

Getting NAKED

A BUSINESS FABLE...

about shedding the three fears that sabotage client loyalty



PATRICK LENCIONI

AUTHOR OF THE NEW YORK TIMES BEST-SELLER *THE FIVE DYSFUNCTIONS OF A TEAM*

Also by Patrick Lencioni

The Five Temptations of a CEO

The Four Obsessions of an Extraordinary Executive

The Five Dysfunctions of a Team

Death by Meeting

Overcoming the Five Dysfunctions of a Team

Silos, Politics, and Turf Wars

The Truth About Employee Engagement

The Three Big Questions for a Frantic Family

The Advantage

The Ideal Team Player

The Motive

Getting Naked

A BUSINESS FABLE ABOUT SHEDDING
THE THREE FEARS THAT SABOTAGE
CLIENT LOYALTY

Patrick Lencioni

 **JOSSEY-BASS**
A Wiley Imprint
www.josseybass.com

Copyright © 2010 by Patrick Lencioni. All rights reserved.

Published by Jossey-Bass

A Wiley Imprint

989 Market Street, San Francisco, CA 94103-1741—www.josseybass.com

No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, scanning, or otherwise, except as permitted under Section 107 or 108 of the 1976 United States Copyright Act, without either the prior written permission of the publisher, or authorization through payment of the appropriate per-copy fee to the Copyright Clearance Center, Inc., 222 Rosewood Drive, Danvers, MA 01923, 978-750-8400, fax 978-646-8600, or on the Web at www.copyright.com. Requests to the publisher for permission should be addressed to the Permissions Department, John Wiley & Sons, Inc., 111 River Street, Hoboken, NJ 07030, 201-748-6011, fax 201-748-6008, or online at www.wiley.com/go/permissions.

Readers should be aware that Internet Web sites offered as citations and/or sources for further information may have changed or disappeared between the time this was written and when it is read.

Limit of Liability/Disclaimer of Warranty: While the publisher and author have used their best efforts in preparing this book, they make no representations or warranties with respect to the accuracy or completeness of the contents of this book and specifically disclaim any implied warranties of merchantability or fitness for a particular purpose. No warranty may be created or extended by sales representatives or written sales materials. The advice and strategies contained herein may not be suitable for your situation. You should consult with a professional where appropriate. Neither the publisher nor author shall be liable for any loss of profit or any other commercial damages, including but not limited to special, incidental, consequential, or other damages.

Jossey-Bass books and products are available through most bookstores. To contact Jossey-Bass directly call our Customer Care Department within the U.S. at 800-956-7739, outside the U.S. at 317-572-3986, or fax 317-572-4002.

Jossey-Bass also publishes its books in a variety of electronic formats. Some content that appears in print may not be available in electronic books.

Library of Congress Cataloging-in-Publication Data

Lencioni, Patrick, 1965-

Getting naked : a business fable about shedding the three fears that sabotage client loyalty / Patrick Lencioni.

p. cm.

ISBN 978-0-7879-7639-2 (cloth)

1. Customer loyalty. 2. Customer relations. I. Title.

HF5415.525L46 2010

658.8'12—dc22

2009046010

Printed in the United States of America

FIRST EDITION

HB Printing 10 9

CONTENTS

Introduction	vii
The Fable	
Part One: Theory	3
Part Two: Practice	17
Part Three: Research	69
Part Four: Testimony	119
The Model	
The Origins of Getting Naked	195
Naked Service Defined	197
Shedding the Three Fears	201
Broader Applications of Nakedness	214
Acknowledgments	215
About the Author	219

This book is dedicated to all The Table Group consulting partners around the world who are practicing naked service with clients every day.

INTRODUCTION

Vulnerability. It is one of the most undervalued and misunderstood of all human qualities.

Without the willingness to be vulnerable, we will not build deep and lasting relationships in life. That's because there is no better way to earn a person's trust than by putting ourselves in a position of unprotected weakness and demonstrating that we believe they will support us.

Yet society encourages us to avoid vulnerability, to always project strength, confidence, and poise. Although this is certainly advisable in some situations in life, when it comes to important, ongoing relationships, it stifles our ability to build trust.

