



External Focus

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Next, let's look at the External Focus of a leader.

External Focus

- Great leaders look outside their organization at:
 - Threats
 - Opportunities
 - Benchmark Information
 - Happy & Loyal Customers

Great leaders look outside their organization at:

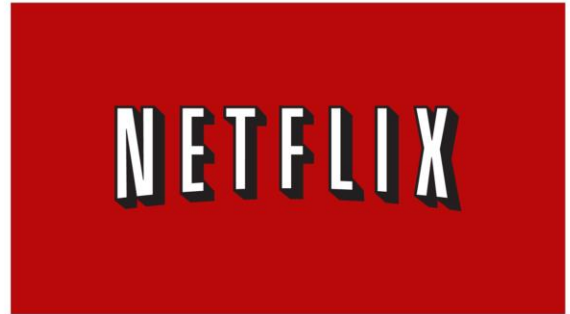
- Threats
- Opportunities
- Benchmark Information
- Happy & Loyal Customers

They keep an eye on external issues.

Leaders need to have 360 degree vision.

Eyes in the back of their head.

Let's look at a couple of examples.



Think about some of the big companies that have fallen by the wayside: Blockbuster—they weren't paying attention to the change in technology. They missed the threat of being left behind by the rapid advancement of new video delivery models and before you know it, Netflix has stomped all over them.

JC Penny is another example—changes to their marketing and pricing strategies upset their customers so much, they stopped shopping there and it's been a real struggle to keep going to get over that huge roadblock.

The leadership took away the very things that made JC Penny customers loyal to them. And they paid the price—still are, in fact, as of the making of this video.

Exercise

1. List external factors that can impact your business
2. List the actions to take
 - How can your team help?

Do you keep an eye on the external factors that affect your team or your company?

Do you take actions that help ensure the continuation of your business so that you're not left in the dust?

Exercise 1: Take a few minutes and make a list of the external factors that do and/or could impact your operation.

Exercise 2: Then, add next to each factor the actions you need to take within your business and with your team's help to avoid becoming a Blockbuster.

Common Mistakes

- Tunnel Vision
 - Focus inside the company
 - Focus on their department
- Don't keep abreast of industry trends and issues
 - Loose competitive advantage
 - Entire business

- Weak leaders are often guilty of having tunnel vision and are so concerned with what is happening inside their company or even within their own department, that they miss the signs of external threats.
- Weak leaders also don't study industry changes or trends that are happening that can have a huge impact on their business or their team. You've seen what can happen! Remember Blackberry? Remember AOL? Industry trends people! External threats!
- If you have tunnel vision or don't watch for industry trends and other external factors you can lose
 - your competitive advantage
 - your staff
 - your customers
 - your reputation
 - your standing in the industry community
 - **even your entire business!**

Exercise

3. Examine other companies

- From your industry
- From outside your industry
- Successful external focus
- Failed external focus

Exercise 3: Take a step outside of your own company and think about competitors or even companies outside your industry that have or have not kept an external focus and list out the ways they have been successful because of external factors they kept an eye on

OR

the ways they have faltered because of external factors they missed. Going through this may help you in examining your own company as well.

These are good exercises to do because as you've seen, Great Leaders will constantly be assessing things that can impact their team, their company, their vision.