

CHAPTER 1

ACRES OF DIAMONDS

WHEN SIMON ASSOCIATES Management Consultants were introduced to TELERx Marketing Inc. (“TELERx”) in 2008, Linda Schellenger had just become the president of that subsidiary of Merck & Co., Inc., Kenilworth, New Jersey, USA. The company was a leading contact center outsourcer specializing in customer care for the consumer package goods and health-care industries. It had experienced a period of limited growth and had lost three requests for proposals.

Schellenger and her management team were perplexed by changes transforming the customer care industry and how to best tackle them to regain their leadership position. She was looking for a fresh approach to take TELERx to the next stage in its business. With revenues at about ninety million dollars, there seemed to be a broad scope of opportunities, albeit with an abundance of competitors. What could they do to energize clients, add innovative services, and generate new revenue streams?

Founded in 1980, TELERx had begun with innovative marketing techniques that harnessed the cost-effectiveness of telephones to deliver critical communications to clients’ customers: doctors, nurses, and pharmacists. Over the next fifteen years it had expanded into the compliance arena and then was able to leverage its experience and expertise to other industries.

In 1994, TELERx became a wholly owned, independent subsidiary of Merck & Co., Inc., Kenilworth, New Jersey, USA.

To probe what had stalled the company's growth, we began by spending time with their call center staff, listening to calls coming into TELERx and learning about what issues they weren't able to resolve for the inbound callers. As we listened, we began to wonder about the caller profiles. Were they older or younger? Were they calling with common problems or unique ones?

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Much of what jumped out at us was unexpected: Most of the callers were over the age of fifty. They used to write inquiry letters but had switched to the telephone. Younger people, however, didn't use the telephone to obtain information. Gen Y and even many Gen Xers were relying on text messaging and online solutions. Younger people were turning to corporate websites, online forums, or texts to friends and family to find answers. Clients hadn't paid much attention to this demographic shift.

We could see that emerging trends were going to impact the customer care experience: Blogging and Facebook were opening up strong new avenues to engage with customers. The question was: Should TELERx be driving its clients' business or waiting for the clients to ask for these solutions? Could it shift the clients' focus and offer service options that could build engagement and reduce problems or simplify solutions?

We worked with the team on broader strategy, beginning with a two-day retreat. The goal was to help them see what the

company was investing in and how that investment compared with the competition in the industry.

What the team saw was a commoditized industry where price was becoming the key driver of choice. Since TELERx was a higher-priced service provider that believed in a comparable higher quality for its US-based telephone centers, it was going to be hard to demonstrate better value to prospective clients who were being driven to lower-cost solutions abroad. And for those who felt it was easier to control the costs and the quality of in-house call centers, the value of an outsourced solution was going to be a challenge.

The team could see how the business was being challenged, but it still was not sure where to go to differentiate it, refocus it, or grow it.

So the next step was to send them out exploring to better understand how people were thinking about customer care. They concentrated on four areas:

- Some called on prospective clients who had not outsourced their customer care services to TELERx. The idea was to let the prospects talk about what they were doing, find out where their problems or unmet needs might be, and listen to the stories they were telling about how their current solutions were working—or weren't.
- Others went to major companies that had a relationship with Merck—customers, noncustomers, and pharmaceutical companies.
- Still others attended conferences and spent time at colleges to see what younger people were actually doing to solve their customer care challenges.

- Finally, some team members talked to current clients to see what they were doing, what they needed, and what they might be missing.

What did *the team* learn?

First, the companies that had not selected TELERx to manage their customer care services had, by and large, kept their customer care solutions inside. These firms had decided to continue to provide an 800 number for their internal call center solutions. It wasn't a matter of selecting one outsourced solution over another. It was about how they thought they should best offer customer care to their customers—from inside or outside.

What could TELERx offer companies *who* wanted to keep their solutions inside?

TELERx was an expert in telephone customer care centers but was not selling that expertise as something another company could leverage or learn from. And its excellent technology and system support could possibly become revenue streams for companies that didn't want to outsource customer care but did need expertise and systems experience.

Second, the team found out that major companies were consolidating customer care centers after acquisitions or were beginning to look at customer care in a broader context—online solutions, for example. Others were rethinking customer care solutions as revenue opportunities instead of expenses.

Could TELERx help lead those transformations? What value could it offer in innovative ways?

Third, the research among younger generations who had grown up digital offered some really big ideas. What mix of channels were people using? A typical website even in 2008 had an 800 number along with chat capabilities, frequently asked questions, a link to social media, such as a Facebook page, and a forum.

People were also going to sites to find out about drugs, how to take and use them properly, their contraindications, and so forth.

How could TELERx offer the expertise to help people manage their care and help drug companies ensure better compliance and safe use?

Finally, current clients presented the most perplexing questions. One team member pointed out that TELERx was collecting data that their clients were not currently accessing. Could TELERx turn that data into information and insights that it could sell back to the clients? Could TELERx become a source of expertise by finding trends and helping their clients respond to them?

In response to these findings, the TELERx team began to expand their vision beyond telephone call center solutions, as they realized the scope of potential revenue and growth opportunities. The solutions were there waiting for them, but the big ideas had come from the process of exploration, from listening to their prospects and clients talk about their needs—both met and unmet—and from sharing the information in a systematic manner.

In addition, it was a time of team building where everyone from the telephone operators to the senior leadership could see how their insights could help frame the strategic direction of the company. Realizing that those calling into the center were older adults was an aha! moment that led us to look at how younger people behaved. And seeing what they were doing led us to think about what TELERx could do for its customers today.

Why Are We So Blind?

