

Translating VOC into Strategy

Northern Virginia ASQ Meeting



Introductions



Tina Cooper
- Senior Manager -
Public Sector Advisory

Tina Cooper has over a decade of experience developing resource management decision support systems and advising clients on process improvements to reduce costs and increase productivity. She has worked with numerous Public Sector clients, in include the Navy, Marine Corps, Department of Homeland Security, and the Treasury Fiscal Service.

Within Grant Thornton's Public Sector practice, Tina leads the Defense Agencies segment and the Lean Six Sigma certification training program. She is also a proud member of ASQ / NoVA Section 511.

Tina holds bachelor's and master's degrees in Industrial Engineering from Georgia Tech.



Zak Pierce
- Director-
Strategy

Zak brings over 20 years of experience driving client value generation via customer experiences and efficient, fiscally sustainable operations. He is a leader in areas like marketing and sales strategy, organization design, PMO development and operations improvement.

He has led and delivered value-focused projects like customer transformation, PMO strategy and leadership, ERP implementation and organizational change across multiple industries in 9 countries.

Zak has worked and consulted with Microsoft, Amazon, T-Mobile, Aetna, Northwestern Mutual, British American Tobacco, and USG among others.



Michael Casias
- Senior Associate -
Strategy

Michael is a Senior Associate at Grant Thornton where he specializes in decision analytics, strategy development, and performance improvement execution.

He has extensive experience supporting operations and marketing activities including, but not limited to, workforce analysis (people analytics), return on investment (ROI) / business case analysis, revenue forecasting, strategic plan development, market strategy, and process improvement.

Additional areas of focus have included change management and stakeholder engagement, workforce design, organizational alignment, and identification / measurement of key performance indicators (KPIs).

Michael holds a BS in Economics from the Wharton School, University of Pennsylvania.

Agenda

Context

Approach

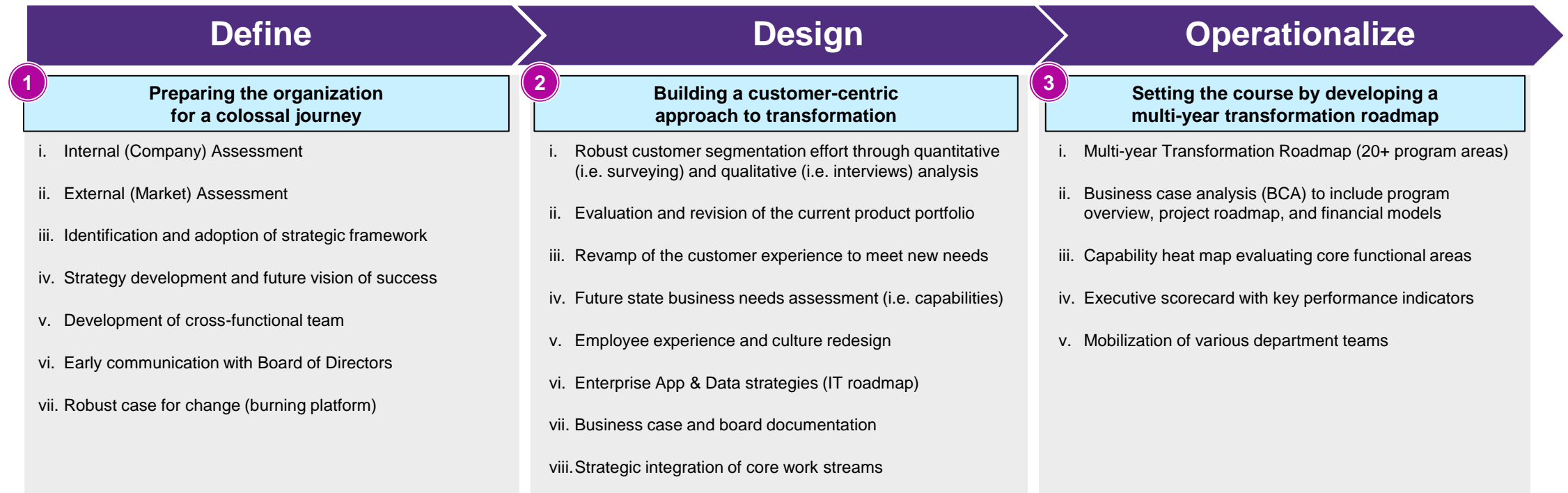
- 1 Preparing the organization for a colossal journey
- 2 Building a customer-centric approach to transformation
- 3 Setting the course by developing a multi-year transformation plan

Summary

Context

- An industry leading nonprofit professional association was experiencing **market erosion, loss of market relevance** and **decreasing membership** as well as insufficient organizational capabilities and culture to support an enterprise-wide customer-centric transformation.
- Our team was engaged to **develop an end-to-end transformation roadmap** covering technology, operating capabilities and culture.
- Interim deliverables included **IT strategy, culture manifesto, employee experience design, functional business area capability assessments** and **project management support**.
- Our presentation will cover **how our team captured the voice of the customer for this professional association and developed a three-year \$58M dollar transformation plan that will span all customer segments, products and channels.**

Today's conversation will primarily focus on the massive endeavor to plan and prepare for a transformation (rather than the execution itself)



