



The Tired Company Syndrome

by JOHN GRAHAM

There's plenty of available advice on what it takes to be a great company and there's no end of articles and books on how to manage a business enterprise. Every business school professor produces them, along with an endless stream of consultants.

On top of all that, there are countless trade publications and newsletters offering information on how to blow by the competition, beat the odds, and outdistance everyone.

Yet, with all the available advice, why do so many companies fail to change course and continue down the same road? Why do they avoid taking advantage of the possibilities? Why do their executives say "We're different. That won't work for us," even though there's clearly trouble ahead? Why do they dismiss solid advice when they're ready to hit the wall? They're determined to stay on track no matter what.

When observed carefully, companies seem to fit a

particular pattern. We call it the "tired company syndrome." You can walk in the door and quickly feel the fatigue. They look tired, they act tired. Their employees move as if they're tired. There's neither urgency nor excitement.

How long does it take to get tired? Just as some people are old beyond their years, companies can be tired after two years or 50. It appears that some companies actually go into business tired.

What does a tired company look like? How does it act? What are its characteristics? Here are several of the more obvious images.

- A dated look and feel — When you talk to their people, look over their marketing materials, and listen to their salespeople. You get the impression that the company is out of sync with the times. Everything about the firm says yesterday.

You may not know anything about the company, but everything about it exudes "yesterday." The colors, physical appearance, the logo and the marketing materials convey a tired message. You know you're not going to find new ideas here.

Generally, the tired business is laid back. It's business as usual and there's no sense of urgency.

- A rigid self-image — Polaroid may be the epitome of a tired company. Once an innovation leader, it became the victim of the picture it had of itself the day the instant camera hit the streets. Changes in technology were assiduously avoided. Everyone bowed before the altar of the "pod," the instant photo development process. Even when the company was the first to come out with a digital camera, the work faltered because it went against the pod system.

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To put it simply, Polaroid was tired before its time. They aren't alone.

- A failure to challenge themselves — Some marketing consultants were asking a company president questions as he took them on a tour of his manufacturing plant. After just a few minutes, the picture became clear. The dwindling sales problem wasn't inside the company. It was outside: the economy, a declining marketing, and cutthroat competition.

At that moment, the consultants came to the conclusion that the "we-know-what-we're-doing" management approach was doing something far worse than simply sapping the life out of the company. There was a disconnect with reality. Such thinking severed the company from itself, its customers, and opportunities for exploring new markets.

- Always opt for the sure thing — It appears that they are actually anti-entrepreneurial, even though they talk a good entrepreneurial line. But that's it. Just talk. They avoid risk, always opting for "the sure thing," even though it only serves to make them look just like every other business in their industry.

Offer guarantees? "Someone might take advantage of us." Guaranteed installation date? "Something might go wrong." Free delivery? "That would be too costly."

While they like to think of themselves as leaders in their industry, they always wait for a competitor to break new ground. By the time they're ready to make the move, it's too late.

- A propensity for the past — It's not just a preference for the past. It's far more than that. It's almost as if the days of glory have faded. The lobby walls and those in the boardroom are covered with "history," fading customer thank you letters from a time long ago, recognition bestowed before most current employees were born. And of course, awards — sometimes from companies no longer in business.

The tired company looks back rather than forward.

- A zero tolerance for new ideas — While the demise of Compaq was complex, one fact stands out: it must have seen itself as a computer hardware com-

pany. Why? Because that's how it behaved. It went down making more computers than anyone else.

Why has Dell thrived in an even more competitive market? By all indications it doesn't see itself in the computer hardware business. It's even taken "computer" out of its name. It's just Dell — and it's in the customer satisfaction business. Years ago, anyone buying computers said, "You can't get fired for buying IBM." Today, the choice is Dell, not because they make cutting edge products, but because "You can't make a mistake buying Dell." That's branding that can't be beat.

Tired companies fail to recognize that it's ideas that make the difference.

- Always behind the technological curve — Walk through the door of some companies and take a quick look around; you know that they're out of sync and uncomfortable with technology.

