Editorial: Understanding what is expected, prioritizing activities, delivering on the promise, and adapting to the future by reskilling

At the beginning of this year, SmartStorming Partners Mitchell Rigie and Keith Harmeyer communicated to us, via e-mail, that an excellent starting point for building an innovative thinking foundation is understanding and nurturing the seven key traits of “Innovative Thinking Superstars”: Curiosity; Imagination; Intuition; Inventiveness; Playfulness; Flexibility; Persistence. In the same month, the Director of Consulting at Stellar EVOLVE, specialized in defining next generation customer management strategies across the customer lifecycle, argued that simplicity is the new black for customer experience professionals, (Bhattacharyya, 2016) and summarized his thoughts in four laws: the opposite of simplicity is not complexity but confusion; the path to simplicity is through complexity; complexity is never eliminated but can only be reduced or concealed; simplicity is achieved by finding the right balance between usability and usefulness. He concluded that in the words of his idol – Albert Einstein – “Things must be made as simple as possible - but never simpler”.

Dealing with the insane pace of change, and considering a shift to a more “customer centric” strategy

We all know that the ever-difficult task of “keeping it simple” was considered (Project Management Institute, 2011) one of the so-called (by Tom Peters) “obvious ideas” (now considered “standard operating procedure” in businesses around the world) reemphasized in the 1982 bestseller “In Search of Excellence” (by the authors Tom Peters and Bob Waterman). In an interview for McKinsey Quarterly, September 2014, Tom Peters showed, among others, that to deal with the insane pace of change involves living to get smarter and to learn new things, going up the value-added chain beyond the kinds of tasks and roles that can be automated. He ended by recommending embracing the new technology with youthful joy and glee.

Customers know what outcomes they want, and that innovation is what brings new value to them, what significantly improves a main parameter of customer value, businesses being continuously challenged to measure customer value the customer’s way. (Hunsaker, 2015) And if customers’ experience means all interactions they have with or about a solution, the secret to customer experience excellence is value, (clearactioncx.com) customers buying capabilities to do something via solutions that have been offered (known as the customer’s “job-to-be-done”), while customer experience innovation creates mutual value within the experience with a solution.

Customer value (customer value attribute tree) means benefits (product, service, image, emotional and psychological factors, people, convenience, relationship, association, information, retailer, availability of the product, non-price terms etc.) plus cost (price, non-price), customer experience being built into each of the above mentioned items (each item having a relative importance coming from market research with customers through statistical analysis), while
customer perception is understood influenced by a variety of factors, such as experience, emotions, increasing number of users of the same product etc. A customer can also be understood by building a customer’s waterfall of needs (a customer journey: need, prospecting, shopping, buying, post purchase, use, after use), and take the attributes from this. The key to what value a business needs to be selling is the relative importance of these many factors or attributes in buying to the customer. (Mahajan, 2016) The President of Customer Value Foundation (the leading global leader in Customer Value Management) argues further that in order to move ahead, it must also get the customer’s perception on whether the business is creating less or more value on each of the attributes, this being called “Customer Value Added” (defined as customer’s perceived rating or score of the value a company delivers divided by the perceived rating or score competition gets on the value they deliver to their customer). He recommends: to measure the Customer Value Added score (a comparative one), to conduct a Customer Value Added study, identifying the differences between a value study and a satisfaction study or a transaction study, and to do it yourself. (Mahajan, 2016)

There is no doubt that the entire relationship between companies and their customers has changed in our challenging hyper connected world, businesses considering a shift to a more “customer centric” strategy so as to effectively deliver a great customer experience, company’s experience strategy ultimately becoming company’s business strategy. (Hinshaw, 2016) What also presupposes re-thinking company’s basic organizational structure, and better empathizing with and serving company’s customers by using tools such as customer listening and personas, analyzing and taking action on customer feedback, monitoring how well company is doing at delivering the experiences its customers actually want, knowing exactly what the company is trying to deliver to its customers.

Let us be innovative thinkers and to break the organizational walls and instill more collaborative mind-sets by using the social technologies (paying attention to the new sensitivities raised by them), better interacting with customers, and networking with company’s employees and outside stakeholders, co-creating and sharing the organization’s mission and vision, and tapping new sources of creativity. (Harrysson, Schoder, and Tavakoli, 2016) McKinsey’s representatives also recommend the reliance on the practices that contribute to accountability (defined as the ability of people to understand what is expected of them, exercise authority, and take responsibility for delivering results), such as: managing performance contracts, role clarity (clear organizational structures), personal ownership (a culture of personal responsibility), and consequence management. (Bazigos, Ellsworth, and Goldstein, 2016)

We are all customers and citizens looking at meaningful change that reflects our needs and wants

We are all customers (seeking to fulfill our individual interests through private decisions and expressing our dissatisfaction passively) and citizens (seeking to fulfill our community interests through public participation and decision-making and expressing our dissatisfaction
through public voice). (Nalbandian, 1997) Many of today’s most sophisticated business techniques and enabling technologies used by businesses to better understand and respond to the needs of their customers are already beginning to be used by government offices around the world in order to help make more successful policies and smarter decisions (by rethinking information management, engaging citizens and using data they already have) on the public’s behalf. (Pitney Bowes, 2015)

A recent talk between McKinsey’s representatives (Corydon, Grant, Lin, Ma Zecha, 2016) approached the new skills governments around the world must develop in order to bring meaningful change that reflects the needs and wants of their citizens. There is clear evidence that governments are facing better setting priorities amid swift technological change, budget constraints, and the need to adopt more transformational mind-sets, taking into account that: citizens expectations are driven by the private sector, for example by citizen digital experience with a bank, by citizen experience with his mobile-phone provider or his pay-tv provider; world-class consumer companies are looking at the value of a customer over a lifetime (the value of that customer journey, that customer experience, over the whole time of the relationship). Singapore is a very interesting case from the viewpoint of thinking about what a strategy is for the country to be competitive in the future, this year two very large programs being undergoing: the “Committee on the Future Economy” (reevaluating the entire structure of the economy, in order to set Singapore up for the next 50 years); the “SkillsFuture” program (ensuring that every single Singapore citizen age 25 and over has a SkillsFuture account, putting money every year in order to be used toward reskilling an individual for the rest of his or her life).

Indeed, now “it’s time to explore tools to crowdsource a rich fact base of performance observations”. (Bazigos, Ellsworth, and Goldstein, 2016) At least because as we argued in another editorial some time ago: “We observe that yes we do change, we change consuming (knowledge, news, words, food etc.), and changing the subject of life conversation, speaking about another crisis, another recession, another global food crisis, about the confidence crisis, about preparing to face the hunger... of justifiable choices. What does being rich mean to us? How rich together are we today?”

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References