We used many 'Quality' tools and techniques throughout this endeavor, which we'll highlight during our discussion

Define

Understand the problem and define the process

Activity Network Diagrams
 Affinity Diagrams
Brainstorming
 Cause-and-Effect Matrix
 Control Charts
Critical Path Method (CPM)
 Critical to Quality Tree (CTQ)
Facilitation
 FMEA
Gantt Charts
 Interrelationship Diagrams
 Kano Model
 Line Graphs
 Matrix Diagrams
 Metrics Selection
Pareto Diagrams
 Perceptual Maps
 Prioritization Matrices
 PDPC
 Process Map/Flow Charts
 PERT
Project Charter
Project Plan
 QFD (House of Quality)
 Risk Analysis and Measurement
 SIPOC Diagram
 Stakeholder Analysis
 Statistical Tests
 Tree Diagrams
 Value Stream Map
Voice of the Customer (VOC)
 Work Breakdown Structure (WBS)

Measure

Understand the process and develop baseline

ANOVA
 Average and Range Method
 Binomial Distribution
 Box-and-Whisker Plots
 Cause-and-Effect Diagram (Fishbone/Ishikawa)
 Cause-and-Effect Matrix
Checklists
 Chi-Square Distribution
Data Collection Plan
Descriptive Statistics
 F Distribution
 FMEA
 Histograms
 Normal Distribution
Pareto Diagrams
 Poisson Distribution
 Prioritization Matrices
 Probability Applications
 Process Capability Studies
 Process Map/Flow Charts
 QFD (House of Quality)
 Recording Check Sheets
 Sampling Plan
Scatter Diagrams
 SIPOC
 Stem and Leaf Plots
 Student's t Distribution
 Work Instructions

Analyze

Evaluate data to identify areas for improvement

2 Mean, Equal Variance, t Test
 2 Mean, Unequal Variance, t Test
 Affinity Diagrams
 Analysis of Variance Method (ANOVA)
Box-and-Whisker Plots
 Cause-and-Effect Diagram (Fishbone/Ishikawa)
 Chi-Square Test
 Coefficient of Determination
 Confidence Intervals
 Correlation Coefficient
Data Visualization
Descriptive Statistics
 F Test
 FMEA
 Histograms
Hypothesis Testing
Multi-Vari Analysis
 p Test
 Paired t Test
Pareto Diagrams
 Regression (Least Squares)
Root Cause Analysis (5 Whys)
 Scatter Diagrams
Simulations
 Stem and Leaf Plots
 Student's t Test
 Takt Time
 Value Stream Map
 Z Test

Improve

Design, test, and implement solutions

Analyze/Interpret Data
Brainstorming
 Control Plans
Define Experimental Objectives
 Design of Experiments
 DOE improvement analysis
 EVOP Evolutionary Operations
 Execute Experimental Design
 FMEA
Hypothesis Testing
Kanban
 Measurement system analysis
 Mistake Proofing (Poka Yoke)
 Multi-Vari Analysis
 Process Capability Studies
 Process Map/Flow Charts
 Select and Scale Process Variables
 Select Experimental Design
Training Plans
Use/Present Results

Control

Validate results, monitor, and control

Communication Plans
 Control Charts
 Control Plans
Dashboard
 Process Capability
 Process Documentation
Scorecard
Training Plans

Learning objectives for today's session will include...

- 1 Discuss the activities and outcomes of a massive enterprise wide transformation planning effort
- 2 Describe how specific areas of quality best practices (i.e. LSS) applied and didn't apply to said effort
- 3 Share the story of a similar type of membership based not-profit that may resonate with your organization

Agenda

Context

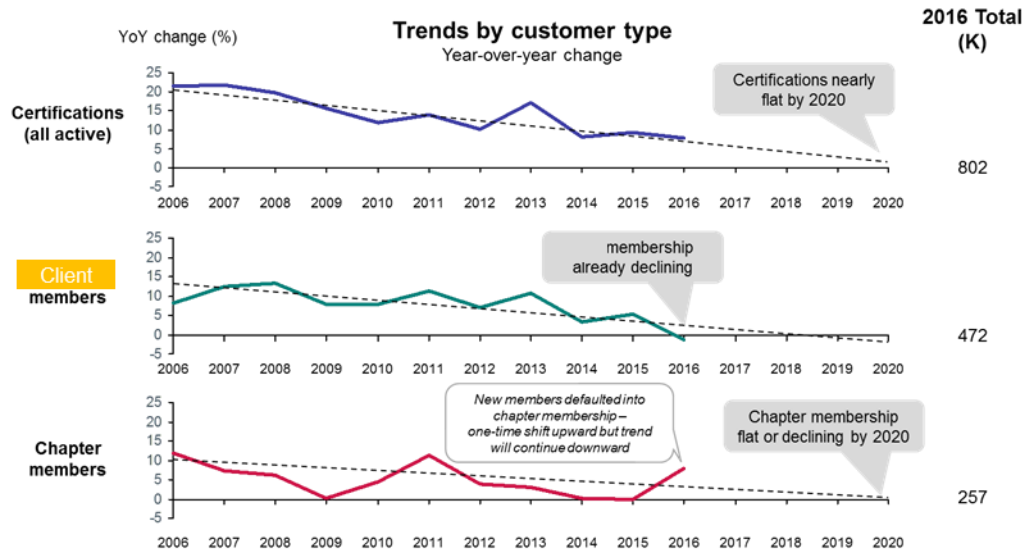
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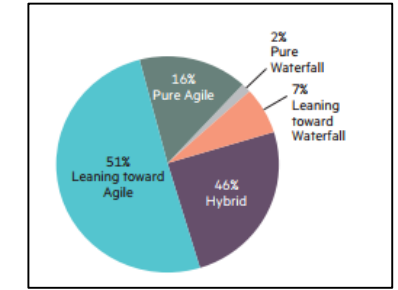
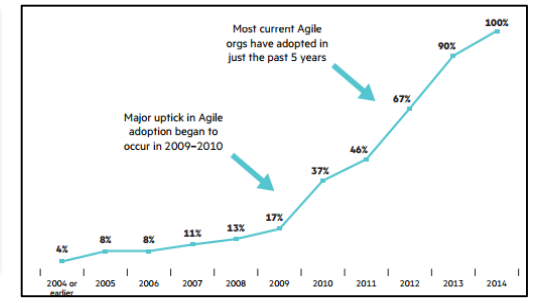
Summary

