

Greetings and Joy to you all,

I hope this newsletter finds you well and enjoying this season by giving to one another! In fact, I'm so into "giving" that I thought I'd pass on a tidbit of one man's thoughts on how joy through giving can actually help your bottom line!

Now, don't be confused. I believe in giving for its own sake - so let's be straight on that right now. It's just that I was/am in a discussion about nature's forms of economies vs. human economies and whether there is anything for us to learn about economics from nature. In the midst of that discussion, the following article from "Forbes" magazine came into play. Steve Denning wrote the following of what Harvard Business Professor Clayton Christensen had to say at the recent Gartner Symposium ITExpo 2011: [Note - IRR is Internal Rate of Return. RONA is Return on Net Assets.]

"...The way to continuous innovation and sustainable economic growth

Although the use of the tools could be improved, the IRR and RO(N)A do tend to imply a static external environment, at a time when the external environment is highly dynamic. Businesses that exist today may be gone tomorrow. To survive in this world, a different kind of mindset is needed.

In this new world, the bottom of line of business isn't profits but rather customer delight, i.e. the provision of a continuous stream of additional value to customers and delivering it sooner. As a result of epochal shift of power in the marketplace from seller to buyer, [the customer is now in charge](#). We now live in the age of customer capitalism. Making money and corporate survival now depend not merely on pushing products at customers but rather on delighting them so that they want to keep on buying. To prosper, firms must have knowledge(able) workers who are continuously innovating and delivering a steady supply of new value to customers and delivering it sooner.

Focusing everyone in the organization on delivering additional value to customers is what gives a firm resilience. As a result, as Ranjay Gulati explains in his book, [Reorganize for Resilience](#) (HBP, 2010), the firm's goal has to become one of serving customers: i.e. a shift from inside-out perspective ("You take what we make") to an outside-in perspective ("We seek to understand your problems and will surprise you by solving them"). The purpose of a firm is to serve its clients and its bottom line become: are the customers delighted?..."

It's not just Harvard B.P.'s who espouse giving to get. Companies like Interface, Google, Bridgestone and Zappo's have been benefitting from giving - to customers and some to (gasp!) employees for years - and have become leaders while doing so.

So, I hope and expect you all have been giving over the years because it's a good and right thing to do. It's just that now, business leaders in-the-know realize . . . it's the profitable thing to do as well.

Joy, Peace and a Giving Holiday to All,

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Give good people good information and they'll do good things.

(If you've just received this single newsletter, it may be because I thought you'd be interested in this particular subject. You may or may not get others. If you want on my list regularly, e-mail me. If you want off my list, e-mail me. Thanks!)