

Why BUSINESS FADS Continue to COME AND GO



By Leanne Hoagland-Smith, M.S.

Remember when there was a business fad under the guise of a best practice called management by objective (MBO)? No matter where you turned, another book, article, or company was touting or embracing this new management technique. It was designed to turn around underperforming organizations to propel profitable firms into much bigger piles of cash. During this same time frame, total quality management surfaced as well. From this business fad, other sub-fads emerged such as lean management.

For the last 30 plus years, I have seen business fads come and go. Right now, the latest fads in business and sales are “agile leadership” and “social selling.” Please tell me when leadership was not agile or flexible or when selling was not social? When did human beings stop buying from other

human beings and start buying from robots? Yes, I know some inside sales people and customer service people sound like robots, but at this point in time, they are still human beings who have been trained to be robotic.

In 2002, two authors examined business fads in the *Harvard Business Review*. Even in their analysis, they failed to understand the underlying reason for fads whether those fads occurred in business or in life.

The reason is that people want a quick fix to their problems. The quick fix, in many instances, leads to instantaneous self-gratification and self-validation. For example, ever hear a sales manager or executive suddenly exclaiming, “Sales jumped 10 percent!” or “Execution of strategic initiatives has increased by 37 percent because of our now agile leadership!” after embracing a latest selling technique?

Sure, you probably have. More likely than not, this latest initiative was dreamt up by some consulting firm who sold it to some needy executive searching for a quick fix or an easy way out. After all, ideas sell, and new ideas sell better, faster, and for a lot more money.

One can almost hear carnival vendors on a midway hawking their special shows or games. “Do this” or “do that” and “win this” or “win that” just for a simple nickel or quarter. Is this not the epitome of the quick fix? Thomas A. Edison did say, “Opportunity is missed by most people because it is dressed in overalls and looks like work.”

There are several real problems with business fads. These problems continue to stand the test of time because people have yet to realize the rationale behind past fads. Therefore, they are unable to see that same drive behind current fads.

Obviously, the first drive is money. Businesses want more money, and there are salespeople who are willing to sell these fads for a profit. Just like word of mouth marketing (WOM), when a fad takes off, “Katie, bar the door!” You never know what you might get with a new fad.

During this past month of August, the Ice Bucket fad started in the U.S. to benefit ALS (amyotrophic lateral sclerosis, also known as Lou Gehrig's Disease). This fad raised significant dollars, over \$15 million, in a very short time. Yet, how sustainable will that fund raising initiative be going forward?

There are two questions that are not being asked about this particular fad. First, even though ALS is a serious disease, though not a common one, did this Ice Bucket fad take significant charitable dollars away from more common and just as grave, life threatening diseases? Second, and more importantly, are we encouraging conditioned behavior by embracing such fads? In other words, will not-for-profit business people suddenly believe they can stop fund raising because all they have to do is find some fad like the Ice Bucket Challenge? Magic, presto—your business too can realize millions of dollars without really working!

Similar to the Ice Bucket challenge, could dollars currently being invested in “agile leadership” or “social selling” be re-invested in other areas that might have more sustainable results? Maybe the real issue is the lack of a strategic plan or misalignment between strategy, structure, processes, rewards, and people as pointed out in Galbraith's Five Star Model?

The second rationale for accepting a fad is in the mindset of the buyer. First, we must congratulate the seller for doing his or her job in selling the fad. In many instances, these salespeople do believe in what they are selling. The problem is that their solutions are not sustainable and, within a short time, can drain the business of even more profits.

When business difficulties are overwhelming, some people will look for an easy way out, a quick fix, or a magic pill. Possibly, they are being

pressured from above to get immediate results. This happens continually for salespeople who are given sales or revenue quotas on a weekly, monthly, or quarterly basis.

Cash flow for some buyers also creates a mentality of scarcity: where can I get the most results for the least dollars? Forget that the results are not sustainable. As one commercial in the Chicago area states, “I need the cash now!”

The inability to apply critical thinking to events within an organization is probably the most common mindset barrier. Henry Ford is quoted as saying “THINKING is hard work. It's why so few people do it.” Thinking takes time, and many people use time as an excuse. Have you ever used time as an excuse not to do something?

If the lack of time has been or is one of your mindset barriers, ask yourself if you or those who report directly to you waste 12 minutes in a workday?

From my experience, no one ever answers “no.” This means time is not the issue.

The real issue is the mindset people have about thinking. Sustainable businesses did not grow through fads. They grew because those in leadership at all levels of the organization invested time to think about how to improve their solutions, how to look into the future and potentially see a new reality.

The inability to critically think appears to have become more common than we realize. During a monthly radio show hosted by Lynn Hidy of the company Up Your TeleSales, myself and two other business professionals, Fred McMurray of Media Vine Marketing and Daniel Waldschmidt of Waldschmidt Partners International, addressed this critical issue of thinking, or rather, the inability to think. The topic occupied 50 percent of the hour's broadcast.

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People, it appears, want to be placed on auto-pilot, and if something breaks down, they want a quick fix—the next fad—to get them moving again. The thought of investing just 12 minutes daily thinking is just too much for them to handle. Thank heavens many of those who have gone before us did not have that mindset. Where would this country be?

Thinking requires looking at a problem from a multitude of perspectives because taking quick action may leave disastrous consequences. Of course, I can almost hear the naysayers jumping in and talking about how too much thinking leads to analysis paralysis. From my experience in working with clients from small to large business owners, not thinking enough is far more often the problem than being paralyzed by over-thinking.

The other part of thinking is the ability to accept diversity of opinions. When leadership is in “watch me go” mode and is on the same path they have been for many years, this potentially raises the red flag of bankruptcy. Diversity of opinions is what propels innovation.

The last drive behind fads revolves around this one word: “faith.” Some associate this word only with religions, and this association truly does a disservice to this incredibly powerful word. Faith, in its simplest terms, means an allegiance to a duty or a person.

When we look to fads to solve our challenges, our ills, to make our lives easier, we have, as William Holden stated in the movie, *The Executive Suite*, “lost faith with the future.” We have given up before we have tried.

The worst part about losing faith is we starve ourselves, our employees, our customers, and our communities. Just as the Ice Bucket fad is starving some needy not-for-profits, other fads are starving and hurting other people. Starvation is the end result of solutions not being sustainable.

Consider for a moment what it means to lose faith in the future. Then ask yourself if you have enough faith in yourself and your people to overcome this most recent business challenge, or are you seeking the easy way out?

Human nature being what human nature is, some businesses will continue to be taken in by fads and hoodwinked out of hundreds to thousands if not millions of dollars. What forward thinking business leaders can do is to just stop and then think before embracing the next latest and greatest business fad coming around the bend. **N**

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