Articulating the need for change was the first of many critical steps that our client took towards beginning their transformational journey

Internal (Company) Assessment



External (Market) Assessment

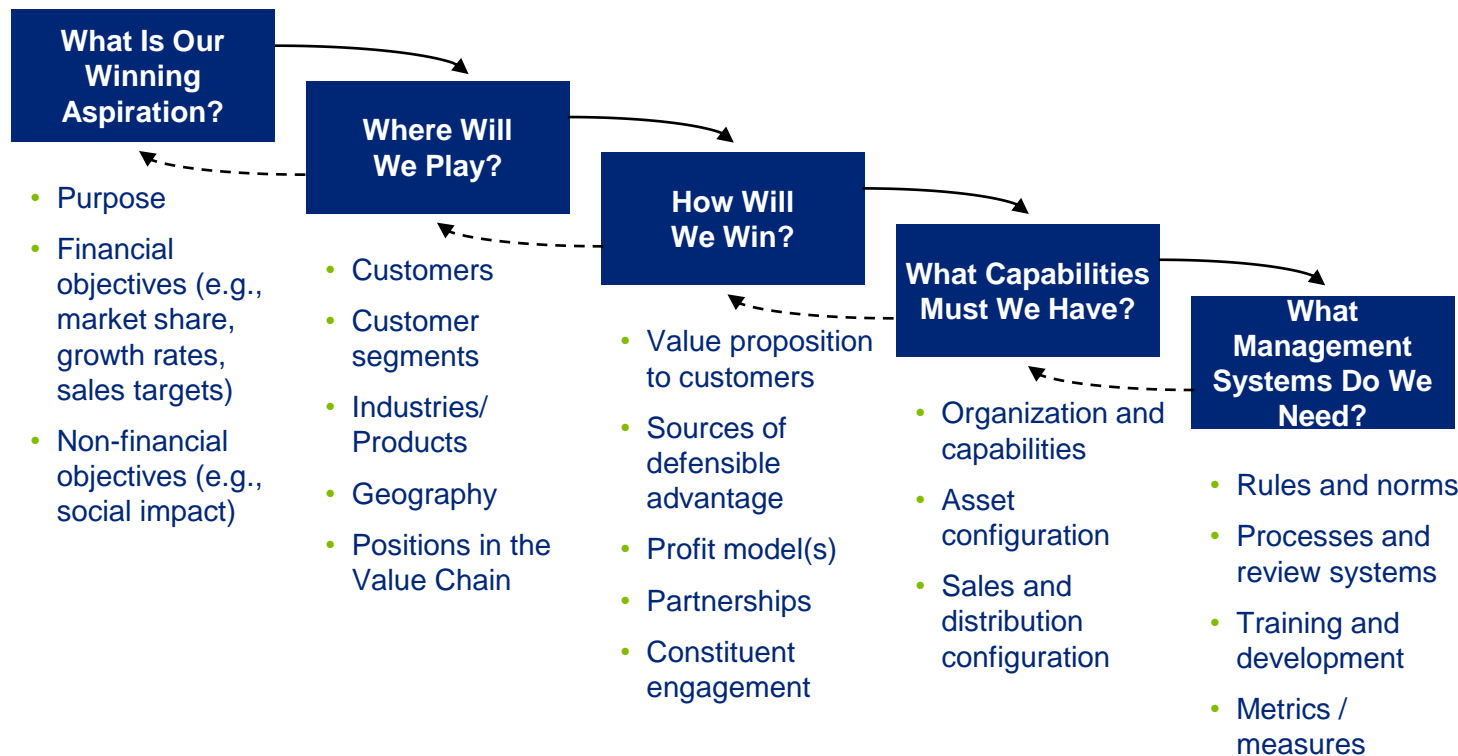


Conducting an internal and external assessment enabled the organization to build the case for change while gaining alignment with all major stakeholder groups, both internal and external (i.e. C-suite, Board, Staff)

By adopting the 'Playing to Win' framework, the executive leadership team adapted their strategy and created a future vision of success

The 'Playing to Win' framework simplified strategy development by framing critical decisions in the form of a choice cascade...

