
LEARNING MINDSET IN TODAY'S BUSINESS: LEADING TO INNOVATION AND CONSUMER-CENTRIX MOTIVES

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ABSTRACT

Innovation has become relevant keywords for business that may intend to be competitive as there will be a creation of new breakthrough which has the orientation to form consumer-centrix motives. Innovative business could label consumer-centrix touch toward its products. Old result-oriented mindset will then go through how to ideally accomplish consumer's expectation. The growing number of various customized products or tailor-made products has brought an important indication that consumer has become major issue. Innovative activities could not be continuously applied unless the business has mindset to renew its cycle. As an organism, a business should have learning mindset which could motivate itself to keep innovative. This is an introductory paper which hopefully facilitates those who want to conduct thorough study related to learning mindset on innovation and consumer-centrix motives.

Keywords: *learning mindset, innovation, consumer-centrix motives*

BACKGROUND

Business is always close to its consumer. This means that business can not be away from the perspective of its customer. This is not a problem of which should be in the first place, the supply or even the demand first, or reversely. The perspective of consumer in business put the consumer in deciding product orientation. Kotler (1994) used a number of terms related to pro-consumer such as customer satisfaction, customer orientation, customized product, customer importance, customer need management, economic value to customer and customer adoption process.

Product can not be separated from those who want to use. Product has close relationship with consumer. Therefore, product should be made within the perspective of consumer, not even contrary, that product is made within business perspective.

Business as an organism has its own way of life and orientation for each product it produces that is customer orientation or consumer-centrix. This orientation will be achieved easily by business which has commitment and motivation to give the best for its consumer, or in other words, consumer-centrix motives.

Learning within the business organization context has been relevant issue in response with the challenge of competitive environment. Business should have learning mindset to carry out learning activities. Learning can not be applicable with no active participation from human resources that also have to change their old mindset into learning individuals.

Learning will create knowledge which is persistently improved to attain business intelligence.

The outcomes of learning activities are innovative culture and consumer-oriented motivation. This means that learning can create innovative culture which will then change into pro-consumer motivation. The writer uses the term "consumer-centrix motives" as opposed to today's popular term "profit motives". The way to use consumer-centrix motives which is

contrast with profit motives attempts to remove the existing "religiously believed" mindset that business must be profit-oriented.

Therefore, it will create learning mindset cycle combining learning mindset, innovation, and consumer-centrix motives which make business more adaptive, and responsive. Business which grows potentially as it can be well integrated with its surroundings.

The writer uses three terms or keywords related with the business demand to be more adaptive and responsive in the competitive environment, mainly: learning mindset, innovation and consumer-oriented motives.

PROBLEM

How could learning concept producing innovative culture as well as consumer-centrix motives be justified?

THEORETICAL REVIEW

Drucker (1992) stated that the coming era of knowledge has caused business context consequences which put information as business resources. Business need structured information and be equally applicable to guide orientation for the creation of business transformation lead to the efficiency and effectiveness. The logic of knowledge era for business has to be adopted by the presence of information which could drive business to attain productivity, mainly managing efficiency and effectiveness.

Managing productivity also discusses about the quality of business management which is very much determined by the quality of atmosphere in which all human resources closely interact each other individually or in-group. Meaning of strategic role within the context of human resources is the ability to create innovation and engage their own scientific understanding (Tjakraatmadja, 2006:61), in order to attain competitiveness in business by re-shaping itself into "learning organization" which persistently be adaptive with its environment. (Senge, 1990)

Consumer-oriented means that they zero in on the consumer's world, rather than on more impersonal market variables (segments, shares, and trends). More direct means that they speak directly to consumers rather than relying on filtered data and interpretations of less direct sources. More anticipatory means that they more effectively identify consumer interests in the early stages, in contrast to source dealing mainly with consumer reactions to marketing actions. More aware means that they possess a keener capacity for tapping consumer feelings, rather than just thoughts. Dissatisfaction sensitive means that they stand a better chance of registering consumer dissatisfaction. While government and consumer influenced means that they recognize the effect on consumers of the government-consumer advocate coalition as distinct from the effect of competitors and intermediaries. (Barbera and Rosenberg, 1985)

Chaplin (1981) in Kartini-Kartono (2001) explained the meaning of motive from the perspective of psychology as an intense situation found in human who could drive, maintain and guide behavior to certain goal or target. The meaning of "an intense situation" covers the meaning of "conscious reason". The "conscious reason" becomes a driver for individuals to behave. The motives attribute which could be taken from that meaning is conscious reason and clearly-defined and target-oriented behavior.

