

CUSTOMER FIRST – OR SHAREHOLDER FIRST?

By Rick Boxx

Jack Ma, founder of Alibaba Group Holding Limited, a pace-setting e-commerce company, and one of the wealthiest business people in China, explained his simple, straight-forward business philosophy during an interview on a TV news magazine program. Mr. Ma said at Alibaba, "Customers are first, employees second, and shareholders are third."

The entrepreneur went on to state, "If you take care of your customers, and your employees, they will take care of the shareholders."

This philosophy, of course, runs counter to the attitudes of numerous businesses and for-profit organizations around the world today. Many publicly traded companies have become so shareholder-focused, so bottom line-oriented that quarterly financial results have become all that matters to them. Because of this, decisions are often made to appease and benefit shareholders rather than customers. As a result, the quality of products and services may suffer, and the time-honored virtues of customer service are cast aside.

Fortunately, this approach is not universal. Although they may be in the minority, there are glowing exceptions of companies who regard their customers and customer service as a foremost value. In fact, some have expanded their definition of "customer" to include employees and suppliers, as well as those that purchase and use their products and services.

Steve Busskohl, CEO of Arrow Stage Lines, a highly respected motorcoach company with four regional offices in the United States, explains Arrow's emphasis on the customer: "The success of our business flows from the relationships we have with people both inside and outside of the company. It takes men and women who respect each other's talents and abilities, committed to working together as a team to ensure that each customer has a successful experience with us. As owners, we teach our core values, empower each staff member to think like an owner, and then get out of their way so they can do their jobs with excellence."

Even though such a philosophy may seem to be a minority perspective, it has been embraced for thousands of years. While not a "businessman," Jesus Christ endorsed this philosophy when He told his disciples in Mark 9:35, "If anyone would be first, he must be last of all and servant of all."

Later He expanded on this view: "...whoever wants to become great among you must be your servant, and whoever wants to be first must be slave of all. For even the Son of Man did not come to be served, but to serve, and to give his life as a ransom for many" (Mark 10:43-45).

Focusing on shareholders or stockholder benefits only, seeking to generate the greatest financial return in the shortest time, typically reflects a short-term, "get rich quick" attitude that can bring about severe long-term consequences for a business. However, making customers a top priority ensures not only their immediate satisfaction but also greatly increases their likelihood of doing business with you in the future.

Paraphrasing what Jesus said, and applying it to the business and professional world, being a servant to your customers and your employees may put you last for now, but will likely lead to a much better result.

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Reflection/Discussion Questions

1. At your business or organization, who is given the greatest priority – the customer or the shareholder? Explain your answer.
2. What is your immediate reaction to the statement, "Customers are first, employees second, and shareholders are third"?
3. It is suggested that not only those who purchase products or services, but also employees and suppliers should be regarded as customers? Do you agree? What might be some problems of holding to this perspective and acting upon it?
4. Do you believe the concept of serving others is in decline or being deemphasized in the workplace today? Why or why not – and what is the impact of this?

NOTE: If you have a Bible and would like to read more about this subject, consider the following passages:

Proverbs 14:4, 18:16, 27:18,20,23-27; Luke 16:13; Philippians 2:3-4; Colossians 3:23-24