

GROWERTALKS

Acres & Acres

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The Golden Circle

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“People don’t buy what you do, they buy why you do it.”

I like running, but I’m not very keen on running on the treadmill in my basement. But as someone who enjoys dessert, I have two choices in the winter: Get fat or get moving.

YouTube videos help the time pass a bit more quickly. Sometimes it’s rock concerts, other times I seek out something more edifying. Like maybe I can learn to speak Spanish as I while away the miles (so far, the vocabulary hasn’t stuck).

This morning, in edification mode, I listened to a TED Talk titled, “How Great Leaders Inspire Action.” Early on in the video, presenter Simon Sinek said the line above and I immediately recognized the concept as something that I’ve long been preaching. I call it what/how/why; he calls it “The Golden Circle.”

Picture an archery target with a center circle, a middle circle and an outer circle. The outer circle is labeled “What”—that is, what you do. Every business person knows what they do. They make widgets, they grow annuals, they operate a garden center, whatever.

The middle circle is “How”—How do you make your widgets, grow your annuals, run your garden center? Most businesses know how they do what they do. Pretty simple so far, right?

It’s the innermost “Why” circle, the Golden Circle, that separates great leaders from the pack, says Simon. Why do you do what you do? (Note: The correct answer is not “to make money.”)

I first hit on this what/how/why concept about 20 years ago while watching Gary Mangum and Mike McCarthy build Bell Nursery from a typical wholesale greenhouse into a mass-market juggernaut. Early on, Gary gave me almost unlimited access to the business and, more importantly, to his mind. I soon saw that there was something different going on there. Gary had a vision for Bell that was unlike anything I’d ever seen at any other business.

For example, while some mass-market growers were doing their best to stay below the radar of their customers, Gary would actively email them Monday-morning intelligence reports that outlined what sold, what didn’t, and what market conditions were like at various stores—good or bad. The customer (Home Depot) ate it up, and Bell got more and more space and more stores. Gary understood why it was important to share that intelligence with his

customer. Another example: He'll gladly pay more for inputs, such as plugs, to get better plants and better service. And I've never once heard of him asking a vendor to "sharpen his pencil" when it comes to pricing.

Over the years, Gary freely shared his way of doing business with other Home Depot growers, but while they were good at emulating the "what" and "how," I don't think any of them ever understood the "why" which is why they struggled and Bell continues to be a leader in mass market plant sales.

If you want long-term success, you need a vision and you need to share that vision with your customers. Apple is a prime example. Under founder Steve Jobs, Apple's mission statement was, "To make a contribution to the world by making tools for the mind that advance humankind." That's pretty audacious, but nobody can argue Apple forever changed computing, music and the telephone. And what other manufacturer can boast customers who'll sleep on the sidewalk to be the first to buy the new phone?

Another quote from Simon to illustrate the Golden Circle regards Dr. Martin Luther King. Said Simon, "He gave the 'I have a dream' speech, not the 'I have a plan' speech." That was why Dr. King had so many followers, because they believed what he believed."

What's your purpose, your cause, your belief, your dream? Why does your organization exist? Why do you get out of bed in the morning? Why should anyone care about your business?

Find the answers to those questions and you'll be on the path to long-term success.

Which is better than a treadmill in a basement. **GT**