A STUDY OF THE CHANGES IN THE CULTURE OF A COMPANY FROM BEING PRODUCT CENTRIC TO CUSTOMER CENTRIC

BY

JAN WILLEM STORM

202524326

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Graduate School of Business, Faculty of Management

University of KWAZULU-NATAL

Supervisor: Dr Dennis Laxton

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CONFIDENTIALITY CLAUSE

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TO WHOM IT MAY CONCERN

RE: CONFIDENTIALITY CLAUSE

Due to the strategic importance of this research it would be appreciated if the contents remain confidential and not be circulated for a period of five years.

Sincerely

JW Storm

3.3   DECLARATION

This research has not been previously accepted for any degree and is not being currently submitted in candidature for any degree.

I declare that this Dissertation contains my own work except where specifically acknowledged

Signed JW Storm

Date 2nd January 2006

3.4   ACKNOWLEDGEMENTS

ABSTRACT

" This study was concerned with the journey that an organisation will need to embark on from being a product centric organisation to becoming a customer centric organisation. The change that is required to become customer centric is about the culture of the organisation that must change, and not the vision and mission statements as published by the senior executive of the company.

Customer centricity is the concept where the customer is truly seen to be the most important part of the organisation. The focus of everyone in the organisation is to satisfy the customer in such a way that there will be a mutual beneficial relationship for both parties.

Literature research was done to understand what customer centricity means and it was amazing to see the various definitions and information that was available on this topic. Most of the researchers alluded to corporate culture and the readiness and ability to change the culture throughout the whole of an organisation. Afrox identified the need identified to become more customer centric and wanted to know why the delivery of the service offers were not happening.

The senior management of Afrox was used in a survey to get their perception of how far the company has moved on the journey to becoming customer centric, and what they would recommend the company should do to becoming customer centric. It was interesting to note that not a single senior manager said that the company was customer centric, although they all agreed that the company was well on the way to becoming customer centric.

Since the whole concept of becoming customer centric is now taken up in the strategic plan, business plan, vision and mission statements of Afrox, the study looks at what Afrox can put in place as a result of the research to enable the changes in culture of the employees and culture of the company that will result in a customer centric organisation. It is very clear that this is a long term journey, and that the company may never get to the true text book definition of customer centricity, but the journey is critical for the company to remain competitive."

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CHAPTER 1

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Afrox has questioned their lack of progress in their journey to becoming more customer centric, and needed to find out what was causing the failure in executing product and service offers that they have been articulating to their customers. Although Afrox has declared in their business strategy that they are a customer focused organisation, the behaviour of the employees had not supported that strategy. The culture of the company had not yet changed into one where the customer is at the centre of the organisation. The point of this research was to establish why the senior managers of the company, who must execute the business strategy, believed the company was not customer centric. The information gathered will help the company to set up programs to assist it in becoming more customer centric.

1.2 MOTIVATION

To evaluate the perception of senior management with reference to customer centricity and determine "how" customer centric Afrox currently is, as well as identifying "what" steps with reference to culture and change management are required to move forward.

1.3 PROBLEM STATEMENT

How will the senior managers of Afrox respond when asked whether they believe the company is customer centric, and what in their view the company can do to become more customer centric?

1.4 VALUE OF THE STUDY

The research will assist Afrox to gain a better understanding of how the senior managers view customer centricity. It will identify the most important enablers of

customer centricity as well as indicate what behaviours the employees of the company needs to exhibit to be customer centric. Afrox will be able to use the information gathered to develop a program to be rolled out throughout the organisation, which will assist employees to change their behaviour to becoming more customer centric. The competitive success of the company is dependant on the ability of the entire workforce to change their behaviour into becoming more customer centric.

1.5 OBJECTIVES OF THE STUDY

1. To establish the basic level of understanding with relation to the customer centricity concept amongst senior managers.
2. To establish the current perception of where Afrox currently resides with relation to the deliverables required for customer centricity.
3. To evaluate how customer centric the organisation is now.
4. To identify if the culture of the organisation can support a customer centric behaviour.
5. To identify the level of change management needed to change the behaviour.

1.6 LIMITATIONS OF THE STUDY

Senior managers from the company attending a strategic management conference were chosen to form the basis for the research. A total of 94 respondents were chosen which represents 86% of the senior management of the organisation.

1.7 METHODOLOGY

Research will be done by both qualitative and quantitative methods to analyse the objectives as set in 1.5. Exploratory research as the source of secondary data, will be used to search literature, including textbooks and the Internet and these are presented in chapter 2. Exploratory research by way of a three-part questionnaire completed by 81 of the senior managers of Afrox will be used to obtain clarity as to where senior managers see themselves on the journey to becoming customer centric. One section of the questionnaire lends itself to quantitative data analysis to investigate the importance of customer centric behaviours as well as the assessment of how well the

company is exhibiting those behaviours. The final part of the research questionnaire allowed the respondents to express their view on the customer centric status of the company and offer suggestions to the company how to become customer centric. Chapter 4 covers the research methodology in detail.

1.8 STRUCTURE OF CHAPTERS

1.8.1 Chapter 1: Introduction

In Chapter one, the reasons for the research report are briefly discussed. The aim, objectives, limitations and value of the research report are also stated.

1.8.2 Chapter 2: Literature Review

In Chapter two, the understanding of the concept of customer centricity, corporate culture and change management linked to the journey from product centricity to customer centricity will be established through literature.

1.8.3 Chapter 3: Company Background

In Chapter three, a detailed discussion of the current strategic plans of Afrox is presented confirming the desire of the company to become customer centric and to recognise the importance of placing the customer at the centre of the organisation.

1.8.4 Chapter 4: Research Methodology

In Chapter four, the research methodology is discussed in detail. This chapter includes the discussion of the layout and content of the questionnaire.

1.8.5 Chapter 5: Presentation And Discussion Of Results

In Chapter five, detailed discussion and explanation of findings and results from the questionnaire will be addressed.

1.8.6 Chapter 6: Conclusion and Recommendations

In Chapter six, conclusions of results of the research, as well as recommendations on the way forward for the Company, are discussed.

1.9 SUMMARY

The company needs to get an understanding of what is preventing it from becoming more customer centric. The behaviour of the employees has not yet changed to the extent that it can be deemed customer centric and the perceptions of the senior managers to the current level of customer centricity and their recommendations for improvement can help Afrox to achieve their customer centric goal.

In the next chapter literature review is done to clarify the key concepts of customer centricity, corporate culture and change, all things that Afrox needs to understand, to change the behaviour of the employees to support a customer centric culture.

CHAPTER 2

LITERATURE REVIEW

2.1 INTRODUCTION

This section of the study looks at relevant literature that talks about the concept of customer centricity, as well as what an organisation needs to do, to change from being product centric to becoming customer centric. Employees give the identity to a company and the behaviour of the employees establishes the culture of the organisation.

Gilbert (2005) states that for an organisation to be customer centric, it is more than just becoming customer focused, it is about placing the customer at the centre of the organisation. The company needs to understand the customer needs and develop the capabilities to meet these needs.

Because customer needs are forever changing, the need exists to have more customer centric organisations with structures, processes and cultures, which will respond rapidly to satisfy these changing needs.

2.2 CUSTOMER CENTRICITY

According to Fox and Brown (2001) the emergence of customer centricity as a business strategy has transformed the way that organisations operate. There has been a shift in the business focus from transactional to relationship marketing, where the customer is at the centre of all business activities. Organisations are now trying to restructure their processes around the needs of their strategically significant customers. UK Consultancy Company Round (2005), comments that customer centric companies develop such a strong emotional bond with their customers, that customers become stakeholders in their success and even become part of the extended organisation. Customers play an important role in all aspects of the company, from

corporate planning, recruitment and product design. Customers are often reported as a balance sheet item in recognition of being the company's most important asset.

Round (2005) defines a product centric organisation as a company that typically has a functional organisational design, volumetric performance measures and is dedicated to maximising efficiency. Product centric companies tend to have a command and control culture focused on creating and selling product as efficiently as possible. Relationships with customers are typically weak, if not adversarial.

Fox and Brown (2001) comments that customers can be business assets when they are managed effectively. To develop and maintain a competitive advantage a customer-focused culture must be created and sustained. If an organisation is successful in this, they can turn the dissatisfied customers of their opposition into their delighted customers.

2.2.1 Theoretical Definition Of Customer Centricity

According to McManus (2001:1) "a Customer-Centric Enterprise (CCE) is a company that focuses on customer satisfaction and places the customer at the centre of the company's existence." Thompson (2001) refers to the Seven Key Insights of what Customer Centricity really means and quotes the Harvard Management Update Newsletter (August 2001), that one of the criteria of customer centricity is "It involves more than telling your employees how to treat customers right. You've got to give employees the authority and tools to decide the right way to treat customers." The organisation must empower their employees to make them understand the important role that they play in the treatment of customers. They also need to be coached that their behaviour must be customer focused.

The company should define how the interactions with customers should take place, through all the touch points and all the various channels of communication. Shekhar (2001) says that each individual in the company should know what is expected and how they should behave with certain customers in certain situations. The mere mention in passing that the organisation will be customer centric and customer focused, often remains words only and is not transferred to actions.

According to Shekhar (2001:6) being customer centric to a customer is "you have treated me with respect and understood my problem." The customer wants to be cared for and is not concerned with the policies of company, the mission, the processes, the software, or infrastructure. Being customer centric is another word for "having the right attitude while interacting with your customer." Authority and tools are fine but attitude is a prerequisite to it. Key to the definition is the understanding that the needs and desires of the customer can be satisfied by placing these needs at the heart of the business and integrating them with the company strategy.

