

CUSTOMER RESPONSIVENESS INDEX™



**HOW CUSTOMER CENTRIC ARE YOUR
INTERNALLY FACING FUNCTIONS?**

MAKING CULTURE MANAGEABLE

COUNTLESS STUDIES HAVE DOCUMENTED THE LINK BETWEEN ORGANIZATIONAL CULTURE AND BUSINESS PERFORMANCE. UNFORTUNATELY, CRUCIAL ELEMENTS OF CULTURE REMAIN HIDDEN. THE CRI MEASURES THE MOST CRITICAL ELEMENTS OF YOUR CULTURE THAT LEADS TO SUPERIOR VALUE FOR YOUR INTERNAL CUSTOMERS.

“ Focus on your customers and lead your people as though their lives depend on your success.”

—WARREN BUFFETT

“ I came to see in my time at IBM, that culture isn't just one aspect of the game— it is the game.”

—LOU GERSTNER,
FORMER CEO, IBM

“ ... Bethlehem [Steel] declined first and foremost because it was a culture wherein people focused their efforts on negotiating the nuances of an intricate social hierarchy, not on customers, competitors, or changes in the external world.”

—JIM COLLINS, GOOD TO GREAT

ACHIEVING SUPERIOR VALUE FOR YOUR INTERNAL CUSTOMERS AND YOUR BUSINESS

The momentum and complexity of global business change are challenging your company to move faster, work smarter and think further ahead than the competition. To be successful, your business must develop a winning corporate culture that excels at understanding, predicting and responding to its customers, competitors and market dynamics.

For your company to thrive and achieve sustainable competitive advantage in this environment, it's just as important that you, as part of an internally oriented function, understand your customers and your connection to the value chain as any other part of the business.

We have determined six cultural factors that drive your contribution to the value chain of your business. Our Customer Responsiveness Index™ (CRI) allows you to measure, understand and improve these critical success factors in order to achieve superior value for customers and add to the competitiveness of your business.

BUSINESS FUNCTIONS THAT SUCCESSFULLY IMPROVE THEIR CRI RATINGS:

- Raise their capacity to increase value for customers
- Become centers of expertise in high demand from their internal customers
- Innovate around internal customers' and users' needs
- Drive cost out of the business by eliminating work that does not add value
- Respond more intelligently to changes in the needs of the business

INTRODUCING THE CUSTOMER RESPONSIVE INDEX:

- A simple, web-based tool to assess your cultural capacity for creating superior value for your internal customers.
- Measures customer-centricity and responsiveness in employee behaviors across six critical success factors linked to business performance

- Based on extensive research and validation testing with more than 10,000 companies
- Allows functions and groups to compare themselves against a large and growing database of business professionals

WHAT ARE THE CRI MEASURES

As a derivative of our Market Responsiveness Index™ (MRI), the flagship diagnostic service for your company's general level of Customer Centricity, the CRI similarly measures only those cultural factors that are most directly linked to increased business performance.

There are six characteristics of your culture that define your internal customer responsiveness.

CUSTOMER-CENTRIC DRIVERS

1. **Customer Insight:** Measures behaviors related to focusing, understanding and acting on the needs and satisfaction of your current customers.
2. **Customer Anticipation:** Measures behaviors related to anticipating, recognizing or acting on currently unmet or unspoken needs. The creation of new value for your customers.
3. **Peripheral Vision*:** Measures behaviors related to monitoring, understanding and responding to trends in the larger business environment.

INTERNAL ENABLERS

4. **Cross-Functional Collaboration:** Measures behaviors related to interacting, information sharing and working cooperatively with colleagues from different work groups.
5. **Empowerment:** Measures behaviors related to action orientation of employees, making empowered decisions, acting without explicit approval, proposing new ideas, influencing others, and controlling the way in which work is performed.
6. **Strategic Alignment:** Measures behaviors related to aligning work with the firm's current and evolving strategic goals and objectives.

Based on our research and validation testing, the six factors of the CRI have been found to positively influence your customer satisfaction, innovation and overall business performance.

THE CRI & THE MRI

Created by MarketCulture Strategies based on years of research and extensive validation testing, the MRI is the most important test a company can take to measure its ability to thrive in today's fast-changing and highly competitive marketplace. The MRI provides a powerful benchmark by which companies can rank and rate their level of re-sponsiveness to customers needs, competitive threats, and market and business environmental changes against other companies in their industry and adjacent markets.

