

Issue Raised, “Sales are too low currently and it is going to hurt our cashflow numbers next month.”

5 Whys ‘Sales are too low’

Why #1 - “Why are our sales numbers too low?”

Answer - “Proposals submitted were too low last month.”

Why #2 - “Why were proposals low last month?”

Answer - “Because leads were low the month before that.”

Why #3 - “And why did leads drop two months ago?”

Answer - “Because we lost a great performer within digital the marketing company we work with.”

Why #4 - “Why did losing an employee within one of our vendor’s companies have this level of an impact on our revenue?”

Answer - “We didn’t realise our level of dependence on our vendors performance?”

Why #5 - “Why didn’t we recognise this level of dependence on our vendor?”

Answer - “We have not been using our Risk Matrix consistently and this needs to be re-instated into the quarterly meeting agenda”

Outcome, through the discipline of asking the 5 why questions the company identified it had dropped the ball on the continued use of the Risk Management Matrix tool and it left them exposed to vendor issues they could have (and will going forward) better manage the exposed to vendor issues they could have (and will going forward) better manage the vendor relationship.