Lee (2001) suggests customers should be treated in a way that enhances and builds profitable customer relationships, which will lead to loyalty, retention and revenue. By focusing on anticipating the future needs of existing and potential customers, and by creating services that extend existing customers relationships beyond the merely transactional, a customer life cycle relationship can be created. The concept of the product life cycle is giving way to the customer life cycle where the customer life cycle focuses on lengthening the profitable life span of the customer with the organisation, rather then the endurance of a particular product.

2.2.2 Relationship between customer centric and profit centric

The company can hardly avoid ignoring the relationship between being customer centric and being profit centric. Lee (2001) comments that these can hardly be avoided in practice, as customer centric is easy to say but hard to do. The true test to see if a company is really customer centric is to see how they will react when the customer's needs are in conflict with the profits, which is by definition less customer centric.

Were a company able to calculate the lifetime value of a specific customer, and the cost of serving the customer is more than his lifetime value, it is unlikely that the company will deny service to this customer.

Thompson (2001:1) states, "We shouldn't confuse the ends with the means. Every for-profit business is by definition profit-centric. Without profits, businesses will wither

and die." The question is how to make those profits and one approach can be to be customer-centric. From theory to practice companies have long realised that profits are generated by doing the right things, for the right customers, at the right time, as cost effectively as possible. Thompson (2001:2) writes: "Relationships drive revenue, not the other way around". To be customer centric is then to a large extent the ability to create a relationship, which will result in revenue being driven.

These customer relationships can become "assets", and the measure of profit becomes the lifetime value of those relationships or the rate of growth in the number of relationships.

2.2.3 Transition From Product Centric To Customer Centric

To make the transition from a product centric organisation to a customer centric organisation, the company needs a clear customer centric strategy. Pompetzki (2001:1) suggested the following steps:

- "Constitute a transition team consisting of no more than 10 people who will consider all areas and divisions of the company.
- Create three lists of goals you want to achieve during the current year, the next three years, and next ten years. Real transition is a very long process.
- Segment the customer base as sharply as possible by finding out from the customers how they'd like to do business with you, how they benefit from your services and products, what they dislike about your company, which services and products they use from your competitors, what they like about your competitors, what they want from you in the future.
- Identify possible obstacles being financial or organisational, for example resistance to change.
- Create a priority list of no more than three goals for the first year, next three and ten years. The goals must be divided into strategic and operational goals with a focus on the customer and organisational changes and defined metrics.
- Communicate the transition goals among the organisation using a mix of media, define a customer policy as your new mission statement and ask for input regarding goals and ideas from the employees.

- Provide education among all levels of the organisation and focus on the why and how of the transition through informing how work will be evaluated using the new metrics.
- Design scripts for employees who will be interacting with customers in various situations, as this is a first step towards excellence.
- To facilitate relationships implement some kind of technical CRM solution.
- Have a minimum standard to provide excellent customer service".

It is clear from the steps proposed that the change from product centric to customer centric is fairly complex and time consuming. The concept of a journey comes to mind.

2.2.4 What Does It Take To Become Customer Centric?

To achieve a more customer centric organisation Lawer (1998) from the OMC group proposes a four-pillar customer centric framework. These "customer value impact" pillars identify the range of work required to become customer centric namely customer orientation, customer insight, customer innovation and customer interface.

Customer orientation is at the core to becoming customer centric, but achieving customer orientation without addressing the other three pillars will not make the organisation more customer centric. Customer orientation is about every employee's willingness to "go the extra mile" to deliver personalized service. The culture or spirit of a company is its strongest competitive asset because it is difficult to copy. Key to the culture is the employees' behaviour, and how they are managed and rewarded. Employees should be empowered and rewarded for employing discretion to tailor customer service and deliver personal value. The company's leaders must be models of customer centricity and they should be "walking the talk".

Customer insight is where customer data is exploited to identify new value and building closer relationships with customers by balancing the available resources. Technology plays a big role here, but also important in this pillar are customer measures such as:
- Depth of the customer knowledge
- Retention and profitability

- Level of segmentation
- Broad customer measures like the knowledge of their potential.

Customer innovation, or creativity, is critical to the organisations ability to create new markets, relationships and customer value. The most effective source of new ideas is normally the employees. Factors that must be considered includes:

A professional approach to customer research and new product development

- Motivating and rewarding employees for innovative contributions
- Involve and reward customers as co-developers
- Adopt a test and learn approach and innovate with speed

Customer interface is the ultimate outcome of the other three areas – insight, orientation and innovation. It is about how we deliver the excellent, tailored customer service and products to deepen the customer relationships. It is the most process and technologically dependent element of the framework. It highlights the critical importance of getting our customer processes, like order to cash, absolutely right in a seamless and transparent way. Customers should see one company with no conflict across its different channels.

The company needs to examine where they are in each of these four pillars, what opportunities they identify for improvement in order to pull together a coherent strategy for customer centricity and a plan for implementation. The organisation must decide what is their competency in each area, what are their strengths and weaknesses? The improvements needed in all four zones must be co-ordinated to create a truly customer centric organisation.

2.3. CORPORATE STRATEGY

The strategy of an organisation can best be described as an activity that the whole organisation focuses on to give it a competitive advantage. Lynch (2000:5) defines corporate strategy as "the organisations basic direction for the future: its purpose, its ambition, its resources and how it interacts with the world it operates".

2.3.1. Customer Centricity as a corporate strategy

The Hetrick Consulting Group (2005:1) defines that "being customer centric is simply a business strategy. It is a commitment by the entire organisation to focus on the customer in contrast to focusing on the products, services or financial".

The customer strategy must be at the heart of the organisation. "Becoming customer centric is a strategy linked to the business plan, not one department or function coming up with the plan. It includes every aspect of the organisation; it includes every department and function as well as culture, structure and leadership. It is the way of doing things and it guides everyone in the organisation on how to treat and understand the customer. Treating the customer as valuable and focusing more on the customer will improve the organisation."

2.3.2 Core Competence

Ambrosini (1998:10) says that the core competence of an organisation "lies in the collective learning in the organisation, especially how to coordinate diverse production skills and integrate multiple streams of technology". This leads to the definition, which says "that the core competence of an organisation is its enabling culture, as opposed to its relationship culture, where the relationship culture could be likened to its personality and interpersonal skills and its enabling culture to its motivation and applied skills"

The core competence is unique to the organisation, invisible to competitors and very difficult to imitate, even when competitors understand the existence. Typically this is a mixture of skills, resources and processes and it will confer a capability, which is greater than the competence of an individual or operational unit. Being the essence of the organisation, they will contribute directly and indirectly to the development of core products, end products and services, because they endure over time. The commitment by the organisation to place the customer at the centre of the organisation will be a core competence.

Prahalad and Hamel (1990) maintain that competitive advantage flows from the core competencies of the firm. The role of top management would then be to devise a strategy that would guide the building and effective application of these core competencies. As companies struggle to develop unique competitive advantages in a fast-changing and competitive world economy, some are discarding the traditional product and management approaches in favour of uncovering and responding to customers' needs. Ohmae (1988) argues that real strategy is not about beating the competition but in serving the customers' real needs.

2.3.3 Values Of The Organisation

The values and beliefs of the organisation constitute the culture and foundations of the organisation. Kreitner, Kinicki and Buelens (2002:72), comments that "values possess key components in that values are concepts or beliefs, which pertain to desirable end state of behaviours, where it transcends specific situations and guide the selection or evaluation of behaviour and events, ordered by relative importance". This indicates that an organisation can have a value system where compatibility and conflict is possible in these values. It is critical that the organisation recognises the main goal being pursued where the conflict arise. An organisation could be more interested in the financial performance than relationships, or a combination of the two. The relationships are the philosophy of customer centricity, which could clash with the significance and importance of profit. If a business makes no profit it looses the ability to survive, yet if it chases profit at the expense of being customer centric or customer focused, it may well end up with no customers, as well as no profits.

2.3.4 Leadership

Leadership is seen as the overall direction of the company, which will include the company goals, planning, differentiation and the brand. The complex interaction between the leader, followers and the situation results in social influence where the employees are influenced to voluntary pursue the organisational goals. Leadership is far more than wielding power and exercising authority. The leadership of the organisation must agree that customer centricity is a key component of the business strategy of the organisation.

According to a study by Liebersohn and o'Conner (1972), researchers have discovered that leaders can make a difference and the correlation between effective leaders and profits indicates that a good leader influence the profits positively. Leadership needs to be effective for organisational change to be successful, as senior executives cannot create change on their own. According to the organisational change expert John Kotter (1992:475), "successful organisational transformation is 70 percent to 90 percent leadership, and 10 percent to 30 percent management". The changes required to move an organisation from product centric to customer centric will require dynamic and committed leaders.

Leadership is also not restricted to people in particular positions or roles. Anyone from the bottom to the top of an organisation can be a leader, and managers are characterised, as people who do things right and leaders are individuals who do the right things.

2.4 CHANGING THE STRATEGY TO MATCH THE CULTURE

Organisations are able to choose the means by which they achieve their ends. One will need a compromise between the different approaches of managing organisational culture within a context of organisational change. The company may need to use a process that combines education and persuasion which will bring about attitude and value change, with changes in structure and systems which will bring about changes in behaviour, that will help modify organisational culture as it is linked to organisational change on broader scale. Senior (1997) reminds us that Pettigrew noted that cultural and strategic change is associated with organisational politics as well as with the core beliefs of the top decision makers.

