

## Strategic Action Navigator—Making Data Work

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Imagine you have just completed a survey of your customers in order to identify the sources of some quality and service issues that are affecting your bottom line. You have motivated employees who are invested in addressing these issues, a limited budget to devote to process and service improvements, and an executive team who is caught between answering questions from shareholders and providing strategic guidance for the company. How do you make sense of the data you have gathered and present it to your management team so that you meet these objectives?

- Translate large amounts of information into concise action plans.
- Capture the attention of your management team.
- Convince them of the correctness of your proposed solutions.
- Obtain the funding to ensure successful implementation of your solution.

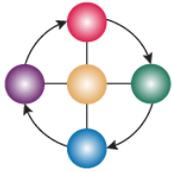
### ***Too much data, not enough insight...***

One of the most significant challenges faced after concluding a successful market research study is making sense of the information you have gathered. We have all been in situations in which we have too much information and too many competing demands on scarce resources of time and money. We receive reports that are too long and don't get to the heart of the matter quickly enough or provide insufficient guidance for resource allocation and strategic planning. In spite of having a surplus of data, we end up with a deficit of information to inform process and service improvements. At best, we have paralysis by analysis. At worst, management questions the investment of scarce resources into research that may not be usable. Budgets get cut, correction efforts lose their funding, and problems continue.

### ***What's the solution?***

That's why Customer Lifecycle, LLC has developed the ***Strategic Action Navigator***, your GPS for successful implementation of product and service improvements. This analysis and reporting technique provides guidance on how to actually get from where you are to where you want to be and achieve buy-in from your management team.

The Strategic Action Navigator, essentially a planning tool, effectively consolidates customer satisfaction research findings in order to set priorities and focus improvement efforts where you need them the most. This analysis tool also illustrates how best to organize quality improvement teams who can successfully implement necessary process and service corrections. Knowing what to do and who needs to do it as well as being able to present the solution concisely can give you a competitive edge in persuading management to approve and fund your action plan.



## Making data work

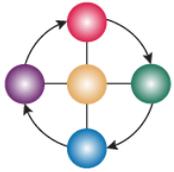
Here's an example of how the Strategic Action Navigator is used in the action planning process, the goal of which is to identify, communicate, and deploy customers' requirements for process and service improvements throughout the organization.

STRATEGIC ACTION NAVIGATOR										
Functional Areas/ Customer Requirements for...	Survey Data—What needs attention?				Which cross functional teams are involved?					
	Importance Weight	Performance Gap	Relative Weight	Action Priority	Sales	Technical Support	Order Processing	Manufacturing	Shipping	Engineering
Product Reliability	.31	+10	+3.1		■	■		●		●
Sales Support	.22	-5	-1.1	2	●	●	■	▲	▲	■
Prompt Delivery	.19	-10	-1.9	1	●	▲	●	●	●	
Equipment Features	.12	+5	+0.6		▲	▲		■		●
Technical Support	.06	0	0		●	●				■
Flexible Payment Terms	.06	+10	+0.6		■					
Customer Training	.02	-5	-0.1	3	●	●				■

- = Strong level of involvement
- = Moderate level of involvement
- ▲ = Weak level of involvement

The left side of the matrix identifies the *functional areas critical to customers' perceptions* of product and service excellence. In general, this represents what needs to be done.

These categories are developed by analyzing the data collected via market research studies. These studies typically measure customers' perceptions of a company's performance as well as the perceived performance of competitors. Surveys also measure the relative importance of various aspects of a company's products and service. The information gathered about perceived performance and relative importance is then combined to develop action priorities.



The terms used in the left side of the matrix are defined as follows:

- **Importance Weight:** This is developed through analysis of customer research data and determines the importance of the customer requirements.
- **Performance Gap:** This is the difference between current performance ratings and competitive performance ratings or between current performance ratings and company defined performance goals.
- **Relative Weight:** This is computed by multiplying the Importance Weight and the Performance Gap.

### ***What's broken and who should fix it?***

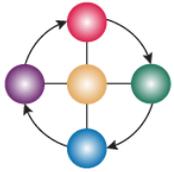
**Action priorities are the functional areas with the largest negative weights.** These priorities are not only those of greatest importance to customers but also those which receive the lowest performance ratings. These performance ratings may indicate either a gap between the company's performance and that of its competitors or a gap between performance and the company's internal goals. In this example, "Prompt Delivery" has the highest negative Relative Weight and is therefore the top action priority.

The right side of the matrix illustrates which **cross-functional teams need to share or own improvement efforts** and is driven by level of involvement in the functional areas described on the left. In other words, this shows you who needs to fix it.

Not all teams are involved at the same level. The Strategic Action Navigator takes these varying levels of involvement into account, using information derived from either survey data or comprehensive interviews with the management teams involved. Symbols are used to indicate whether the strength of the involvement is strong, moderate, or weak. For example, is engineering strongly involved in satisfying product reliability needs? Engineering obviously plays a greater role in this customer requirement than, say, order processing. On the other hand, order processing plays a large role in the customer requirement of prompt delivery, while engineering has no role at all.

### ***Using the Strategic Action Navigator in decision making***

The Strategic Action Navigator not only identifies what needs to be done, it also lets you know who needs to do it. It provides persuasive guidance for identifying issues and structuring cross-functional teams to address these issues. Furthermore, the information is presented concisely, so the information can easily be presented and discussed with a busy management team. Armed with the Strategic Action Navigator (and its supporting materials in your back pocket), you will be well-positioned to persuade your management team that you know how to use your market research data to address business concerns and improve the bottom line.



## ***About Customer Lifecycle, LLC***

[www.customerlifecycle.us](http://www.customerlifecycle.us)

Customer Lifecycle is a global research-based consultancy committed to helping our clients avoid costly mistakes by focusing on thorough front-end planning, appropriate support for research execution, and in-depth deployment consulting and implementation at the back end. Outcomes are rigorous and balanced customer-focused performance metrics, improved financial results, and a superior total customer experience. Its mission is to provide companies with insight into their industries and staff by deploying sophisticated analyses to answer tough business questions, and intelligence that clients can act on with confidence, thereby offering an edge in understanding customer choice, engagement, loyalty and advocacy.

Each stage in the customer lifecycle—acquisition, service, growth, retention—has its own unique challenges and solutions to address specific business issues. Customer Lifecycle helps both B2B and B2C focused organizations plan and conduct research to accurately identify and measure customer requirements for satisfaction, loyalty, and retention at every stage of the relationship and to deploy and integrate customer requirements for performance into the processes and internal performance metrics of the organization.

## ***Liaison***

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