For those who provide service to clients, vulnerability is particularly powerful. Those who get comfortable being vulnerable—or as I call it, naked—are rewarded with levels of client loyalty and intimacy that other service providers can only dream of.

Whenever I explain this to an audience, I am often asked, “But can't you be too vulnerable?” Surprisingly, the answer is no. Of course, if you come to your clients every day admitting that you've made yet another mistake or that you don't know

how to do yet another required element of your job, that would be a serious problem. But it would be not an issue of vulnerability, but rather of competence; the problem would not lie in the *admitting* of so many weaknesses, but in the *having* of them!

Which reminds me of the flaw in that old adage *never let them see you sweat*. The truth is, our clients almost always know when we are sweating, often before we do. And so we have a choice. We can either pretend we're not sweaty and try to hide our weaknesses, and then watch our credibility erode. Or we can raise up our arms, acknowledge our sweatiness, and show them that we are honest and self-assured enough to be worthy of their trust.

If this is so simple in theory—and I'll be the first to admit that it is—then why do we so often resist being naked with clients?

For one, we think it will hurt our chances for success. We fail to realize that, even though clients require us to be competent enough to meet their needs, it is ultimately our honesty, humility, and selflessness that will endear us to them and allow them to trust and depend on us.

But even if we come to understand this on an intellectual level, most of us will still struggle with vulnerability because we are human beings who don't like to be weak, which means we are subject to the completely natural but irrational fears that make us uncomfortable being naked. This book is about overcoming those fears, which is not easy. It requires levels of self-sacrifice and discomfort—and, at times, real suffering—that few people are willing to endure.

So naked service is rare, which means it provides an opportunity for a powerful and tangible competitive

advantage for those who embrace it. They will build stronger, stickier relationships with their clients; they'll have an easier time getting those clients to actively and enthusiastically recommend and endorse them, even without being asked; they'll have more comfortable and collaborative discussions about pricing and fees; and they'll enjoy their work much more.

But more than any of that, what makes naked service worthwhile is that it puts us in a position to more effectively help our clients, which, of course, is what providing service is all about. It is my hope that this little book helps you understand how to do just that.

Okay. Now it's time to get naked.

The Fable

PART ONE



Theory

ENEMIES

I can't say that I hated Michael Casey.

For one, Sister Rose Marie Hennessey had taught me in second grade that I should never hate anyone. And besides, I had never actually met Casey. I don't think you can really hate someone you haven't met, even if you ignore Sister Rose Marie's advice.

But I'm not going to lie; Michael Casey was one of my least favorite people in the world. Even the mention of his name could put me in a moderately bad mood.

And so, if you had told me a year earlier that I would spend four solid months of my professional life learning about him and his annoying little consulting firm, I would have told you it was time for me to change careers.

But that's exactly what happened, and I've lived to tell about it.

ME

I'm Jack Bauer, and yes, I share a name with that guy on TV who saved the world every year. Unlike him, though, I'm not a superhero. I'm just a consultant.

For five years I'd been working within the strategy practice at Kendrick and Black, a prestigious, international full-service management consulting firm headquartered in San Francisco.

In addition to being one of the senior consultants in our division, I headed up sales for the strategy practice of our firm. This meant I sometimes competed for clients with Michael Casey and his firm, Lighthouse Partners.

Now, Lighthouse was a much smaller firm than ours, and they focused most of their work in the Bay Area, so we didn't run up against them in more than 5 or 10 percent of the projects that we pursued. But when we did, we lost every single time.

That's not exactly true. We won once. But a year later the client, a small start-up called DecisionTech, threw us out and hired Lighthouse, which was more painful than losing to them in the first place. What was especially painful was the fact that all of these losses occurred in our own backyard,

providing particularly high-profile defeats for all of our local peers to see. This only exacerbated our bitterness toward Michael Casey.

Keep in mind that, unlike in the world of sports, when you compete against a consulting firm you almost never actually see your competitors. But you hear about them. And after listening to story after story about how amazing and smart and effective Michael Casey and his team were, I would have liked nothing more than to hear they were going out of business.

Or so I thought.

HORRIBLE PROMOTION

When I was first told by a colleague that Michael Casey was leaving Lighthouse and that his firm was for sale, I was ecstatic. We had finally worn him down, I decided. There was a chink in their armor after all; no one could be that good.