2.4.1 Organisational Culture

Organisational structure is about achieving the culture and structure that most effectively support the talent required to deliver the customer strategy.

According to Kreitner, Kinicki and Buelens (2002:58) organisational culture is "the set of shared, taken for granted, implicit assumptions that a group holds and that

determines how it perceives, thinks about, and reacts to its various environments".
This highlights two important characteristics of organisational culture, namely that it
influences behaviour at work, and that it operates on two levels, which vary in terms
of outward visibility and resistance to change.

At the level that is less visible it shares the values shared amongst organisation
members. At the more visible level it represents the normative behaviour patterns
accepted by the members of the organisation. Through the socialisation process these
patterns are passed on, and culture is more susceptible to change at this level. The
different levels of culture influence the other. When a company truly values providing
a high quality service, employees are more likely to adopt this behaviour of
responding faster to customer complaints.

An organisations culture fulfil four functions namely,
- It gives members an organisational identity
- Facilitates collective commitment
- Promotes social system stability
- Shapes behaviour by helping members to make sense of their surroundings.

Ambrosini (1998:138) says, " Culture is often explained as that which is taken for
granted in a society or an organisation. At it's most basic, this might be the
assumptions about what the organisation is there to do, or the reasons for its success
historically." It is typically seen as the "way we do things around here", and is
normally taken for granted. To develop and maintain a competitive advantage the
organisation needs to create and sustain a customer-focused culture. The company
needs to determine what is done officially and what is done un-officially in an
organisation. There are three types of organisational culture and beliefs, namely,
constructive, passive defensive and aggressive defensive.

Newstrom and Davis (1997:102) comments, "the organisational culture is a social
culture made up of complex system of laws, values and customs in which
organisational behaviour occurs. Inside the organisation lies a powerful force for
determining individual and group behaviour. Organisational culture is the set of
assumptions, beliefs, values and norms that are shared by the organisations'

members". This culture was either created by the key members or evolved over time and it represents the key element of the environment in which employees perform their work. The culture gives identity to the organisation, identity to the employees, and defining vision of what the organisation represents. It will provide a sense of security to the members and source of stability and continuity to the organisation.

Senior (1997:101) quotes Schein who refers to organisational culture as "the deeper level of basic assumption and beliefs that are shared by members of an organisation, that operate unconsciously and define in a basic "taken for granted" fashion an organisation's view of its self and its environment. This reinforces the hidden part of the iceberg metaphor. Senior (1997:101) comments on the model as devised by Hofstede *et al.*, who suggested that the culture manifest itself at the deepest level through people's values and at the shallowest levels in terms of the things which symbolises those values. Culture is defined as an objective entity which can be identified and which delineates one human grouping from another. It is clear that culture has cognitive, to do with thinking, affective, to do with feeling and behavioural characteristics.

2.4.2 Developing High Performance Cultures

A study by Kotter and Heskett (1992), Corporate Culture and Performance, found that it is important for the survival of the organisation that the culture enhances the organisations economic performance, and that long-term financial performance was the highest for organisations with an adaptive culture. The process of developing and preserving an adaptive culture begins with the leadership of the company, where the leaders must create and implement a business vision and associated strategies that fits the organisational context. As stated in Kreitner et al (2002:64), "adaptiveness is promoted over a period of time by a combination of organisational success and a specific leadership focus". By consistently reinforcing and supporting the organisations core philosophy of values, satisfying needs, and improving leadership, management can do this.

Ambrosini (1998:151) says "culture is often seen as a barrier to change, the more so because it is difficult to clear about what is meant by it or if anything can be done to change it. To change any culture will be a long and slow process.

It has been argued that the culture of a company is its strongest competitive asset. Employees of the company are very important as far as their behaviour goes, and the company needs to look at how they are rewarded and motivated. Weitz (2000:4) comments that " The evidence suggests that if companies underestimate the importance their employees play in building strong customer relationships, even in highly technology enabled business environment, they are likely to fall short of their CRM goals"

2.4.3 How To Change The Culture?

Culture change is the most common form of organisational transformation. Cummings and Worley (1997) notes that organisational culture is also seen as a major strength in major companies where it will be used to shape the employees beliefs and actions. Well-conceived and well-managed organisational culture, closely linked to effective business strategy can mean the difference between success and failure.

Corporate culture reflects what has worked in the past and it is part of long-term social learning, and includes those basic assumptions, values, norms and artefacts that have worked well enough to be passed onto next generation of employees. A successful company's culture is deeply rooted in its history.

Cummings and Worley (1997) suggest that organisational culture can improve an organisations effectiveness and ability to implement new business strategies, as well as achieve high levels of performance. Organisations face complex and changing environments like unpredictable markets and competition. Companies may have to adapt to those conditions by changing business strategy and moving into new areas. Efforts to implement a new strategy can fail because the company's culture is unsuited to the new business. A culture that was once a strength can now become a liability when they want to implement a new strategy. Cultural change is very difficult and a long-term process. Experts doubt if large firms can bring fundamental change to

their culture, and those who have done it, estimate it to take from 6 to 15 years to achieve.

Strength of a culture can be both and advantage and disadvantage. Under stable conditions, where values are shared and they are strategically appropriate, it can contribute to an organisations success. Where the environment is changing, strong culture can be a liability. They should also emphasise the ability to adapt.

To allow the organisation to move from a product centric focus to that of customer centric focus it needs to have an adaptive culture and then needs to look at the methods it will use to embed the culture.

Employees do not normally question assumptions about organisational life, and would have difficulty in envisioning anything else. Some employees may not want to change their cultural assumptions as it provides strong defence against external threats and uncertainties and presents solutions to difficult situations. Where the culture had provided the company with a competitive advantage in the past, it may be difficult to change.

In certain circumstances large-scale cultural change maybe necessary, like where the culture does no fit the changing environment, or where the industry is extremely competitive and changes rapidly. Companies may need to change their culture to adapt to the situations and operate at higher level of effectiveness. The changing from a product centric organisation to a customer centric organisation has major impact on the culture of the company and the changes are necessary to remain competitive in a changing environment.

Senior (1997) comments that it is difficult to deny the importance of culture as a dominant influence on the whole of organisational life. It can be deducted that in order to bring about any kind of significant organisational change, the organisations culture must be managed accordingly. Permanent organisational change will only be brought about by first changing people's attitude and values – in other words changing the culture at the deeper levels of its meaning.

Newstrom and Davis (1997) comments that to change the culture of an organisation is recognised as being very difficult and time consuming and suggests that the company needs to look at the effectiveness of methods for changing organisational culture. By attempting to change the culture to fit the desired strategic changes is very difficult and lengthy process, particular if the culture is a strong one.

Senior (1997:143) discuss the view that was supported by Beer, Eisenstat and Spector where they argued that trying to change attitudes and values directly is futile, the way to bring about organisational change is first to change behaviour. The behaviour change will bring about desired changes in attitudes and values. Beer says, "One of the most effective ways of changing mental programmes of individuals is changing behaviour first".

For an organisation to change from product centric to customer centric is very much about changing the behaviour of the employees. The behaviour change will result in changes to the values and attitudes, which in turn result in the change in the culture.

2.5 STRATEGIC CHANGE

Lynch (2000:921) defines strategic change as " the proactive management of change in organisations to achieve clearly identified strategic objectives". Since strategy is fundamentally concerned with moving the organisation forward, there will be change for some people in the organisation. Strategic change is not a casual drift through time, but a pro-active new way of working which everyone will be required to adopt. This involves substantial changes beyond the normal routines of the organisation.

It is important that the organisations understands and identify the multiple causes for change. Environmental factors exist as part of the organisations business environment. These factors will impact upon the organisations formal and informal sub-systems and their components as well as which products or services it offers and in which markets.

Internal triggers are about people and their changes to attitudes, beliefs, skills, scale of activities and organisational task. Organisational strategy and structure, products or services, reward systems or use of technology will further impact it. Senior (1997)

refers to Dawson who maintains that internal and external triggers for change are often interdependent. Forces for change in an organisation are frequently the result of some external force. It is also certain that organisations that do not respond to triggers such as increasing competition, new legislation or the expectation of the customers will soon decline and may cease to exists. To recognise that the move from product centric to customer centric behaviour is due to the external market forces and that the company must respond to the business dynamics is the trigger for change.

Strategic change is important because it may involve major disruptions and people may resist the consequences. Even where this change is readily accepted, it will take time and careful thought.

According to Cummings and Worley (1997:486), as a guideline, "the following needs to be present in the organisation to enable the change in the culture:
- Clear strategic vision
- Top management commitment
- Symbolic leadership
- Supporting organisational change
- Selection and socialisation of newcomers and termination of deviants
- Ethical and legal sensitivity"

Senior (1997:133) quotes Wilson & Rosenfeld who said, " The pervasive nature of the organisational culture cannot be stressed too much. It is likely to affect virtually all aspects of organisational life" According to Schwartz and Davis "culture is capable of blunting or significantly altering the intended impact of well thought out changes in an organisation"

Resistance to change is real and the organisation needs to manage this well. The type of resistance that may be encountered is logical resistance, where there is a disagreement with the facts, logic or science. Next type of resistance is psychological resistance, which will impact the emotions, senses and attitudes of the employees. The last type of resistance is sociological resistance and this is seen as product of challenge. To assist the business with the changes an integrated approach to change

originated in the 1950's to 1960's namely organisational development. The major foundations of organisational development are around systems orientation and the understanding of causality. According to Newstrom and Davis (1997:420) "The OD process applies behavioural science knowledge and strategies to improve an organisation. It is a long range, continuing effort that tries to build co-operative work relationships through the use of a change agent. It seeks to integrate into an effective unit the four elements that effect organisational behaviour – people, structure, technology, and environment".