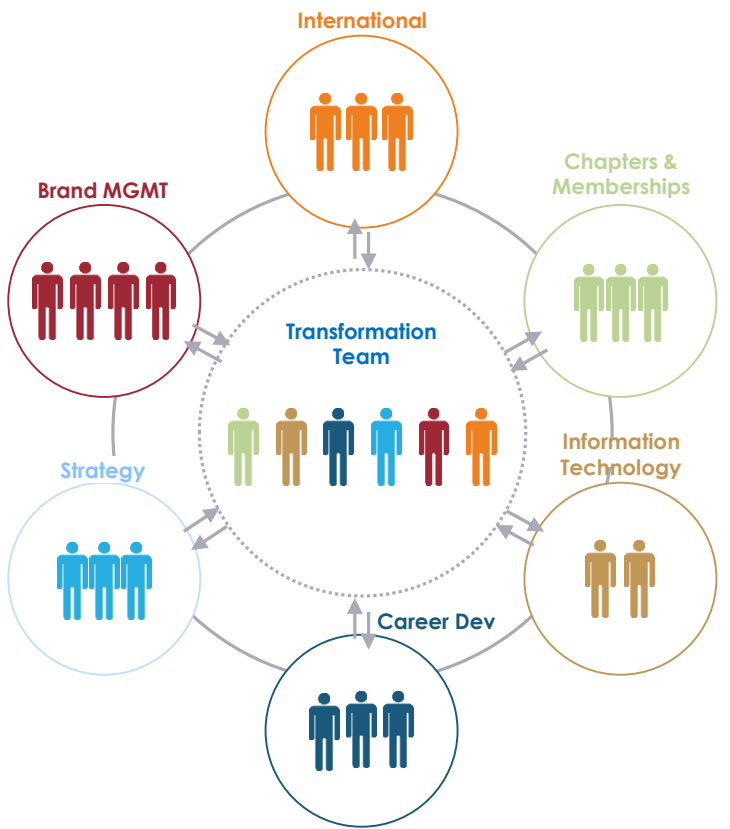
...enabling communication to easily flow throughout the organization



- Town hall events*
- Board of Director Webinars*
- Working groups (i.e. segmentation)*
- Weekly transformation updates*
- Artifacts (i.e. posters)*
- Socials / Events*

To drive transformation efforts, a cross-functional team was assembled which consisted of high performers* across the organization

Breaking down organizational silos



Benefits of cross-functional teams within an organization

-   Transparency & Awareness
-   Diversity of Thought
-   Network Collaboration

Criteria for selecting 'linchpin' liaisons across departments¹

"If it doesn't pain you to give the person up, pick someone else"

"If it's not someone whose voice you'll recognize when they call you at home at 2:00AM, pick someone else"

***Key Observation:** While best practices dictate the selection of high performers (and/or influencers) from each major department of an organization, we found that leadership's hesitancy in sharing top performers diminished the overall impact of the team.