Why was it that Schellenger and her team couldn't see the opportunities by themselves? For that matter, why do most of us miss what's right in front of us? The answer can be summed up in a famous lecture given by Russell Herman Conwell, an American

Baptist minister best remembered as the founder and first president of Temple University in Philadelphia in the 1880s. Conwell's stirring lecture, called "Acres of Diamonds," begins with an ancient Persian tale of a wealthy but dissatisfied farmer who sells his farm and travels the world in search of a diamond mine. The farmer's search is fruitless, and he dies many years later in poverty. Meanwhile, the man who buys the farmer's land finds a shiny black rock in the stream that runs through the property. The rock is a diamond, and, as the new owner discovers, the farm is littered with the gems. The once-disparaged property becomes one of the most lucrative diamond mines in the world and its jewels decorate the crowns of monarchs.

The moral of the story? If the Persian farmer had bothered to explore his own holdings, he would have found acres of diamonds—instead of wretchedness, poverty, and death.

Conwell goes on to give several other examples of men who can't see the riches that are in front of their noses. Through his stories of wealth-seekers and their failures, Conwell hammers home his point: For virtually any business, the opportunities you are looking for are very possibly right in your own backyard. "I care not what your profession or occupation in life may be," said Conwell. "I care not whether you are a lawyer, a doctor, a housekeeper, teacher, or whatever else, the principle is precisely the same. We must know what the world needs first and then invest ourselves to supply that need, and success is almost certain."

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In my own work as a corporate anthropologist, it never ceases to amaze me how many business leaders fail to recognize that they're sitting on acres of diamonds of unmet needs or obvious future opportunities. It's not that these executives are bad managers or inept. It's just that they can't seem to see what is right in front of them.

So where are these gems? Maybe they're buried in customers' emails asking for services they're not sure the company provides. Or they're unnoticed at a business's call center where operators tell inquirers, "No, we don't make that." Often great ideas come from employees who see better ways to do things but can't seem to find a champion who will give their ideas a chance. Why is that? The company's collective brain and its culture are getting in the way.

The Problem Lies in the Brain

The first question is: Why don't we see something? The answer is the brain simply puts up obstacles.

Two of my favorite quotes capture the challenge neatly: Marcel Proust said, "The only real voyage of discovery consists not in seeing new landscapes, but in having new eyes, in seeing the universe with the eyes of another, of hundreds of others, in seeing the hundreds of universes that each of them sees."

Similarly, Anaïs Nin wrote in *Seduction of the Minotaur* that the problem is that "we don't see the world as it is; we see the world as we are."

They got it: It is all about our brain.

Now that the neurosciences are finally able to look at how the brain works by using functional MRIs, what we are learning confirms some of our earlier assumptions and contradicts or turns others upside down. We now know that we are born

with a brain full of potential. Then, as we grow up, we form perceptual mind maps and stories in our brain that help craft our reality. Once those stories and mind maps are in place, we tend to see the world through that lens, no matter what new information comes in. We sort what is going on around us—including those business opportunities and unmet needs—and only recognize those that fit our perceptions and stories.

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Our limited vision and perceptual bias have everything to do with why we see such a constrained reality. As humans we happily hate to change. We simply cannot see the unfamiliar, because our brains are always trying to fit what we see and hear into what *we think* should be there. Not only that—the brain actually creates a chemical reaction when it is learning something new. It normally uses a whopping twenty-five percent of the body's energy; when we're trying to learn something new, it has to work extra hard, expending even more energy.

Haven't you experienced this? When tackling a new computer program, say, or learning a foreign language, or producing a new product, you have to concentrate really hard until the unfamiliar becomes a well-established habit. Until then, your brain literally creates chemical pain that says, "Please stop all that new work. It hurts." Hence, rather than enjoying the challenges that come with the unknown or the untried, we fight

change. To be sure, our brains are elastic and can, in fact, change and adapt, but it's not a smooth, easy, or comfortable process. It takes a lot of work.

Returning to business examples, when companies stall, the people running them have to work really hard to alter old thought and action patterns in their quest for renewed success. The question is: How do they (or you) overcome that resistance to see, feel, and think in new ways so that their acres of diamonds are not disregarded or destroyed?

As anthropologists, we suggest you give your brain a hand. Your brain is going to fight you. So you need a willingness to embrace change, to listen with different ears, and to see with new eyes—*even if it's painful*. Often that means a taking a good look at a company's culture.

It Is All About Culture

Ever since the time of cavemen, people have formed cultures, which are a shared set of core values, beliefs, and behaviors. It's part of what makes us human. Companies have cultures too, whether they know it or not, because companies are made up of people. A company's culture is an amalgam of its core values, beliefs, and behaviors that pertain to the business and the way it is conducted. Employees live out that culture every day. People join or remain in companies where they feel most comfortable, and they eventually develop habits that make their work go as smoothly as possible.

Anthropologists and others working in corporate settings realized quite early that cultures can help a company match the challenges of a competitive environment or cause a mismatch that threatens a company's viability. These cultures don't just happen. They have to be intentional, designed with an

understanding of how those values, beliefs, and behaviors—along with the symbols and rituals that support them—fit specific business challenges.

Yet, of course, times change. The demographics of employees change, too. Employees grow up and become comfortable in their roles and the way things are. When corporate cultures have to evolve, communicating that fact to those who work in the business can be a challenge.

Seeing with fresh eyes, assessing reality, and changing a company's culture can be difficult, I admit. But it's not impossible, as you'll see in the case studies that make up Chapters 3–9 of this book. And in a fast-changing business climate, it's often a necessity.

What makes the process possible is applying the concepts, methods, and tools of anthropology. And after many years of working with corporate decision-makers, I have learned how to help them do just that. Once these company leaders see what's really going on, they are then able to rethink how they can successfully respond to the challenges of their business environment.

The point is that you, too, can follow their lead. Let me introduce you to the anthropologist's tool kit.