2.5.1 Cultures for change

A successful culture change program will focus on the re-education of employees in the values, which will typically be done through corporate communications, training programs and appraisal systems linked to customer centricity. The company strategy should be driving customer centric values and the re-education will instil, reinforce and monitor the behaviour. Senior managers must buy into the transition, as they will drive it. Their behaviour must demonstrate customer centric behaviour. Senior managers must make employees aware of the strategic goals of customer centricity and encourage them to share in these through a process of internal communications and marketing. This is one of the most important elements in the culture change program, as employees will now be re-educated to think about their work and actions from the perspective of the customer.

The company should adopt a dual approach if they want to successfully change the culture. Fox and Brown (2001:2) suggests that "this will consist of a systematic program of re-education of all employees in the values and understanding associated with customer centricity: and to review and restructure the operations and procedures throughout the company".

Employees are critical in achieving a customer centric culture and no matter how much capital you invest in technology; people will make or break the relationship with your customers. The central concern in the organisation must be customer satisfaction, and everyone in the organisation is responsible and accountable for

delighting customers. To achieve this, all employees must be trained in customer-focused behaviour.

Organisations can get in a position to know what new services, products and innovations are required by their customers, when they are customer focused.

2.6 CONCLUSION

The section looked at defining customer centricity and to recognise the important roll the customer plays in the success of the organisation. Customer centricity should form part of the business strategy and should be part of the core competence of the organisation as well as the strategic intent. Customer centricity is expressed by the behaviour of the employees in the company and behaviour of the employees equals the culture of the company. The difficult process of changing the culture of employees to exhibit customer centric behaviours was explained and it was recognised that the organisation will have to embark on a significant change management program to change the culture of employees.

In the next chapter we will look at the company profile of Afrox with reference to their move to customer centricity.

CHAPTER 3

AFROX - OPERATIONS AND CUSTOMER SERVICE

3.1 INTRODUCTION

In Chapter 3, a detailed discussion of the current and desired state of Afrox is addressed. This chapter confirms the understanding of the company to remain competitive the focus has to shift to the customer. Afrox has expressed its intention to change their corporate strategy from being product centric to be customer centric. The previous chapter is a good barometer to see what literature says what customer centric behaviour is, and how senior managers need to take it into account when they wish to employ a customer centric business strategy. The behaviour of the employees, including management defines the corporate culture.

3.2 KEY CHARACTERISTICS OF AFROX

Afrox places particular emphasis on segmenting its market to identify customer needs, and structure appropriate product and sales offers with the organisational ability to meet its promises. One of the key characteristics of Afrox is their planned move towards becoming a customer centric business.

3.3 THE NEED FOR CHANGE

Afrox has devoted much energy to defining what customer centricity means to its employees. The company wanted to get a clear understanding of what the current perception or "as is" position was amongst the employees, as the company embarks on the journey to becoming customer centric.

The current process to move more towards customer centricity was introduced by Afrox as far back as 2002. Some of the progress that was made from that time included an embedded business and strategic planning model, as well as a performance management model. This was done through a considerable degree of alignment with the holding company BOC.

Afrox re-structured their management profile to reflect their business strategy and re-launched Afrox onto an aggressive growth agenda. Afrox achieved a position whereby the top 100 managers understand the strategic goals, and their role in achieving these and then entrenched a clearly understood management-operating model. The importance of the customer was elevated in all their business goals and models to ensure that the senior managers are exposed to the concept of customer centricity.

3.4 STRATEGIC PLAN OF AFROX

The strategic plan of Afrox for 2006 gives a very clear indication that the move to customer centricity is a business imperative and is done with the intention to remain competitive and gain an advantage over the competitors.

3.4.1. Mission And Vision Statement

3.4.1.1 Vision Of Afrox

The vision of Afrox as contained in the 2006 Strategic Plan is as follows:
- *We are passionate about our business and our brand.*
- *We are dedicated to customer service and believe in the quality of our people.*
- *We shall be the leaders in the businesses we operate, activities we undertake and services we provide while operating within a value system that supports the highest standards of ethics and integrity".*

The Vision will be achieved by being: -
 # 1 at safety, health, environmental management and quality
 # 1 at delivering superior customer service
 # 1 at providing consistent growth and superior shareholder value
 # 1 at identifying and commercialising innovative growth opportunities
 # 1 at attracting and retaining high performing people
 # 1 at operational excellence
 # 1 at nation building commitments and social responsibility

It is important to note that superior customer service features prominently in the vision of the company.

3.4.1.2 Values Of Afrox

The company has the following values listed on their website, http://www.afrox.com:
"At Afrox we believe in values above rules.
Our values are based on principles of:

- *Ethics and integrity,*
- *Safety of all our stakeholders,*
- *Customer focus,*
- *Performance excellence,*
- *Care for our environment,*
- *Commitment to our community, and*
- *Fundamental belief that our people make the difference".*

The values are aligned with the vision as far as customer focus is concerned.

3.4.1.3 Operating Principles

The Operating principles of Afrox are based on ten behavioural competencies, which are aligned to accountability, collaboration, transparency and stretch. In greater detail these are defined as follows:

Accountability
- Strategy delivery
- Performance through people

Collaboration
- Partnership building
- Influencing
- Customer intimacy

Transparency
- Information sharing
- Visible leadership

<u>Stretch</u>

- Growth drive
- Capability development
- Change leadership

Collaboration encompass the principles of customer intimacy, which will be the driver of customer centricity. One section of the research questionnaire as discussed in chapter 4 was derived from this operating principle and analysed in chapter 5.

3.4.1.4 Business Definition

In their Strategic Plan 2006, Afrox describe their business definition, *"Afrox is a customer centric vertically and horizontally integrated supplier of gas, welding and related products and services, operating in Africa. We maintain a superior position in these businesses. We provide solutions and service surrounding the needs of customers, and package product service offerings, PSO's to targeted market segments".*

The business definition makes clear reference to being a customer centric organisation, and the statement that solutions and services are provided to meet the needs of their customers is in line with a customer centric organisation.

3.4.1.5 Definition Of The Customer

Afrox has got a clear definition of their customer and this is also defined, *"Our primary Customer is the end user of our product and services. We sell our products through the decision maker, and influencers. Distributors, whom we service, form part of our channels to our Customers".*

3.4.1.6 The Strategic Objective Of Afrox

The Strategic Objective of Afrox as stated in the 2006 Strategic Plan is as follows: *"We will achieve sustainable and superior growth, and exceed shareholder expectations. We will drive our growth through becoming a Customer Centric organisation. We will do this through the delivery of a tailored range of Product*

Service Offers, using the industry's strongest brand, and most comprehensive and efficient distribution network. We will continue to develop and drive a growth agenda, defending existing markets and entering new ones. We will sustain an investment in plants to meet current and future demand, and maintain a clear focus on key/major customers. We will grow profits at a rate which represents a premium to GDP+PPI: we must expect to sustain double digit growth for the next three years."

The business plan is executed through 6 Critical Success Factors or Strategic Goals namely: -

- *Profit and growth*
- *SHEQ*
- *Customer Service*
- *Operational Excellence*
- *People*
- *Corporate citizenship*

Afrox has 6 pillars to deliver their Business Plan and supporting the Vision and Strategic Objectives as in figure 3.4.
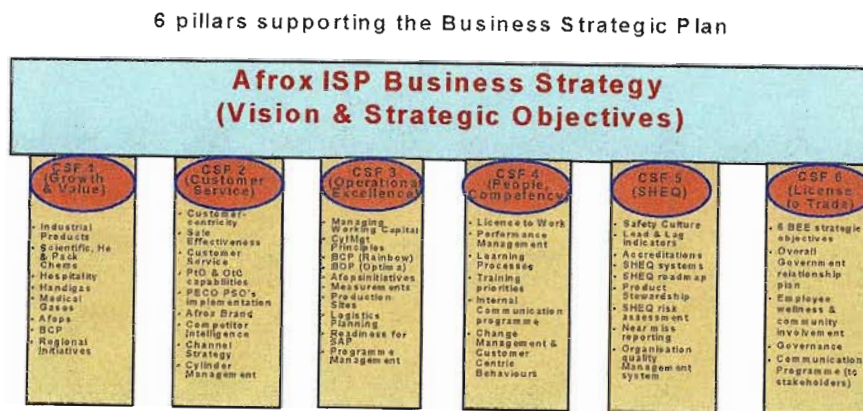

Figure 3.4 – ISP Business Plan
Source: Afrox Strategic Planning Report 2006

The strategic plan of Afrox is very specific on the aim to be a customer centric organisation. From the literature study in chapter 2, we have learnt that by including

customer centric statements in the business plan and vision, does not make the organisation customer centric. The behaviour of the employees must change which will allow the culture to change. The company will be customer centric, when the culture is that of being customer centric and the behaviour of employees reflect it accordingly.

3.5 CONCLUSION

The company has recognised that increased customer centric behaviour will give them the competitive edge. The challenge is about the "how you will go about to achieve the customer centric goal"? There has to be a structured process to support the customer centric behaviours, and a company is not customer centric because it is written into the vision, mission and strategic plans. The key to become customer centric is in the change of the behaviour of the employees and to embrace the culture of customer centricity.

The research in the next chapter will indicate how successful Afrox has been with their strategic objectives of becoming customer centric. The executive drives the initiative, but customer centricity does not happen because it is in the business plan. The execution of the business plan lies with the senior managers as well as the rest of the employees in the company.