1. "Team of Teams" by Ret. General Stanley McChrystal

Agenda

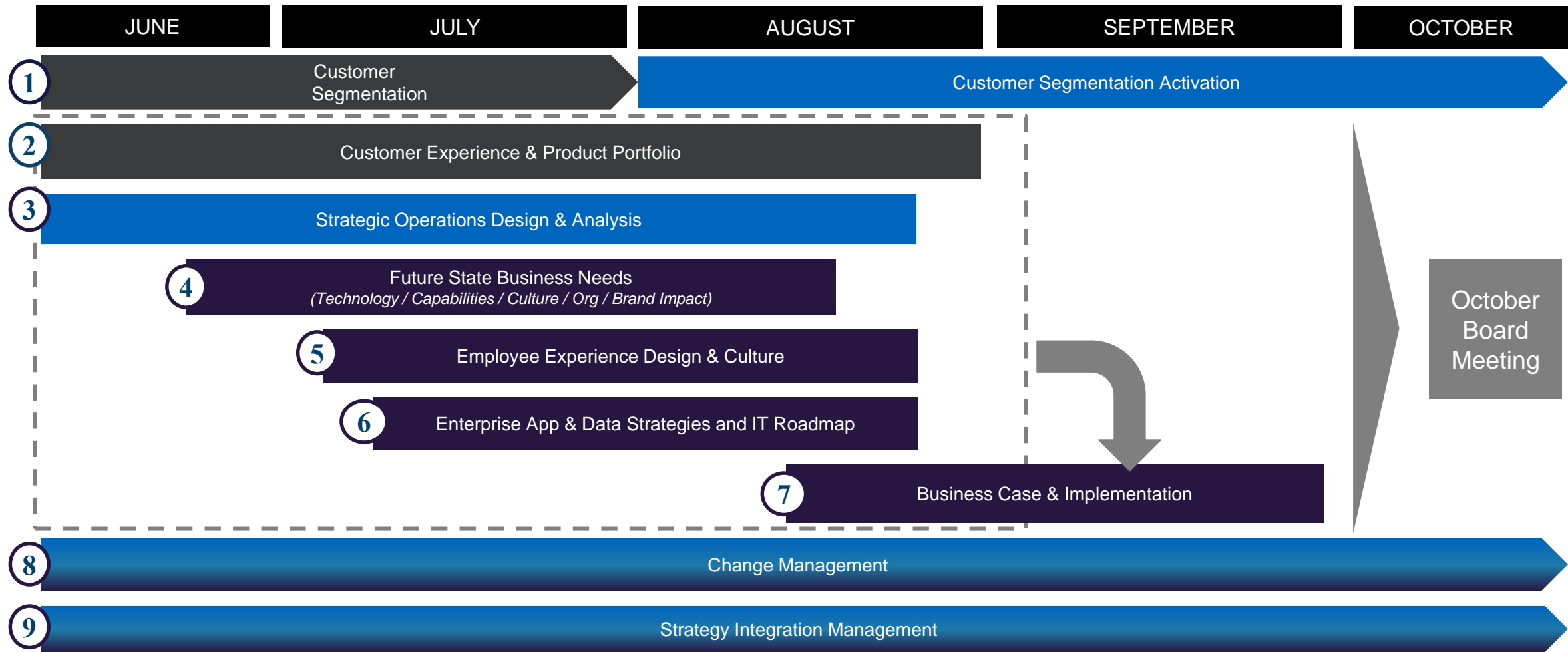
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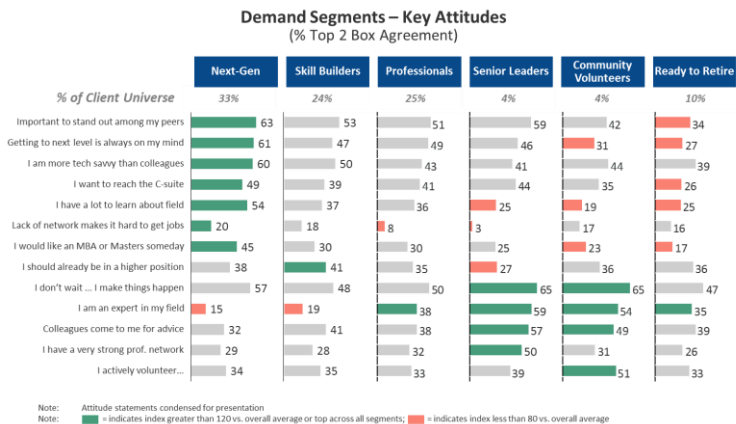
Summary

Over a multi-month period, nine critical work streams were pursued, all deeply rooted in a customer-first approach to transformation



The first step in this process was gaining a deep understanding of core customer segments through quantitative and qualitative analysis...

Quantitative Analysis (i.e. survey analysis)



Qualitative Analysis (i.e. interviews)

Jobs Interview: Carlos (Volunteer)

Overview of Occasion		Forces of Progress	
Circumstance/Timeline	<ul style="list-style-type: none"> 2011: MBA/Masters in Computer Science 2015: Begins studying for Certification 2016: Completes Certification 2017: Secures IT Manager role at new company Currently working on MSCE in Chemical engineering 	Push	Pull
What Was Hired? (Hiring Criteria)	What Was Fired? (Firing Criteria)	<ul style="list-style-type: none"> Help me take care of myself because my company isn't going to take care of me... it's not like it used to be The one thing I didn't want to do was just code... I felt devalued at prior employer 	<ul style="list-style-type: none"> Endorsed by managers early in IT career Open doors to jobs with certification requirement Increase compensation Certification says that I've accomplished and that I've continued to grow Studying for the Certification made me feel like I was not wasting my skills Leadership opportunities at Certification chapters
<ul style="list-style-type: none"> Certification Online prep (apps, book, videos) Chapter Vol 	<ul style="list-style-type: none"> Baby Cert Agile/Scrum (buzzword, but narrow use) 	Struggle/Trade-Off	That's Interesting
		<ul style="list-style-type: none"> Former employer indifferent to Certification Lack of math questions on exam were troubling 	

When I don't see growth opportunities in my current role, help me get credit for my experience, so I can shift to a growth path
 When I am looking for social interaction, help me connect with PM colleagues, so I can feel engaged in my community

Segment Overview: Community Volunteers

Illustrative


Priority Type: Influencer

Who They Are

Community Volunteers

XYZ Universe Population: ~65k

Seasoned SME experts, highly engaged in their community via chapters, with a history of volunteering



Involvement (% of Segment, Stated)

49% (292) Active Cert
 17% (399) Lapsed
 69% (116) Rated as Important to Career¹

60% (254) XYZ Members
 40% (174) Lapsed
 35% (163) Rated as Important to Career¹

Male	57%	65%
Female	43%	35%
Age 18-34	30%	25%
Age 35-44	30%	70%
Age 45+	40%	6%
Total		Volunteers

What Defines Them	Jobs Progress Sought	Resource & Spend
<ul style="list-style-type: none"> 16+ years Work Experience 100% have Volunteered with PMI Chapter <p>Differentiating Attitudes</p> <ul style="list-style-type: none"> "My success depends on my ability to develop other people" (52%, 138) "I actively volunteer for orgs I believe in" (51%, 147) "Certs should require rigorous and extensive training" (47%, 138) 	<p>Jobs</p> <ul style="list-style-type: none"> Help Me Connect with my technical Colleagues, So I Can feel engaged in my community Help Me Learn the Language, So I Can get up to speed on new SME approaches <p>Struggles</p> <ul style="list-style-type: none"> I lack a professional network and don't know how to stay involved It can be challenging to find relevant resources that are easy to digest 	<p>Average Per Capita Spend on...</p> <p>Company (Financial Data, Past Two Years) % Customer (v. Registered): 85% Certification: \$33 (96) Membership: \$65 (257)</p> <p>Other Resources (Stated Survey Data, Past Year) Online Learning: \$167 (92) Cert. Test Prep: \$92 (85) Business Media/Lit: \$21 (161)</p>

