

# Building the Strategic Value Vision

Companies that achieve breakthrough value not only deliver a differentiated value proposition, they do it while leverage customer value over operating costs. This requires the intentional design of the of a Delivery System that optimizes the best combination of labor and operating expenses that ensure high levels of customer loyalty of the firm's most profitable customers.

The Strategic Value Vision represents our starting point for working with management teams to research and design the critical set of integrated activities that will create competitively superior value for customers and long term returns for shareholders. Our approach starts by working with our client's to understand who their most profitable customers are and what percentage of their current customers represent these target buyers. We also identify what types of employees will best meet the needs of our target customers.

	Target Markets	Value Concept	Operating Strategy	Value Delivery System
Customers	Who is our customer? Who is not our customer?	What are we selling? What business are we in? What results are we offering?	What are the critical things we do that differentiate us and help us leverage results over costs?	How do we develop this capability? What systems, networks, communication, procedures, and technology do we develop to deliver on our promise?
Employees	What types of people will best serve our target customer?	What do your employees value? Employees want to be recognized and rewarded, work for a fair organization, and have the capability to deliver desired results. Is this true for your employees?	How will you position your recruiting, selection, and training? What makes your organization the place where target employees want to work?	What kind of systems will be designed for supporting those desired results? Describe workplace design, communication and information systems, compensation structures, job design, and decision-making latitude.

We then define the results we are trying to create for target customers, with a specific emphasis on identifying the customer behaviors we need to influence that will have the greatest impact on improved financial performance. Next, we define the operating strategy that will deliver on the value proposition the capabilities and systems that will need to be in place to ensure success.

It's a powerful model that helps an organization align Marketing, HR and Operations toward a common purpose. By focusing how we influence specific customer behaviors and increasing revenue and contribution faster than operating costs, we are able to build a compelling business case around the impact of focusing on having the right employees, serving the right customers through the most cost effective channels.

As a result of partnering with SPCI to build the Strategic Value Vision, our client are able to:

- Better understand which customers represent greater profitability and the degree to which their current operating strategy is design to attract and retain these customers
- Identify which customer behaviours will have the biggest impact on growing both revenues and profits
- Determine the operating strategy and delivery system that will deliver long term value for customers and shareholders
- Project the profit impact from improve customer value over operating costs that is central to building the business case for change.

For more information please contact us.