CHAPTER 4

RESEARCH METHODOLOGY

4.1 INTRODUCTION

Afrox identified that a company wide transition is required to become a customer centric organisation, by placing the customer at the centre of the organisation.

Both qualitative and quantitative research methods shall be used to solve the objectives set out in section 1.5. The research methods and techniques, as well a detail of the questionnaire used, are discussed in detail in the remainder of this chapter.

This research study was divided into two parts. The first part covering objectives 1 to 3 can be regarded as explanatory in nature. This section will review the perception of the respondents as to how important customer centric behaviour is, and how well the company is currently exhibiting that behaviour. Detailed quantitative and statistical analysis was done on the data. No hypotheses were formulated for the explanatory part of the study. The second part of the study, which covers objectives 4 to 6, was exploratory in nature. No hypotheses were formulated for the exploratory part of the study; as such research was hypothesis-generating in nature, rather than hypothesis-testing (Emory and Cooper, 1991).

4.2 RESEARCH METHODS

4.2.1 Exploratory Research

Saunders, Lewis, and Thornhill (2000:97) state that exploratory research is a valuable means of finding out "what is happening; to seek new insights; to ask questions and to assess phenomena in a new light". It is a particularly useful approach if one wishes to clarify the understanding of a problem.

There are three principle ways of conducting exploratory research:
- A search of the literature

- Talking to the experts on the subject
- Conducting focus group interviews

Adams and Schvaneveldt (1991) states that exploratory research has many advantages, one of them is that it is flexible and adaptable to change. Exploratory research focus is initially broad, but becomes progressively narrows as the research progresses.

Neuman (2000:21) states, "in exploratory research, the researcher's goal is to formulate more precise questions that future research can answer. Exploratory research may be the first stage in a sequence of studies. A researcher may need to conduct an exploratory research in order to know enough to design and execute a second, more systematic and extensive study". Exploratory research is creative, open minded, and flexible; adopt an investigative stance; and explore all sources of information.

Exploratory research frequently uses qualitative data. The techniques for gathering qualitative data are less wedded to specific theory or research question. Qualitative research tends to be more open to using a range of evidence and discovering new issues. (Neuman, 2000:22)

The goals of exploratory research are listed below:

- Become familiar with basic facts, setting, and concerns.
- Create a general mental picture of conditions.
- Formulate and focus questions for future research.
- Generate new ideas.
- Determine the feasibility of conducting research.
- Develop techniques for measuring and locating future data.

This study has applied exploratory research by searching literature and consulting with various subject matter experts. Chapter 2 contains the majority of the research and it is focused on the understanding of customer centricity, defining business strategy and identifying culture changes needed to become customer centric.

The research will identify suggestions from the respondents and assist in generating new ideas as to what can be done to become more customer centric.

4.2.2 Descriptive Research

Neuman (2000) states that descriptive research presents a picture of the specific details of a situation, setting, and relationship. Descriptive and exploratory research has many similarities and they tend to blur together in practice.

Descriptive research focuses on the 'how' and 'who' questions. Exploring new issues or explaining why something happens is less of a concern for descriptive researchers than describing how things are. Descriptive research makes use of most data gathering techniques such as surveys, field research, content analysis, and historical – comparative research. (Neuman, 2000:22)

The goals of descriptive research are listed below:

- Provide a detailed, highly accurate picture.
- Locate new data that contradict past data.
- Create a new set of categories of classify types.
- Clarify a sequence of steps or stages.
- Document a causal process or mechanism.
- Report on the background or context of a situation.

The descriptive research approach and descriptive statistics will be used to present a detailed picture of the current situation in Afrox by testing the perception of the group of senior managers as to where they see the company is on the journey to becoming customer centric.

Descriptive statistics refer to the collection of methods for classifying and summarizing numerical data. The objective of descriptive statistics "is to provide summary measures of the data contained in all the elements of a sample" (Kinnear & Taylor, 1991:546). Descriptive analysis incorporates frequencies, measures of central tendency, and measures of dispersion.

The various outputs of descriptive statistics namely frequency, mean, median, mode, standard deviation, variation, range, minimum and maximum will be used in Chapter 5.

4.2.2.1 Frequency Descriptive Statistics

According to Sekaran (2000:136), "frequencies refer to the number of times various sub categories of a certain phenomenon occur, from which the percentage and cumulative frequency of their occurrence can be easily calculated". Frequencies are used in the current study to obtain a profile of the sample. The frequencies are converted to percentages, it will reveal in each statement respondents perceptions towards each question.

4.2.2.2 The Mean

The mean is the average value of the variable, computed across all cases (Judd, Smith and Kidder, 1991). The mean is referred to as the arithmetic average (Cooper & Emory, 1995). It is defined by Cooper & Emory (1995:395) as "the sum of the observed values in the distribution divided by the number of observations. It is the local measure most frequently used for interval-ratio data but can be misleading when the distribution contains extreme values, large or small. The mean value reveals average perception towards the study questions.

4.2.2.3 Median

The median refers to the score, which has one half of the scores on either side of it when the scores have been arranged in ascending and descending order (Huysamen, 1998). The median means, when the collected values have been arranged in ascending or descending order, the middle value is called Median value and this reveal middle perception of respondents.

4.2.2.4 Mode

The mode can be described by the most frequently occurring phenomenon (Sekaran, 2000). In collected values, the value that has the highest times of occurrence and this indicates information about frequent perception of respondents.

4.2.2.5 The Standard Deviation

According to Silver (1992), the standard deviation (s) is based on subtracting each individual value from the mean. The standard deviation is the positive square root of the variance (Cooper & Emory, 1995). Cooper & Emory (1995) adds that standard deviation is the most frequently used measure of spread because it improves interpretability by removing the variance's square and expressing deviations in their original units.

In simple terms: "The standard deviation is an approximation of the average deviation around the mean". The standard deviation is calculated simply as the square root of the variance.

4.2.2.6 Variance

The average of the squared deviation from the mean of a distribution is called the variance. Variance is the mean of the squared deviations from the group mean. The variance expresses the degree to which individual scores in a set of data spread out from the mean. This tells is there any variation in perception of respondents.

4.2.2.7 Range

In collected data, the difference between the highest and the lowest value is called Range. This indicates is there any difference in highest perception of respondents and lowest perception of respondents.

4.2.2.8 Minimum

In collected data, the lowest scored value in particular variable is called Minimum. This indicates minimum respondent's perception for particular question.

4.2.2.9 Maximum

In collected data, the highest scored value in particular variable is called Maximum. This indicates maximum respondent's perception for particular question.

4.2.3 Explanatory Research

Saunders, *et al.,* (2000:98) state that explanatory research establishes causal relationships between variables. Neuman (2000) states that explanatory research is used to determine 'why', or to explain. It builds on exploratory and descriptive research and goes on to identify the reason something occurs. Going beyond focusing on a topic or providing a picture of it, explanatory research looks for causes and reasons.

The goals of explanatory research are listed below:

- Test a theory's predictions or principles.
- Elaborate and enrich a theory's explanation.
- Extend theory to new issues or topics.
- Support or refute an explanation or prediction.
- Link issues or topics with a general principle
- Determine which of the several explanations is best.

Therefore, the explanatory research approach will be used together with analysis on quantitative and qualitative data to show the relationship between the how important the senior managers believe it is for the company to become more customer centric, as well as test how well the company is currently doing the things that would typically be customer centric behaviour. It shall also be used to show the link between theory given in the literature review and the actual implementation of this theory within Afrox.

4.3 DATA COLLECTION AND ANALYSIS

4.3.1 Quantitative And Qualitative Research And Data Collection.

Neuman (2000) states that every researcher collect data using one or more techniques. Techniques may be grouped into two categories: quantitative, collecting data in the form of numbers, and qualitative, collecting data in the form of words or pictures.

Survey techniques, which are quantitative in nature, are often used in descriptive and explanatory research. The survey in the research takes the form of a questionnaire in this research.

Neuman (2000:122) states, "qualitative and quantitative research differs in many ways, but they complement each other in many ways. Therefore, some techniques are more effective when addressing specific kinds of questions or topics".

The techniques of collecting data for this research report evolve mainly questionnaires, descriptive, and exploratory data collection.

4.3.2 Population

Saunders, *et al.*, (2000:150) state that the full set of cases/data from which a sample is taken is called the population.

The senior managers of Afrox attending a strategic planning conference were selected to be the target group to complete the questionnaire. The target group was 94 and 81 completed questionnaires were received from the respondents.

Afrox employs 3000 people throughout South Africa.

4.3.3 Sampling Techniques

Saunders, *et al.*, (2000:150) states that sampling techniques provide a range of methods that enable you to reduce the amount of data you need to collect by considering only data from a sub-group rather than all possible cases or elements.

Sampling techniques can be divided into two types:

- Probability or respective sampling
- Non-probability or judgmental sampling

Given the nature of the research project, a non-probability quota sampling technique will be utilised for the survey. Quotas were controlled and only senior management were involved in completing the questionnaire. Other levels of staff may portray different levels of understanding.

4.3.4 Sampling Size

A group of 94 managers will form part of the research. This sample size forms 86% (81 of 94) of the total number of senior managers in the company.

4.3.5 Data Analysis

The Statistical Package for Social Sciences (SPSS) was the computer package used to generate and analyse the statistical data attained via the exploratory data collection and questionnaire. Only Part B of the questionnaire was statistically analysed. Descriptive statistic tools were used for the data analysis and interpretation of the results.

