

J.D. Power's 10 Things I've Learned in Business

By James "David" Power III

After fifty years working with a range of companies—as well as founding and running my own company, J.D. Power and Associates—I have observed a good deal, and come away with a few thoughts about how to have the best shot at success in business.

The businesses I've seen grow, adapt, and thrive are the ones that keep a focus on satisfying customers by listening to them, anticipate their needs and desires, and maintain their organizations' prioritizing of these principles.

Whether I'm speaking with business school students or seasoned executives, I find that my advice incorporates ten basic lessons I've learned throughout my career.

1. Listen—to your customers, your employees, and your stakeholders.

I have witnessed too many car manufacturers move further away from achieving satisfied customers by refusing to listen to them. One example that sticks in my mind is that of Peugeot back in the 1980s. They were trying to broaden their appeal and expand their share of the American car market, but they were unwilling to listen to customer complaints about difficulties starting their advanced fuel-injected cars. Peugeot was an early adopter of fuel injection, and American customers were "flooding" the engine by pumping the gas, something that was necessary in conventional engines at that time. Customers saw this as a quality issue, but rather than hearing this as a problem, they held fast, confident that fuel injection was superior from an engineering standpoint. No doubt they were right, but by not listening and adapting to their customers they lost them, and by the early 1990s they had to abandon the American market.

2. Remember who the client is. In a B2B world it is the organization or business you serve, not just the guy or gal sitting across from you.

This is important from two perspectives. It is critical that you not serve the desires of the representative assigned to work with you to the disservice of the organization. On the flipside, you must feel empowered to not let that person become an obstacle to the organization receiving the information necessary to take full advantage of your services. I frequently encountered a situation where the person assigned to work with us put up roadblocks to information reaching further up the chain of command because it undermined his own position within the organization. I worked around this by sending letters directly to top leaders or using the press to get out the critical information, knowing that it was only when our message could not be ignored that true change for the organization could occur.

3. Empower your employee to be curious, to do the right thing for the business, to speak up. You need the right kind of leadership and a strong culture to make it work but there is nothing more valuable.

At J.D. Power, if an employee came up with an idea, they owned it. This engendered tremendous initiative and loyalty, and may have been one of the greatest keys to J.D. Power's lasting success.

4. Relationships matter, but they need to be built on a bedrock of respect and trust, not just friendships.

I never approached business relationships as requiring glad-handing or wining and dining. In the beginning, I simply couldn't afford it, but as J.D. Power's success widened, I found that true relationships with executives came from providing them with the clear, actionable information they needed to do their jobs, not time on the golf course.

5. Have empathy, be kind.

Of course this applies to all of the individuals in your own organization who come together to provide the support you need to run your business—from your CFO to the cleaning crew. It's a Golden Rule in my book. I found that it inspires employees to show that you care about them enough to acknowledge them, and ask about their families. Another example is with regard to my clients. Sometimes you don't agree with what they are doing, or you know that they are in an unwinnable the position. I felt a compassion for them and always tried to make sure that our information was there to help them.

6. Be willing to look at situations from unusual directions to seek the “truth.”

Don't be afraid to take a counter-intuitive position in order to generate better ideas. The Jesuit education I received at the College of the Holy Cross provided a basis in questioning the status quo, a trait that has served me well.

7. Accept change.

I really believe that you need to anticipate changes, be flexible, and move with the trends. We are in the Information Age today. The rise of the Internet and its impact on retailing is the most recent example of the ways companies must adapt in order to survive, but there has never been a time when change was not actively underway.

8. Stay true to your values.

Part of your brand is what you are—and, at the core, what you are is made up of your values. Whether you are an individual or an organization, you must keep your compass aligned to the virtues that guide you. At our company, I really felt that we kept the organization focused on the “Three I’s”: Independence, Impact, and Integrity.

9. Find information and inspiration in the work of others.

I have long been a student of the writings of Walter Wriston, Peter Drucker, W. Edwards Deming, and Alvin Toffler. Their observations are still compelling today, as are myriad others who can offer insight and perspective that will be invaluable to your pursuits.

10. Don't “torture the data till it confesses.”

Don't be blind to all but the good news you may want to hear. Consciously or unconsciously interpreting information that comes across your desk in a way that supports past decisions rather than illuminates needed improvements is short-sighted and won't bring you closer to the satisfied customers who will ultimately dictate your success.

These ten principles guided me through a successful and satisfying career. The individuals I dealt with who shared a similar view of business invariably had the respect of clients and colleagues, and the markers of success were realized for them as well.

Dave Power is the founder of J.D. Power and Associates. Stories from fifty years in the auto industry are shared in the new book, *Power: How J.D. Power III Became the Auto Industry's Adviser, Confessor, and Eyewitness to History*. For more information, visit www.davepowerbook.com.