METHODOLOGY

This paper is written in the form of literature study as well as rationalizing the correlation between all the three keywords, mainly: learning mindset, innovation and consumer-centrix motives. The study is theoretically accomplished using deductive methods, where as

rationalizing the correlation is applied to initiate meaning of the three keywords. Some examples were introduced to clarify understanding. Hopefully, this study could motivate future research to

find and determine variables, to develop research question, and to build conceptual framework of learning organization.

DISCUSSION

Era of knowledge and learning mindset

Trend in new economic has been focusing on knowledge as resources for the production of information. The growth of service industry is shown by service products which are globally getting easier, faster and cheaper. Changes in knowledge and technology which are very easy and fast has made technological cycle getting shorter. The facts show the importance of continuous innovation (Riady, 2004:193) for company through the development of mindset which could be constructed when the existing individuals could build themselves as learning individuals. Therefore, the ideal characteristic of individuals is the ability to have knowledge on accurate information resources, intelligent analysis, solution-based, communicative, quick and strict response, have scientific creativity, visionable, human-based consciousness, ethics, art and culture, logic and anthropologic (Riady, 2004:193).

The production of knowledge through the great role of mind. In learning process mind plays importantly. When all human resources in a company interact each other they use their mind producing knowledge. Companies do investing knowledge attaining success in the future. Knowledge can be shared, and the very act of sharing multiplies it exponentially. A human mind alters its state forty times a second, with each cycle creating additional knowledge. When exposing it to another mind – also brimming with knowledge, also cycling at forty times a second – learning explodes. Each mind changes in accordance with the other mind; they co-evolve. Put three or more together and amazing things really start to happen. "I not only use all the brains that I have," Woodrow Wilson said, "but all that I can borrow."....."Business has become terribly complex," Konosuke Matsushida of Matsushida Industries wrote in 1988. "Therefore, a company must have the constant commitment of the minds of all its employees to survive." (Petzinger Jr, 1999:150)

Therefore, there should be close relationship between trend in new economic and era of knowledge which make "learning" becomes very relevant issues. The keyword of learning can not be separated from knowledge. When sharing knowledge happened, learning activity is accomplished.

Meaning of learner has indicated business as an organism which can grow through commitment to develop management capability within the clear and specific direction, that is when business is considered as essential by its environment. The ability to adapt with trend of market which is more complex and customized can be well done if there is a strong commitment to keep in touch with innovation and develop consumer-centrix motives.

In Toyota's case, the outcomes of organization learning process is the creation of continuous improvement. Continuous improvement, which is called by Toyota as "kaizen", has become philosophical reference for its worker, so that Toyota can reach operational excellence as its strategic weapon to win global competition. Toyota has successfully implemented "kaizen" as it has commitment and thorough consistency to use management and leadership principles which is focusing on people (respect for people), so that every individuals can give maximum contribution. In addition, Toyota has successfully created better "climate" or atmosphere for individuals to accomplish continuous learning process. Toyota's keywords that may be necessary to highlight are organization learning process, continuous improvement process, operational excellence, leadership which is respect for people, better climate for learning activity, and productivity.

Innovation

Innovation can not avoid the role of human. Innovation in business is accomplished through human capital. Human resources as intellectual asset for business, through learning mindset, exercise creativity, concept, adoption and implementation for product development.

Innovation has wider meaning including creativity, concept, adoption and implementation of new idea and service. Innovation is implemented through human capital such as knowledge or new idea which is transformed into product, service and spiritual development. Developing human capital in an organization is accomplished by using more on things owned by individuals in an organization, knowledge as well as skills. Various programs can be prepared systematically by organization which is possible to facilitate idea sharing related work and problem that may happen. Organization can find opportunity of private knowledge which is made into general knowledge, and tacit knowledge is created into explicit knowledge. Combination of knowledge can be base for the creation of innovation. Creation of organization knowledge may be accomplished by socialization, externalization, combination and internalization. (Dharma, 2004:27)

Customer-centrix motives

The importance of customer-centrix motives is consciously perceived by business as a logical consequences. It means that business should have better instinct towards consumer's need. It is different with the meaning of "customer is a king" or misinterpretation of consumer orientation meaning as stated by Trout (1999:73):

Many management gurus and instructor have created informal industry for consumer orientation. They published many articles related to how to attract, love and cooperate as well as maintain consumer. We are told that consumer is always right, sometimes right, or always wrong. Consumer is CEO; consumer is a king; consumer is a "butterfly". In this era we are forced to know how to use feed-back from consumer, how to give lifetime warranty to consumer, how to get inspired by consumer, how to manage bad consumers, how to prepare for the coming era of "never satisfied consumer".