Where the Market Responsiveness Index delivers a diagnosis for your company's overall ability to understand, predict and respond to external customers, competitors and market dynamics, the Customer Responsiveness Index addresses your internal customers and value creation.

As such, the CRI is primarily for those business functions that are internally focused and can be used either as a stand-alone assessment or as a complementary service to an MRI, together forming the most comprehensive test of your business' Customer Centric Mindset.

RESEARCH-BASED METRICS

The Customer Responsiveness Index shares the foundation of the Market Responsiveness Index (MRI) and is based on extensive research and validation testing. This makes it the most illuminating and reliable benchmarking tool yet developed to measure customer-

*Our thanks to Prof. George S. Day at The Wharton School of the University of Pennsylvania, and co-author of a book of the same name, who suggested that the term 'peripheral vision' aptly describes our factor that represents a wider vision of the strategic trends that must be monitored in a firm's external environment.

centricity and responsiveness in your business function, group or team and its capacity to deliver superior value for its internal customers.

MarketCulture Strategies has analyzed more than 100 peer-reviewed studies to identify the correlation between business performance and a company's customer-facing and collaborative behaviors. Based on this research, along with years of consulting on cultural best practices, we have developed, tested, tuned and validated a powerful web-based survey instrument that is easy to administer. It is easy and intuitive to complete, and extremely effective in delivering understandable and actionable findings for managers and executive sponsors.

Objective, third-party validation testing has been conducted with participants from more than 100 companies across a wide range of industries, functional units, organizational roles and company sizes. This ensures that the factors we measure have universal applicability in determining business success. Following a CRI, your business function, group or team has a clearer sense of direction and a stronger agenda for action and transformation. Change initiatives can be driven internally or with support from existing consulting partners or the advisory services of MarketCulture Strategies.

CORRECTIVE VISION

A clear vision of where you are today is the first step in revitalizing and transforming your function's culture for greater business alignment and superior value for your internal customers, leading to greater business success. The Customer Responsiveness Index delivers that clarity. We provide a highly

graphical and easily digestible report that allows executives and managers to quickly understand how they rate against other businesses and what cultural factors are impeding or advancing the function's value contribution to the business.

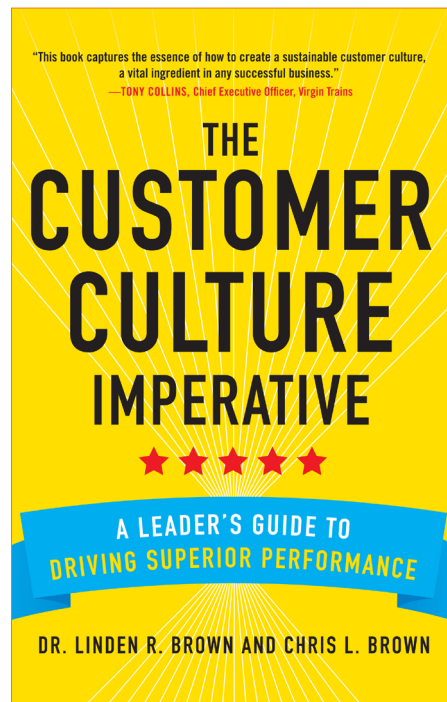
Results can be reported for multiple groups and teams in your function and with comparisons between them to better pinpoint areas of strength and weakness. The data is presented through a series of charts, graphs and clear interpretive commentary that allows all members of your management team to understand the results and their implications and begin the process of consensus building.

A summary report of key findings will be presented by MCS in an executive briefing with your leadership team. A more in-depth CRI benchmark report provides the detailed gap analysis you'll need to identify where and how to take action and begin building a culture that delivers superior customer value, engagement with the rest of the business, innovative thinking about delivered services – all to increase the overall value contribution of your function.

TAKING ACTION

By understanding where gaps exist in your function's organizational mindset and behavior traits, the leadership team can prioritize areas of improvement and create a plan of action for change. The CRI Report provides initial recommendations and a path for identifying the root causes of weaknesses and deficiencies that will need to be addressed. What is most important is that the Customer Responsiveness Index provides you with a critical map for improvement and better outcomes of your activities.

Get the complete story in *The Customer Culture Imperative*



FOR MORE INFORMATION PLEASE CONTACT US VIA EMAIL:

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