

Adding Value to a Business Relationship

Did you know that buffet style restaurants typically don't have a very profitable business? This is because consumers will actually eat almost 3 times the normal amount at this type of restaurant. The reason for this is simple; people are trying to get the most value for their dollar.

But value is in the eye of the beholder, and is only partially due to the amount spent. This is because value has as much to do with our sense of personal satisfaction we get from earning the money we are spending as it does with getting the largest amount of tangible goods.

In a buffet style restaurant, the value we get is purely in the amount of food we can shovel onto a plate, as many times as we can manage and eat ourselves into gluttony. In a typical restaurant, we get as much value from the food as we do from the serving staff. We demonstrate this by offering gratuities to the staff to show our appreciation for good service.

In business, we measure value by the quality of our product, our employees, our corporate image and our ability to win. Our perception is that the ability to win is about having the most money and controlling the most resources.

Having the most leads us to manipulate and maneuver clients and sales around our own perception of clout. It is a contentious environment where *MY* ability to win at the expense of all else is key. Contracts are routinely written and negotiated based on this idea of clout.

I recall a major technical company that prepared two set of billing sheets for their clients. One which detailed the actual costs over the last period and the other to show the client how much money they had 'saved' by contracting their company. Of course, this second set of numbers was grossly exaggerated.

The attempt was to show value the client was receiving for their investment; however it actually had the opposite effect. It simply left the client feeling disempowered and cheated.

To add value in a business relationship we need to examine two factors which influence the perception of value: Product Quality and Employee Quality. We also know that loyalty to a particular vendor based on these two factors plays a large part of the RFP selection process.

There is a balance between Product Quality and Employee Quality. It can be said that quality employees generate quality products. The problem is that not enough attention is paid to the development of quality employees. Many companies have great employees who are stifled by lack of autonomy, recognition, and corporate energy.

If product quality is dependant on employee quality, then it stands to reason that we add value to our business relationships most effectively through our employees on a daily basis through every interaction and determination of 'adding value' is dependant on the client and the unique situation. Therefore, if we foster loyalty and quality among employees, we ultimately add value to our clients.

If we think back to our experiences in restaurants, we know that our loyalty is retained when complaints are handled with respect and dignity; that it is also retained when great food and service go hand in hand; and that it is lost when great food is served by rude wait staff.

We have the tools to help advance all of our employees to greatness through training, recognition and building an internal infrastructure that fosters and encourages personal ownership, responsibility, job satisfaction, personal effectiveness and empowerment.

How do we translate quality employees into quality products? Simple: LISTEN! Listen to our employees and our clients. Go in and listen to what they are trying to accomplish... not just on this project, but overall. Ask the question, where do you see yourself in 5 years? Then sit back, listen and take notes before offering any advice. Encourage both to take the steps necessary to reach their goals. After all, the role of IT/IS is to *support* business function and goals for the future success of the company.