Microsoft PowerPoint together with Microsoft Excel will be used to develop the graphs, diagrams, and tables used for management reporting as well as communication material within Afrox. These programmes will also be used to analyse and present Part A and Part C of the research, which are qualitative by nature.

4.4 QUESTIONNAIRE BACKGROUND

4.4.1 Introduction

The questionnaire was primarily used to conduct an assessment of the perception of senior managers as to how customer centric they believed the company was. The

study will also assist the Company in the refinement of an understanding of how important certain customer centric behaviours are, and to test how well it is currently being done in the company. The final part of the questionnaire was to test the understanding of the senior managers as to the key definitions around customer centricity.

The information from the questionnaire is summarised into a report in Chapter 5. For ease of reference a copy of the questionnaire is available in Appendix A.

4.4.2 Objectives of the Questionnaire

In order to evaluate and track the progress on the journey to customer centricity respondents were asked to answer the questions from a point of view where Afrox is now. The following objectives were set:-

- To provide insight into the perceptions and understanding of customer centricity in Afrox and how it can be delivered.

- To provide greater insight into perceptions of the senior managers, as well as the motivations underlying these perceptions. The assumption upon which most of this questionnaire rests is that the aggregated mean score, derived from a set of respondent ratings, is a fair representation of the perceptions of the body of respondents from which the sample was drawn.

- To incorporate the general view of the whole company, where possible.

There were no right or wrong answers and the data collected will be used to identify where, if necessary, the current practices of the company need to shift and the what extent.

4.4.3 Structure Of Questionnaire

The questionnaire was split into three sections namely:
Part A – This part was exploratory and qualitative and was done to expose the respondents to the enablers of customer centricity and to get a view of where the managers believe the company is on the journey to become customer centric as well

as to get their perception of how customer centric the company is. (see 1.5). The questionnaire comprised of a selection of responses that required input into a web based assessment tool and focused on five key enablers of customer centricity. This assessment tool, CCI, is propriety of the UK based consultancy group Round.

The key enablers of customer centricity are: -

▪ **Business leadership**	◆ The mission, vision and values that guide an organisation into the future
▪ **Customer strategy**	◆ What a company does to manage different types of customers differently across the company's touch points and through the customer's lifecycle
▪ **Organisation design**	◆ How the company achieves a culture and structure that most effectively supports the talent and capabilities required, throughout the organisation, to deliver the customer strategy
▪ **Information architecture**	◆ How a company specifies the data and supporting technology required for the organisation to deliver the customer strategy
▪ **Performance measurement**	◆ How the company implements a balanced set of measures across the organisation to drive continual change and improvement

Key enablers of customer centricity

Table 4.4.3

Source: Round UK Ltd

The CCI survey comprises 20 questions covering various aspects of the organisation's approach towards customers. The respondents completed the questions on a paper based document, data capturing into the Round website was subsequently done by myself.

Part B - This section of the questionnaire will investigate the perceptions of how important the respondents believe it is to exhibit customer centric behaviours as well as to get the perception of how well the company is currently displaying the

behaviours. (see 1.5). Afrox has a behavioural competency program called ACTS of which the key sections are listed below in figure 4.3.3.2. The operating principles of the company incorporate the behavioural competencies. One of the ACTS behavioural competencies under *Collaboration* is Customer Intimacy. It was decided to base the research questions on the behaviour competency of customer intimacy.

ABCs ACTS Behavioural Competencies			
ACCOUNTABILITY	**COLLABORATION**	**TRANSPARANCY**	**STRETCH**
People know what they are accountable for and are empowered to deliver	We maximise our achievements as a group not as individuals	We believe that visible problems can be solved and that informed people make better decisions	We continuously push the boundaries of performance
Strategy Delivery	Partnership Building	Information Sharing	Growth Drive
Performance through People	Influencing	Visible Leadership	Change Leadership
	Customer Intimacy		Capability Development

Afrox Behavioural Competencies

Figure 4.3.3.2

Source: Afrox CustomerFirst Program 2006

Answers to part B comprised of a selection on a scale where Likert type ratings were done in terms of importance, as well as the assessment of the collective rating of the company on the "how well". Descriptive analysis was done on the data. The rating scales were as follows: -

To rate importance: -

SCORE	DESCRIPTION
Critical	Underpins the organisation's achievement of "customer centric" goals
Required	Goals can not be achieved without strong evidence of these behaviours

Supportive   Will support the achievements of customer centric goals

N/A   Not relevant to the achievement of customer centric goals

To rate how well: -

SCORE	DESCRIPTION
5	Exceptional/distinctive in the demonstration of this competency in all contexts
4	Consistently demonstrates this competency effectively in challenging or demanding situations
3	Consistently demonstrates this competency effectively within the context of the core requirements of the job (ON TARGET)
2	Sometimes demonstrates this behaviour effectively
1	Unable to comment/not relevant

This section of the questionnaire allowed for quantitative analysis as the respondents rated the descriptors below according to the rating scales provided above. The responses lend itself to statistical analysis and descriptive analysis of frequencies, measures of central tendency and measures of dispersion was performed. The descriptive analysis gave the company a clear picture of focus areas that they need to concentrate on in the journey to becoming customer centric. Detail analysis of the responses can be found in chapter 5.

Descriptor of Customer Centric behaviour

1. Knows key customers and understands their specific importance to the business

2. Establishes processes which promote customer awareness

3. Recognizes and rewards customer focused behaviour

4. Builds alliances and co-operative relationships with customers/potential customers, locally and globally

5. Assesses the strategic importance of key customers in developing customer solutions

6. Initiates changes in organisation processes/policies to generate value for customers

7. Mobilises organisational resources to meet customer needs and resolve problems

8. Balances customer needs and organisational goals

9. Actively seeks information to understand customers' circumstances, problems, expectations, needs

10. Implements objective and hard-edged measures to monitor and evaluate customer concerns issues, and satisfaction and to anticipate customer needs

Part C – This section of the research is exploratory and qualitative and consisted of 6 open-ended questions to assess the perception of the respondents as to how customer centric Afrox is and what can be done to improve the situation. (see 1.3). Reasoning and further information was requested from the respondents with relation to certain answers, replies and definitions.

4.4.4   Interviews and Questionnaire Completion

Paper copies of the questionnaire were handed to each respondent at the management conference and they were requested to complete it in privacy in their own time and return once competed.

4.4.5   Limitations Of Summarised Questionnaire Results

The assumption upon which most of this questionnaire rests is that the aggregated mean score, derived from a set of respondent ratings, is a fair representation of the perceptions of the body of respondents from which the sample was drawn. It is also noted that only part B of the questionnaire allows for quantitative analysis. Although further detail analysis is possible as a result of the respondents supplying their biographical data, it was not done as part of this project.

The results should, however, be interpreted with caution due to the small sample size, as it may not necessarily reflect the perception of the whole company. Like all research, the interpretation generated from the questionnaire cannot replace executive judgement - it can, however, facilitate such judgement.

4.5 CONCLUSION

The questionnaire looked at three things, firstly a series of questions that would be interpreted by "Round" to show a position on a baseball pitch of how far Afrox is on the journey from product centric to customer centric. Secondly the respondents had to give their perception on a rating scale of how important behavioural competencies are, as well as how well these are currently being done in the company. The behavioural competencies are related to customer intimacy and form part of the operating principles of the company. This part of the questionnaire was used to do detailed statistical analysis on. Finally the respondents were asked to give their view on six open ended questions, which gave interesting results as to the view of the 81 senior managers in the company as to how customer centric Afrox really is.

Chapter 5 will be used to discuss the results and comment on the perception of the senior managers of the company.

CHAPTER 5

PRESENTATION AND DISCUSSION OF RESULTS

5.1 INTRODUCTION

This chapter will focus on presenting the results from the questionnaire and aim to show where senior managers of Afrox position themselves on the journey to becoming customer centric. It will further look at the perception of the senior managers as to how important key customer centric behaviours are, and how well Afrox as a company are exhibiting these behaviours. Finally, the respondents provided qualitative responses to open ended questions that provided insight as to how they see the company can progress to becoming more customer centric.

5.2 RESULTS FROM QUESTIONNAIRE

5.2.1 Part A Of Questionnaire – Round Model

Round, a UK based consultancy company had developed an online tool, Customer Centricity Indicator (CCI), consisting of 20 questions set against 5 enablers of customer centricity. The respondents were asked to complete a paper based version of the online tool and the individual responses from the respondents were then captured on the website of Round.

The results of the input were then presented by Round in the form of a baseball pitch, indicating to the individual a position on the pitch where they were on the journey to becoming customer centric. Round also collated all the responses from the respondents to present a view of a position on the baseball pitch of where the senior managers of the company have placed themselves on the journey from product centric to customer centric. Afrox refers to the baseball pitch analogy as the Round model.

5.2.2 Customer Centricity Indicator Results

Round did the analysis of the input from the respondents and advised that the consensus of the group of 81 senior managers who participated in the survey was that Afrox is currently between base 1 and 2, but closer to base 2. At this point the organisation is seen to be "customer focused" and well away from product centric, but also very far away from being customer centric.

Round gave the definition of the position on the journey as follows' "The Business Journey comprises four bases. The right destination for Afrox is not necessarily 4th base (in fact the majority of companies that have adopted this framework are striving to get to 2nd or 3rd base). The journey towards customer centricity travels through four stages and you could think of them as bases in a game of baseball.

1st base – the company has a product orientation and is dedicated to maximising efficiency with a functional organisation design and transactional or volumetric performance measures. Product Centric companies tend to have a command and control culture focused on creating and selling product as efficiently as possible. Relationships with customers are typically weak, if not adversarial.