When I learned that he was leaving to “spend more time with his family,” my euphoria diminished a little, but not much. Spending more time with your family was one of the most commonly used phrases for papering over a performance issue. Regardless of the reason, Lighthouse was up for sale and we wouldn’t have to compete with and be humiliated by them ever again.

My glee at hearing about the demise of my enemy came to an abrupt end five days later when the founder of our firm, Jim Kendrick, pulled the rug out from under me.

Keep in mind that Jim had stopped by my office only twice before. Once to formally welcome me to his firm. Another time to warn me not to screw up a project for one of our biggest clients. He wasn’t known for being overly warm or tactful.

“Here’s the deal, Jack. You probably know about a little consulting firm over in Half Moon Bay called Lighthouse Partners.”

“Yeah, I know them.” I said it like I had never given them a second thought.

He continued, “Well, they were desperate to be sold in a hurry, and Marty said they were probably worth the risk. So we bought them before anyone else could. And so I wanted to—”

I was shocked and felt suddenly threatened, which is probably why, before he could finish, I interrupted: “What are we going to do with them?”

“We . . .” He paused, smiling a little condescendingly at my impatience. “. . . are going to have you manage it for a while. We want you to spend five or six months overseeing the firm, which shouldn’t take more than half of your daily hours. As soon as you get your hands around what’s going on over there, we can integrate whatever parts of it we decide to keep into our strategy division, and figure out what to do with the rest. And if all goes well, you should be heading the strategy division by then, given that Marty will be retiring next summer.” He paused as if he were simply out of words. “Okay then.” And he left.

Just like that, my world had been turned upside down, and for the rest of the day I couldn’t decide how to digest it all. As I explained to my wife that night, I should have been happy. But there was something about the situation that made me uncomfortable.

Part of it was certainly the realization that if this went poorly, my career would be considerably damaged—and that

I'd have Lighthouse Partners to thank for it. Michael Casey just might continue to haunt me even after his departure.

Another reason for my discomfort was the thought of having to finally meet the man, to sit down with him face-to-face to discuss the transition.

As it turned out, that would not happen.

ACCELERATION

Casey's departure from Lighthouse turned out to be more abrupt than anyone expected. As soon as the ink was dry on the deal, he was gone.

I was relieved by this, but less than I would have expected, probably because I was suddenly suspicious about whether there was something wrong at the firm.

When I asked my boss, Marty, about the circumstances, he shrugged. "I don't know. It happened so fast, we had very little time for any due diligence. But for Kendrick, the cost was relatively low, and for some reason he thought it was worth the risk."

I sensed Marty wasn't telling me the whole story. "Come on—you were the one pushing hard for the deal, weren't you?"

Marty smiled. "Maybe."

"So how are these people feeling about the whole thing?"

Marty shrugged. "I really have no idea. But you'll probably find out on Wednesday."

"Wednesday?"

"Yeah." Marty grinned. "You're meeting with the partners over at Lighthouse Wednesday morning."

Marty was a wiry, well-dressed fifty-seven-year-old workaholic who had suddenly decided he was ready for early retirement and a chance at unlimited golf. And evidently he never had a Sister Rose Marie in second grade, because out of nowhere he remarked, “I really hate Michael Casey.”

Unlike me, Marty had actually met the man on a few occasions, and considering it was his division that Lighthouse had been beating up on for the past dozen years, I suppose his hatred could be at least partly justified.

“Phony,” “falsely modest,” and “self-righteous” were the terms Marty used to describe Casey. I can’t deny that Marty’s feelings influenced me—or more accurately, infected me—and encouraged my hostility toward our rival. But I didn’t like losing any more than Marty did, so I had nurtured my own bitterness toward the man and his little firm during my five years at Kendrick and Black.

“What’s your hypothesis about how all of this is going to pan out?” I wanted to know.

Marty took a breath and thought about it for a second. “It’s hard to say for sure. But I’ll tell you this: I don’t see too many of their partners making it through the next year.”

“Why do you say that?”

“I don’t know.” As he thought about it, he winced. “More than anything else, we just have two completely different cultures.”

I wasn’t surprised by his comment, but I wanted a little more in terms of specifics. “For instance?”

This time he didn’t hesitate. “From what I hear, the place is a country club.”