Business which is consumer-oriented has better sense towards consumer's need that is the ability to know how consumer knows well our business. While there are many CEO prefer to discuss consumer orientation, it is interesting to see where the success CEO of 500 world-class companies give greater concern to competitive strategy (18%), human resources management (17%), technology breakthrough (13%), change management (13%), and financial management (12%). It is clearly stated that "focusing on consumer" is not among those success factors. The major problem is not how you know consumer, but how consumer knows you (Trout, 1999:80-81)

Barbera & Rosenberg (1985) adds Trout's opinion that quantitative data related to market performance has shown business concern on profit is not relevant as it denies brand loyalty, supply availability, and competitive alternatives, which can affect future sales and market share.

Managers clearly attribute great importance to market performance data. Indicators such as sales volume, sales growth, and market share provide excellent feedback and are used directly in profit calculations. But they can measure only so much. While sales figures indicate customer acceptance in a given time period, they tell little about the degree of satisfaction. They generally exclude such factors as brand loyalty, supply availability, and competitive alternatives, which can affect future sales and market share. (Barbera & Rosenberg, 1985)

In today's meaning of business, consumer-centrix motives have been very relevant to "remove" profit motives shown by quantitative data of business performance. Consumer-centrix

motives mean hard effort to get closer with its consumer. The following illustration figure out how business has efforts to employ the meaning of consumer orientation:

Experiencing what consumer's experience. Most large organizations shield executives from contact with consumers. This isolation is compounded when subordinates insulate executives from bad news, especially in the early stages. To break out of the corporate cocoon, some managers seek interaction with customers. Either voluntarily or because of company policy, these managers ride repair trucks, answer telephones, wait on customers, and stand in lines – without identifying themselves. They seek out customers' opinions of the company's products or service. With an eye on consumerist critics, executives can benefit from feeling first-hand many of the frustrations their customer's experience.

Avis's chairman, Winston J. Morrow, Jr., gets in line with customers waiting for cars at airports and sometimes steps behind the counter to check out customer reactions. McDonald's Corporation executives eat regularly at company fast-food outlets. Signs ordering people to move to the "next position" were removed from all outlets following chairman Ray Kroc's experience and statement: "It's up to us to move the customer."

The opportunity for senior executives to gather field information may be limited. Some executives prefer the VIP treatment. Even when executives visit service outlets, a typical experience may elude them – if they are recognized or if employees are notified prior to the visit. To prevent this, several companies use a spotter service to check on product or service performance. (Barbera & Rosenberg, 1985)

The illustration shows how consumer-centrix motives are exercised through "real activities" to build communicative relation. It is a communicative approach as well as medium to collect information (field information) that could be "scarce" opportunity for senior executives to get closer with their consumer and hear the first-hand many of the frustrations their customers may experience.

Consumer-centrix motives are conscious activities for business to keep focusing on market opportunity. Opportunity which is relevant with consumer orientation means that business creates potential product for future consumer. It is possible that consumer has not been able to predict its need in the future. Business has found this as an opportunity. Business should be able to predict what consumer needs in the future. The following illustration is taken from Majalah East Java Business Review (2001):

In Indonesia it has come around 25 new brands of motorcycle which are made in China (*mocin*). The advantages of *mocin* lays in the efficiency, powerful, and higher after sales pricing. Supported by commitment to give excellent service and relatively low-priced, *mocin* forcefully compete with the existing motorcycle market in Indonesia. Many years ago the market had been won by Japan with the prestigious and established brand such as Honda, Yamaha, Suzuki and Kawasaki. Japan should anticipate the presence of *mocin* as its target market is middle class.

Conceptual model: Learning mindset, Innovation and Consumer-centrix motives

Based on the above description, the writer develops conceptual model for the three keywords in the context learning organization: learning mindset, innovation and consumer-centrix. (see Figure-1). An organization could build itself as a learning "organism" by implementing key policies (Pitts, 1996). The main policies are training and developing human resources, decentralization of responsibility (de Geus, 1997), team-work building, tolerance and reward system (de Geus, 1997), and openness policy. The elements of learning mindset derived from the model (see Figure-1) within learning organization context are new ideas and skills, creativity of decision making, skills and knowledge for potential and prospective product, and building motivation. Innovation and consumer-centrix motives could be well implemented when learning individuals are created. Consumer-centrix motives focus on how consumer can know

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our business (Trout, 1993) and how business can experience what consumers experience (Barbera & Rosenberg, 1985).

CONCLUSION

Learning has been relevant keywords for today's business which is consistently accomplished innovation in various practices. The intensity of competition has made business keep innovating which should be consumer-oriented.

Consumer-centrix motives mean highly response to consumer's need, deep concern on how to fulfill consumer's expectation and market preference which are now getting complicated. It is a matter of how consumers can well recognize our product and how business can experience what consumer's experience.

The adaptability for business in the current competitive environment could only be succeeded by human capital through learning activity and innovation.

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