For example, in some offices it appears that computer terminals have been dropped into a 1970s scene. The office set-up hasn't changed for decades. Instead of electric typewriters, there are now keyboards and monitors. That's it. The mindset of how a business operates stopped sometime in the rather distant past.

In other words, technology is accepted but not embraced. Questions related to efficiency, productivity improvements, and finding new ways to engage customers and attract new business are never asked.

- Drowning in self-absorption — These businesses look in only one direction; not forward, to be sure, and interestingly enough, not even backward. They only look in one direction: inward.

Perhaps the primary characteristic of the tired company is a preoccupation with themselves. How can you spot self-absorption? Easy. Tired companies don't distinguish features and benefits. In fact, they see features as benefits. They tell you what they have and what they do, failing to recognize that they are the only ones who care. This is who we are and what we do.

- Everything is dull, dull, dull — They look dull.

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The lighting is dull. The people look and act dull. The best way to describe them is to say they plod. Everything about these companies is dull. The only thing that's brisk is the outside temperature.

Everything is about routines — keeping to them and never changing. No one strays outside their well-defined, carefully crafted and comfortable mental and task boxes. Why is this an accurate picture? You hear the same magic words over and over: "That's not my responsibility," "It wasn't my fault," or "The boss said...."

Whether the employees are young or old, they all seem to be cut from the same dull cloth.

It's not only dull, it's depressing, as well.

- Decision-making is painful — Every salesperson learns that success depends on identifying the "decision-maker." That's only the tip of the sales iceberg, however. Far more important is learning a customer's decision-making appetite. A business can have a good appetite for making a buying decision, doing it quickly and efficiently. Others have no appetite at all. Getting a decision is next to impossible.

Even though companies may seem to have sales potential, they may be paralyzed with inaction by "decision-free zones." If a decision is left on the desk long enough, it will either fall off and be forgotten or circumstances will force a yes or no. That's their decision-making process. Granted, there are some key decisions that require thoughts and review. All this takes time. But for too many businesses, the decision to do almost anything is put off until it can no longer be avoided. Even then, it's often a battle to make it happen.

The lack of urgency in decision-making tells more about the company as a whole than anything. While they may never make a mistake, they never do anything. It's a sure sign of a tired company.

- Shrouded in a pervasive paranoia — It isn't just

individuals who display symptoms of paranoia. Tired companies often show similar symptoms. They tend to be fearful that someone may take advantage of them.

Toll-free telephone numbers are a good example. They refuse to use them or want to restrict them so severely they are useless. Why? Someone who would ordinarily use a regular phone number might switch to the toll-free one, thus shifting the cost of the call. This is often thought of as an abuse. Frankly, that's entirely possible. But someone might buy something, too. And someone might see it as "customer friendly."

For a tired company, everything is a threat, so everything is played close to the vest, lest someone take unnecessary advantage of them. The irony is that an inability to give may also be reflected in failing to give to their customers.

There they are, the most common telltale signs of a tired company. Even the presence of one or two can render a company dysfunctional, as in the case of Polaroid and Compaq.

It is helpful to go through the list of tired qualities. Unless we are confronted with reality, we can't change. Neither can companies. □

ABOUT THE AUTHOR:

John R. Graham is president of Graham Communications, a marketing services and sales consulting firm. Graham is the author of Break the Rules Selling (Superior Books), The New Magnet Marketing (Chandler House Press) and 203 Ways to be Supremely Successful in the New World of Selling (Macmillan Spectrum). He writes for a variety of publications and speaks on business, marketing and sales topics for company and association meetings. Graham is the recipient of an APEX Grand Award for writing. He may be contacted at 40 Oval Road, Quincy, MA 02170; phone: (617) 328-0069; fax: (617) 471-1504; e-mail: j_graham@grahamcomm.com; web site: www.grahamcomm.com.



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One Spectrum Pointe, Suite 150, Lake Forest, CA 92630-2283 • Phone: (949) 859-4040 • Toll-free: (877) 626-2776 • Fax: (949) 855-2973
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