...in parallel, we looked to better understand what capabilities were needed within the organization to realize the strategy

Internal capabilities tended to fall within the categories of people, processes, and technology

Employee Exp. and Culture

Phases: ATTRACT, CONSIDERATION, ONBOARD, DEVELOP, EXIT

Doing: Develop interest, Research options, Compare options, Select employer, Individualized support, Onboard and acculturate, Cultivate interest, Clean rewards, Advance career, Recommend employer, Participate in alumni activities.

Thinking:

- Am I excited about XYZ's mission? Will XYZ create opportunities to develop skills and develop opportunities?
- Does this align with my personal and professional goals?
- Do I trust that the culture XYZ describes will reflect my experience as an employee?
- Can I trust XYZ to provide the professional growth I'm seeking?
- What are the opportunities for me? How much time will I be before I feel comfortable in my role? What resources will ensure I'm up to speed? Who on my team can I rely on to help get acclimated?
- What are the expectations of my role? How much time will I be before I feel comfortable in my role? What resources will ensure I'm up to speed? Who on my team can I rely on to help get acclimated?
- What are the opportunities for me? How much time will I be before I feel comfortable in my role? What resources will ensure I'm up to speed? Who on my team can I rely on to help get acclimated?
- What are the opportunities for me? How much time will I be before I feel comfortable in my role? What resources will ensure I'm up to speed? Who on my team can I rely on to help get acclimated?

Feeling:

- Interested in joining an organization with a strong mission?
- Excited about where I will find my next opportunity?
- Overwhelmed about where I will find my next opportunity?
- What are the signals that this is the right fit for me?
- What resources should I be using to take hold of my individual needs?
- How can I be recognized for my contributions?
- What are the opportunities for me? How much time will I be before I feel comfortable in my role? What resources will ensure I'm up to speed? Who on my team can I rely on to help get acclimated?

Results from Interviews & VoE:

- 25% of employees cited commitment to mission as top emerging belief that should not change moving forward.
- Employees ranked digital job descriptions as very important, with 55% of employees reporting descriptions were needed at 55%.
- 15% of respondents associate XYZ's culture with headhunting.
- 17% of respondents associate XYZ's current culture with XYZ's current culture.
- 75% of employees reported associate roles with XYZ's culture.
- 25% of employees associate XYZ's current culture with XYZ's current culture.
- Increased decision making and lack of accessibility have led to behaviors that employees find demotivating at XYZ's culture.
- 50% of employees would like to have direct and transparent communication from leadership moving forward.
- Current feedback with offboarding process measured at -15%.

Opportunities for XYZ 2.0:

- Job description
- Compensation
- Onboarding
- Performance management (consistency & clarity of expectations)
- Offboarding
- Reputation management
- Talent screening
- Work environment
- Performance reviews
- Alumni engagement
- Talent sourcing
- Interviewing
- 360 feedback

Key Deliverables

- Culture and employee experience survey
- Creation of Culture manifesto and core values
- Training curriculum development (i.e. customer centricity)
- Stakeholder interviews and c-suite working sessions
- Design of new employee lifecycle experience

Business Needs Assessments

Be effective with a Customer-Centric Operating Model

Ensure customer-centricity, operational scalability, and greatest execution impact via Pod organization model with one pod per customer segment.

Develop a Marketing Operations shared services model

Localization/Translation: US/UK, MarTech Ops (lead gen, lead scoring, etc.), Taxonomy, PR, Web Dev.

Embed Analytical Talent into Organization

Analytical talent is integral to effective integrated marketing that can assess and respond to the customer. Key attributes of this talent include:

- Understand the business and landscape
- Drive insights from data
- Develop hypotheses to test
- Manage test portfolio
- Communicate recommendations to executives through storytelling

- Identification of key business areas for assessment
- Staff engagement through interviews / working sessions
- Development of key recommendations per business area
- Prioritization of recommendations by impact versus effort
- Presentation of findings to c-suite and senior leader teams

IT Strategy

XYZ needs to undertake a significant shift in how business & IT work to deliver on its strategic objectives

Multiple operating models working together, but spinning at different speeds

Overarching enterprise governance and orchestration is required to enable and support each gear

Small Gear: Systems of Engagement

Medium Gear: Systems of Insight

Large Gear: Systems of Record

Each gear has unique aspects related to:

- Risk
- Speed
- Governance
- Organization
- Flexibility
- Architecture

- Organizational survey on app environment (IT vs. Business)
- Stakeholder interviews across core functional areas
- Development of a robust IT Strategy including data analytics CoE, data architecture modernization, etc.
- Multiple town hall events and working sessions to communicate future vision of IT environment