2nd base – the company is oriented to create high levels of Customer Satisfaction. Errors and inconsistencies are being eradicated through effective management of end-to-end business processes, learning and improvement culture, and a structure for enabling change across the business. The customer joins you on the journey as they feel encouraged to provide feedback and are confident that their issues will be addressed.

3rd base – the company has a Customer Value orientation built on top of a 2nd base foundation of customer service excellence. The revenue from each customer is optimised by proactively anticipating customers' individual needs to provide relevant and timely offers to them. The cost to manage each customer also is matched to their own needs and their value to the company. This requires application of complex segmentation across the company and fully empowered the front-line staff to deliver effective customer strategies.

4th base – the company has a Customer Centric orientation. Customers are regarded as an extension to organisation. They play an important role in all aspects of the company – from corporate planning, recruitment, and product design. They become

true stakeholders in the success of the business, viewing the company as part of a community that provides many intangible benefits beyond simply products and services. Customers are often reported as a balance sheet item as recognition of being the company's most important asset."

Round further advises "The optimum base for a company is one that meets your customers' expectations of their relationship with you as well as providing differentiation from your competitors.

Figure 5.2. shows the Round baseball pitch analogy of the journey from base 1 as being product centric, to the ultimate goal at base 4 to be customer centric. Afrox senior managers were positioned just short of base 2 – customer focused. Round did the interpretation of the responses to plot the position on the pitch.
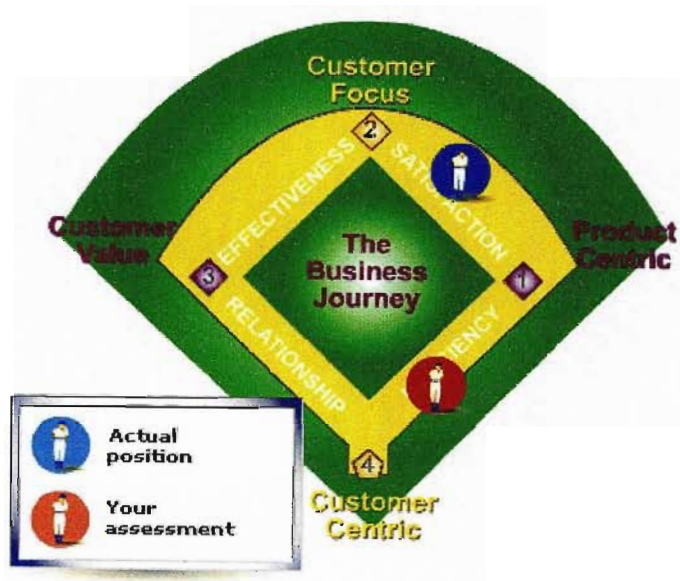
Fig 5.2. Position on baseball pitch as assessed by senior managers

Source: Round UK Ltd

5.2.3 What Do We Do With These Results?

The results represent only the view of the senior management of the company and we need to get the view of the other stakeholders in the business, which includes the rest

of the employees, customers, suppliers and other lines of business as to where they see the company currently is on the journey to becoming customer centric.

5.2.4 What Does The Results Mean?

The result from this research and the plotting of the position on the baseball field model before base 2, confirms that the company is not customer centric as per the definition, and is also no longer product centric, but are moving along the journey to becoming customer centric. This has confirmed the objective in 1.5 to establish the perception where Afrox currently resides with relation to the deliverables required to be customer centric.

Afrox needs to ask themselves if the ever want to go past base 3 as an organisation, as the definition of a customer centric organisation at base 4 is very onerous and may not be possible. The strategy by Pompetzki (2001) as described in section 2.2.3 can be used as a guideline by Afrox to make the transition from product centric to customer centric.

Although the strategic plan of the company as well as the vision claims that Afrox is a customer centric organisation, the result of this part of the question shows that in the perception of the senior managers of the company, Afrox has just started on the journey and have only left the base of product centricity. It is a long way from being customer centric. The executive needs to note that, and assist the senior managers in their effort to change their behaviour to more customer centric by nature. It will be appropriate to refer back to the literature in chapter 2 to see what will be required to get alignment of the culture of a company and the change management required.

The Company has accepted the Round Baseball model as a concept to point out the position on their journey.

5.3 PART B OF SURVEY – CUSTOMER INTIMACY.

Part B of the survey focused on the behavioural concept of customer intimacy and the respondents were asked to rate how important the behaviours are and how well the employees of Afrox are exhibiting these behaviours.

The key behavioural competencies that were looked at were: -

- Ensures customers are a primary focus
- Builds long-term customer relationships
- Makes decisions that balance customer and organisation needs
- Sets up customer feedback systems

Under each of these behavioural competencies were a number of statements that the respondents were asked to rate on a Likert type scale.

5.3.1 Analysis Of The Results

Part B of the questionnaire was the only part that led itself to statistical analysis and for each sub section the following statistical tests were done.

- Descriptive statistics - frequency stats
- Mean
- Median
- Mode
- Standard Deviation
- Variation
- Range
- Minimum and Maximum

5.3.1.1 Results - - How Well

5.3.1.1.1 Descriptive Statistics – Individual Questions

The rating scales to rate how well you think we do collectively:

SCORE	DESCRIPTION
5	Exceptional/distinctive in the demonstration of this competency in all contexts
4	Consistently demonstrates this competency effectively in challenging or demanding situations
3	Consistently demonstrates this competency effectively within the context of the core requirements of the job (ON TARGET)
2	Sometimes demonstrates this behaviour effectively
1	Unable to comment/not relevant

The statements that the respondents were asked to rate in terms of "how well" the company does were: -

1. Knows key customers and understands their specific importance to the business

2. Establishes processes which promote customer awareness

3. Recognizes and rewards customer focused behaviour

4. Builds alliances and co-operative relationships with customers/potential customers, locally and globally

5. Assesses the strategic importance of key customers in developing customer solutions

6. Initiates changes in organisation processes/policies to generate value for customers

7. Mobilises organisational resources to meet customer needs and resolve problems

8. Balances customer needs and organisational goals

9. Actively seeks information to understand customers' circumstances, problems, expectations, needs

10. Implements objective and hard-edged measures to monitor and evaluate customer concerns issues, and satisfaction and to anticipate customer needs

Question 1

B1: Knows key customers and understands their specific importance to the business

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	8	9.9	10.7	10.7
	3	29	35.8	38.7	49.3
	4	29	35.8	38.7	88.0
	5	9	11.1	12.0	100.0
	Total	75	92.6	100.0	
Missing	System	6	7.4		
Total		81	100.0		

Table B1 – Knows key customers and understands their specific importance to the business.

The above table reveals how well Afrox knows their key customers and understand the specific importance to the business, with respondents scoring equally at 38,7% that the company consistently demonstrates this competency effectively in challenging and demanding situations and also consistently demonstrates this competency effectively within the core requirements of the job, or on target, 10,7% of respondents feels that the company only sometimes demonstrates this behaviour effectively and 12% feels that Afrox demonstrate this competency exceptional or distinctive in all context.

Question 2

B2: Establishes processess which promote customer awareness

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	27	33.3	36.5	36.5
	3	31	38.3	41.9	78.4
	4	14	17.3	18.9	97.3
	5	2	2.5	2.7	100.0
	Total	74	91.4	100.0	
Missing	System	7	8.6		
Total		81	100.0		

Table B2 – Establishes processes which promote customer awareness

The above table reveals how well Afrox establishes processes which promotes customer awareness, with respondents scoring 41,9% that the company consistently

demonstrates this competency effectively within the core requirements of the job, or on target, 36,5% of respondents feels that the company only sometimes demonstrates this behaviour effectively, 18,9% feels that the company consistently demonstrates this competency effectively in challenging and demanding situations and 2,7% feels that Afrox demonstrate this competency exceptional or distinctive in all context.

Question 3

B3: Recognises and rewards customer focused behaviour

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	11	13.6	15.3	15.3
	2	38	46.9	52.8	68.1
	3	18	22.2	25.0	93.1
	4	4	4.9	5.6	98.6
	5	1	1.2	1.4	100.0
	Total	72	88.9	100.0	
Missing	System	9	11.1		
Total		81	100.0		

Table B3 - Recognises and rewards customer focused behaviour

The above table reveals how well Afrox recognises and rewards customer focused behaviour, with respondents scoring 52,8% that the company only sometimes demonstrates this behaviour effectively and 25% feels that Afrox demonstrate this competency effectively within the core requirements of the job, or on target, 15,3% of respondents were unable to comment or they felt the statement no be irrelevant, 5,6% feels that the company consistently demonstrates this competency effectively in challenging and demanding situations, 1,4% of respondents feels that the company is exceptional or distinctive in all context.

Question 4

B4 : Builds alliances and co-operative relationships with customers/potential customers, locally and globally

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	1	1.2	1.3	1.3
	2	12	14.8	16.0	17.3
	3	43	53.1	57.3	74.7
	4	14	17.3	18.7	93.3
	5	5	6.2	6.7	100.0
	Total	75	92.6	100.0	
Missing	System	6	7.4		
Total		81	100.0		

Table B4 – Builds alliances and co-operative relationships with customers/potential customers, locally and globally.

The above table reveals how well Afrox builds alliances and co-operative relationships with customers or potential customers, 57,3% of respondents feels that the company consistently demonstrates this competency effectively within the core requirements of the job, or on target, 18,7% feels that the company consistently demonstrates this competency effectively in challenging and demanding situations, 16% of respondents feels that the company only sometimes demonstrates this behaviour effectively, 6,7% feels that Afrox demonstrate this competency exceptional or distinctive in all context and 1,3% of respondents were unable to comment or thought the statement was not relevant.

