two forms.

First, a customer-focused CEO needs to understand the value of his/her product or service back to the consumer — and that's less about the features of said product, and more about the value the product brings to the life of the customer.

Second, a customer-focused CEO needs to understand the value of their *employees*, often considered 'internal customers.' Without understanding, appreciating, and learning from the value of people who work for you, your decision-making will suffer.

MGM Resorts spent decades focused on 'the whale' customer — the person who flies to Vegas and spends tens of thousands of dollars in one weekend, if not one night. Only recently did MGM begin conceptualizing a 'whale employee,' or a high-performer who really helped with customers and growth. MGM now has strategies focused on their best *employees*, as opposed to only their best *customers*

Many CEOs, even the best customer-focused ones, will make this mistake. You need to see the value in your employees as well, and lead with an eye towards that.

#5 Decision-Making Style: "Salmon" Leadership – Being Unafraid of Swimming Against the Current

You all probably know the famous Henry Ford quote about customers: "*If I had asked people what they wanted, they would have said faster horses.*"

Trying to be a customer-focused leader can be hard. (If it was easy, everyone would wake up tomorrow and do it.) Markets are unpredictable. Customer needs and wants don't always make sense. It requires some big choices and some leaps of faith.

Customer leaders need the guts of a salmon. Think about it. The salmon goes head-first against the current. It pushes on to its destination, unscathed by resistant forces.

The salmon leader turns the company from facing itself to facing its customers. Salmon leaders use business meetings to guide and challenge people to understand how what they're doing affects the customer. Salmon leaders constantly ask if the tactics being served up are connected across the organization. Salmon leaders are not afraid to trade short-term profits for long-term gains with customers. They know how to explain the commitment to the board and the company so that they can transfer this clarity to everyone else.

In order to lead in such a way, you can't — *cannot*:

- Lead from a place of fear
- Worry about perceptions of incompetence

This is hard for many leaders, because numerous studies have shown that CEOs' biggest fears tend to revolve around perceptions of incompetence.

When you make decisions from a place of fear or concerns about incompetence, you make safe decisions that you understand. That's usually not best for an evolving customer.

The Broad Takeaway On Decision-Making Styles

Work at the C-Suite level is about decision-making styles and priority management.

Those aspects of your leadership need to be rooted in clarity, lack of fear, decisiveness, an ability to gain consensus to a point, and no worries about being perceived as incompetent. If you can lead from a place where the customer's benefit is your chief goal — and all decision-making and priority alignment flows from that — you will be successful as a customer-focused CEO.