Agenda

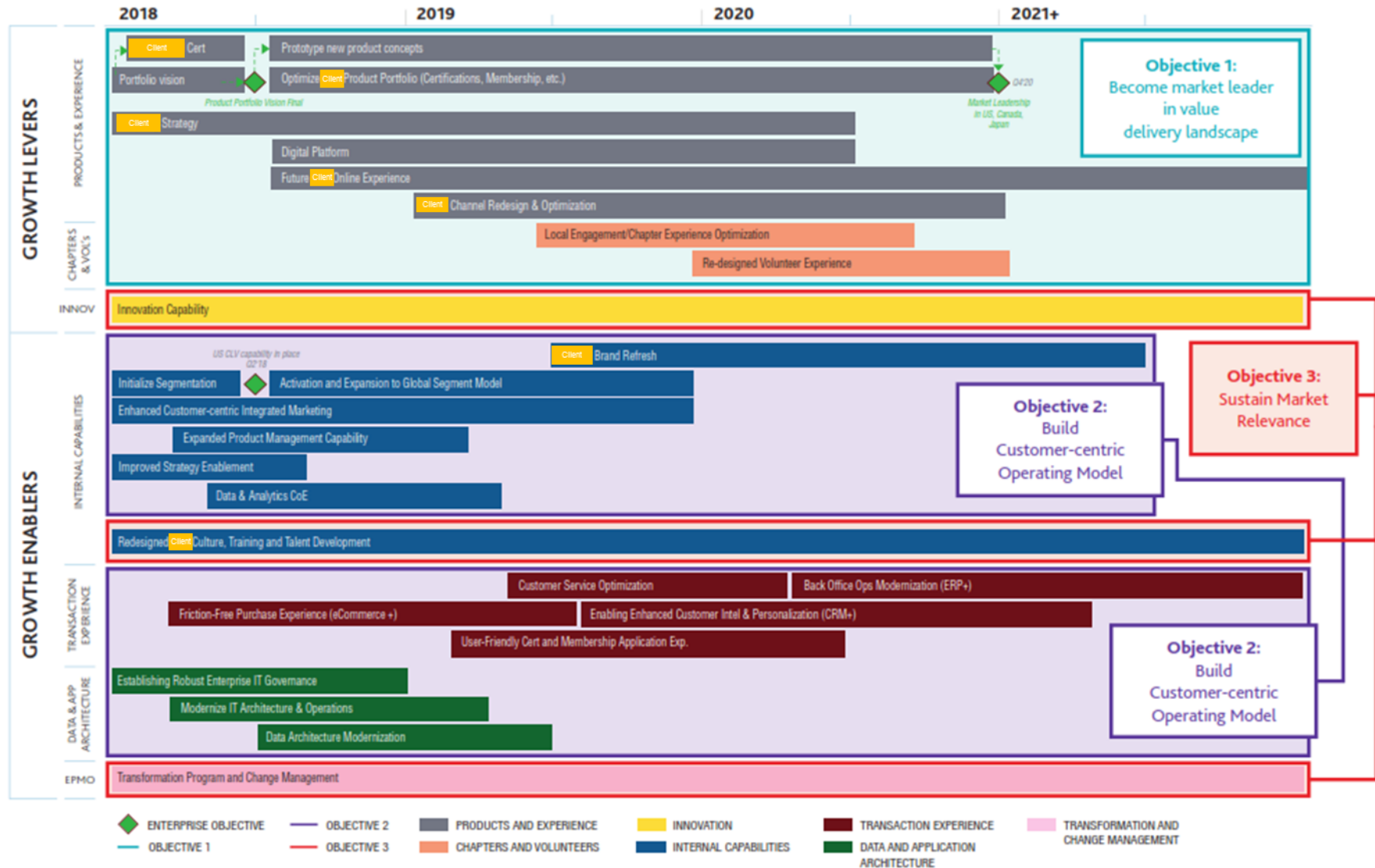
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Summary

Research and analysis efforts culminated with the development of a multi-year Transformation Roadmap which incorporated 20+ program areas



The Transformation Roadmap was supported by a business case analysis (BCA) which included program overviews, project listings, and financials

These 'program brief slides' were developed through stakeholder interviews, best practice research, and GT SME; however, client SME feedback was critical for future execution

Description and BCA

Enhanced Customer-Centric Integrated Marketing

START: Q1'18 | END: Q4'19 | IMPACT: | EFFORT: |

DESCRIPTION

Customer-centric Integrated Marketing encompasses the people, processes, and technology needed to deliver engaging content and experiences across the entire customer journey, leading a wider demand funnel, increased conversion and higher revenue. Integrated Marketing teams should be organized around each priority customer segment and include representation from across the organization.

DETAIL

The Enhanced Customer-centric Integrated Marketing program allows XYZ to:

- Use personas and customer journey maps to have deep customer intelligence. Leveraging customer segment information, better information will be developed to help understand the customer segments.
- Develop strategic plans to gain marketing investment, determine ROI and use a formal approach to increase marketing effectiveness. New planning capabilities and processes that are customer-centric will help coordinate investments across XYZ key strategic focus.
- Organize and deliver content that is effective and relevant to customers. Develop robust content marketing capabilities as one of the integrated marketing program.
- Re-organize people and processes to ensure XYZ is customer-centric. Ensure customer-centric, operational scalability, and greatest execution impact as Post model and leveraging a Marketing Operations shared service model.
- Redesign Events portfolio to address customer segment JTBDs. Design virtual & live events as key integrated marketing channels that also provide professional development.

BENEFITS

- Revenue growth of \$6.24 M
- 12.2% increase in leads and professional memberships resulting from application of personas and journey maps informed by deep customer intelligence
- 12.2% increase in leads and professional memberships resulting from delivery of content that is targeted and relevant to target segments
- Soft benefits include:
 - Higher NPS due to improved planning and focus on needs of strategic segments
 - Higher NPS and customer engagement due to improved content / personalization

IMPLEMENTATION COSTS

- Purchases: \$ 5.1 M
- Consulting: \$3.8 M
- TOTAL: \$8.9 M

RESOURCING

- Third-Party Resourcing:
 - Hire third party expertise to develop personas and customer journey maps.
 - Hire third party expertise to design & launch integrated marketing operating model, including post ITSDs and planning & governance processes & tools.
 - Hire third party to help install and configure DAM tools.
- XYZ Resourcing:
 - Hire internal staff; will be needed; post skills assessment

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Project level roadmap

Enhanced Customer-Centric Integrated Marketing: Roadmap

Key Projects:

- Personas Development and Customer Journey Mapping
- Develop Strategic Marketing Plans
- Integrate Content Marketing into Integrated Marketing
- Events portfolio redesign
- SPM Tool Implementation
- DAM Implementation
- Localize integrated marketing content (priority markets)

Assumptions:

- Customer segment-focused pools are approved
- Integration of Content marketing into Integrated Marketing
- Stalcore improvements delivered by IT

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Cost est. for purchases / support

Enhanced Customer-Centric Integrated Marketing: Budget Details

Enhanced Customer-Centric Integrated Marketing		Purchases (\$)
PURCHASES		
Digital Asset Management license and implementation		
Marketing ROI Solution Selection and Implementation (Allocadia)		
Content procurement		
PURCHASE TOTAL		
IMPLEMENTATION / CONSULTING FEES	\$ / Hour	Projected Hours
Localize marketing content		
Persona Development & Customer Journey Mapping		
Integrated Marketing Operating Model and Implementation		
Content Audit		
Content development		
Digital Asset Management solution selection / implementation		
Marketing ROI solution selection and implementation		
Redesign and rationalize live & virtual events portfolio		
CONSULTING TOTAL		
PROGRAM TOTAL		

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Capability heat maps were developed and key performance indicators (KPIs) identified to ensure continuous monitoring of performance

CLIENT 2.0 Capability Heat Map

Illustrative

Products			Channels			Customer Lifecycle			Strategy and Brand			Finance / Administration			Human Capital		
Business Area	Tech Capability	Business Capability	Business Area	Tech Capability	Business Capability	Business Area	Tech Capability	Business Capability	Business Area	Tech Capability	Business Capability	Business Area	Tech Capability	Business Capability	Business Area	Tech Capability	Business Capability
Membership Benefits	Y	Y	Strategic Partner Management	R	R	Customer Care	R	Y	Advocacy Programs	G	Y	Risk Management	N/A	G	Human Capital Management	Y	R
Membership Application Processing	Y	Y	Chapter Management	R	Y	Content Development (incl. digital video etc.)	R	R	Public Relations	G	G	Financial Management	R	G	Culture	N/A	R
Product Lifecycle Management	N/A	R	Volunteer Management	R	Y	Content Distribution	Y	R	Sense and Respond	R	R	Financial Reporting	R	Y			
Credential Management	Y	Y	Event Management	R	Y	Omni-Channel Marketing	Y	R	Strategy Realization	R	R	Business Process Design	R	R			
Exam Development	N/A	Y	Order and Payment Processing (eCommerce channel)	R	Y	Customer Profile Management	Y	R									
Credential Application Processing	R	Y				Customer Experience	Y	R									
Innovation / Venture Management	R	R															

Color Legend

- R** Not sufficient in supporting CLIENT 2.0
- Y** Somewhat sufficient in supporting CLIENT 2.0
- G** Sufficient in supporting CLIENT 2.0

These activities, among others, enabled our client to successfully gain approval from their Board of Directors to push forward w/ Transformation

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Summary

Recap of today's major learning objectives

1

Obj: Discuss the activities and outcomes of a massive enterprise wide transformation planning effort

Question: *What newly identified (or interesting) activities / knowledge can you apply in your workplace?*

2

Obj: Describe how specific areas of quality best practices (i.e. LSS) applied and didn't apply to said effort

Question: *What quality best practices were most prevalent? Could additional tools have helped?*

3

Obj: Share the story of a similar type of membership not-profit that may resonate with your organization

Question: *Does ASQ as an organization face similar challenges? What aspects are most relevant?*

Closing Thoughts: As quality practitioners, we're all familiar with continuous improvement. These concepts are often applied to achieve incremental changes, but they can also be applied to help drive an immense organizational transformation.

Recommended reading

Playing to Win

Sense & Respond

Competing Against Luck

The Advantage

Team of Teams



Questions?

“It is not necessary to change. Survival is not mandatory.”

- W. Edwards Deming

Thank you