Question 5

B5: Assesses the strategic importance of key customers in developing customer solutions

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	1	1.2	1.3	1.3
	2	13	16.0	17.3	18.7
	3	33	40.7	44.0	62.7
	4	22	27.2	29.3	92.0
	5	6	7.4	8.0	100.0
	Total	75	92.6	100.0	
Missing	System	6	7.4		
Total		81	100.0		

Table B5 – Assesses the strategic importance of key customers in developing customer solutions

The above table reveals how well Afrox assesses the strategic importance of key customers in developing customer solutions, 44% of respondents feels that the company consistently demonstrates this competency effectively within the core requirements of the job, or on target, 29,3% feels that the company consistently demonstrates this competency effectively in challenging and demanding situations, 17,3% of respondents feels that the company only sometimes demonstrates this behaviour effectively, 8% feels that Afrox demonstrate this competency exceptional or distinctive in all context and 1,3% of respondents were unable to comment or thought the statement was not relevant.

Question 6

B6: Initiates changes in organisation processes/policies to generate value for customers

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	4	4.9	5.3	5.3
	2	27	33.3	36.0	41.3
	3	31	38.3	41.3	82.7
	4	10	12.3	13.3	96.0
	5	3	3.7	4.0	100.0
	Total	75	92.6	100.0	
Missing	System	6	7.4		
Total		81	100.0		

Table B6 – Initiates changes in organisational processes/policies to generate value for customers

The above table reveals how well Afrox initiates changes in organisation processes or policies to generate value for customers, 41,3% of respondents feels that the company consistently demonstrates this competency effectively within the core requirements of the job, or on target, 36% of respondents feels that the company only sometimes demonstrates this behaviour effectively, 13% feels that the company consistently demonstrates this competency effectively in challenging and demanding situations, 4% feels that Afrox demonstrate this competency exceptional or distinctive in all context and 5,3% of respondents were unable to comment or thought the statement was not relevant.

Question 7

B7: Mobilises organisational resources to meet customer needs and resolve problems.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	1	1.2	1.3	1.3
	2	17	21.0	22.7	24.0
	3	38	46.9	50.7	74.7
	4	18	22.2	24.0	98.7
	5	1	1.2	1.3	100.0
	Total	75	92.6	100.0	
Missing	System	6	7.4		
Total		81	100.0		

Table B7 – Mobilises organisational resources to meet customer needs and resolve problems

The above table reveals how well Afrox mobilises organisational resources to meet customer needs and resolve problems, 50,7% of respondents feels that the company consistently demonstrates this competency effectively within the core requirements of the job, or on target, 24% feels that the company consistently demonstrates this competency effectively in challenging and demanding situations, 22,7% of respondents feels that the company only sometimes demonstrates this behaviour effectively, 1,3% feels that Afrox demonstrate this competency exceptional or distinctive in all context and 1,3% of respondents were unable to comment or thought the statement was not relevant.

Question 8

B8: Balances customer needs and organisational goals

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	1	1.2	1.4	1.4
	2	20	24.7	27.4	28.8
	3	39	48.1	53.4	82.2
	4	13	16.0	17.8	100.0
	Total	73	90.1	100.0	
Missing	System	8	9.9		
Total		81	100.0		

Table B8 – Balances customer needs and organisational goals

The above table reveals how well Afrox balances customer needs and organisational goals, 53,4% of respondents feels that the company consistently demonstrates this competency effectively within the core requirements of the job, or on target, 27,4% of respondents feels that the company only sometimes demonstrates this behaviour effectively, 17,8% feels that the company consistently demonstrates this competency effectively in challenging and demanding situations, and 1,4% of respondents were unable to comment or thought the statement was not relevant.

Question 9

B9: Actively seeks information to understand customers circumstances,problems, experctations,needs

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	4	4.9	5.3	5.3
	2	25	30.9	33.3	38.7
	3	36	44.4	48.0	86.7
	4	8	9.9	10.7	97.3
	5	2	2.5	2.7	100.0
	Total	75	92.6	100.0	
Missing	System	6	7.4		
Total		81	100.0		

Table B9 – Actively seeks information to understand customers, circumstances, problems, expectations, needs.

The above table reveals how well Afrox actively seeks information to understand customers circumstances, problems and expectations or needs, 48% of respondents feels that the company consistently demonstrates this competency effectively within the core requirements of the job, or on target, 33,3% of respondents feels that the company only sometimes demonstrates this behaviour effectively, 10,7% feels that the company consistently demonstrates this competency effectively in challenging and demanding situations, 5,3% of respondents were unable to comment or thought the statement was not relevant and 2,7% of respondents feels that this competency is shown in all its context in an exceptional or distinctive manner.

Question 10

B10: Implements objective and hard-edged measures to monitor and evaluate customer concerns issues and satisfaction and to anticipate customer needs.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	8	9.9	10.7	10.7
	2	27	33.3	36.0	46.7
	3	34	42.0	45.3	92.0
	4	4	4.9	5.3	97.3
	5	2	2.5	2.7	100.0
	Total	75	92.6	100.0	
Missing	System	6	7.4		
Total		81	100.0		

Table B10 – Implements objectives and hard-edged measures to monitor and evaluate customer concern issues and satisfaction and to anticipate customer needs

The above table reveals how well Afrox implements objective and hard edged measures to monitor and evaluate customer concerns, issues and satisfaction to anticipate customer needs, 45,3% of respondents feels that the company consistently demonstrates this competency effectively within the core requirements of the job, or on target, 36% of respondents feels that the company only sometimes demonstrates this behaviour effectively, 10,7% of respondents were unable to comment or thought the statement was not relevant, 5,3% feels that the company consistently demonstrates this competency effectively in challenging and demanding situations, and 2,7% of respondents feels that this competency is shown in all its context in an exceptional or distinctive manner.

5.3.1.1.2 Descriptive Statistics – Analysis Of 10 Questions

Statistics

		B1	B2	B3	B4	B5
N	Valid	75	74	72	75	75
	Missing	6	7	9	6	6
Mean		3.52	2.88	2.25	3.13	3.25
Median		4.00	3.00	2.00	3.00	3.00
Mode		3	3	2	3	3
Std. Deviation		.844	.810	.835	.811	.887
Variance		.712	.656	.697	.658	.786
Range		3	3	4	4	4
Minimum		2	2	1	1	1
Maximum		5	5	5	5	5

Statistics

		B6	B7	B8	B9	B10
N	Valid	75	75	73	75	75
	Missing	6	6	8	6	6
Mean		2.75	3.01	2.88	2.72	2.53
Median		3.00	3.00	3.00	3.00	3.00
Mode		3	3	3	3	3
Std. Deviation		.902	.762	.706	.831	.859
Variance		.813	.581	.498	.691	.739
Range		4	4	3	4	4
Minimum		1	1	1	1	1
Maximum		5	5	4	5	5

Likert scale coded values are:-

5	Exceptional/distinctive in the demonstration of this competency in all contexts
4	Consistently demonstrates this competency effectively in challenging or demanding situations
3	Consistently demonstrates this competency effectively within the context of the core requirements of the job (ON TARGET)
2	Sometimes demonstrates this behaviour effectively
1	Unable to comment/not relevant

5.3.1.1.2.1 Mean

The mean results as follows: -

B3 has mean value of 2.25, it reveals the respondents participated in this project have articulated average perception as sometimes demonstrates this behaviour effectively.

B10 has mean value of 2.53, it reveals the respondents participated in this project have articulated average perception as sometimes demonstrates this behaviour effectively, heading to consistently demonstrates this competency effectively within the context of the core requirements of the job.

B9 has mean value of 2.72 it reveals the respondents participated in this project have articulated average perception as consistently demonstrates this competency effectively within the context of the core requirements of the job.

B6 has mean value of 2.75 it reveals the respondents participated in this project have articulated average perception as consistently demonstrates this competency effectively within the context of the core requirements of the job.

B2 and B8 has mean value of 2.88 it reveals the respondents participated in this project have articulated average perception as consistently demonstrates this competency effectively within the context of the core requirements of the job.

B7 has mean value of 3.01 it reveals the respondents participated in this project have articulated average perception as consistently demonstrates this competency effectively within the context of the core requirements of the job.

B4 has mean value of 3.13 it reveals the respondents participated in this project have articulated average perception as consistently demonstrates this competency effectively within the context of the core requirements of the job.

B5 has mean value of 3.25 it reveals the respondents participated in this project have articulated average perception as consistently demonstrates this competency effectively within the context of the core requirements of the job.

B1 has mean value of 3.52 it reveals the respondents participated in this project have articulated average perception as consistently demonstrates this competency effectively within the context of the core requirements of the job. The perception is that the competency is demonstrated in challenging and demanding situations as well.

5.3.1.1.2.2 Median

B3 has median value of 2.00, which indicates that the perception is that the behaviour is only sometimes demonstrated effectively.

B2 ,B4 , B5, B5, B7, B8, B9, B10 has median value of 3,00, which indicates a perception that the behaviour is consistently demonstrates effectively within the context of the core requirements of the job.

B1 has median value of 4.00, which indicates that the perception is that the competency is demonstrated in challenging and demanding situations as well.

5.3.1.1.2.3 Mode

B3 has mode value of 2.00, which indicates that the perception is that the behaviour is only sometimes demonstrated effectively.

B1, B2, B4, B5, B5, B7, B8, B9, B10 has mode value of 3,00, which indicates a perception that the behaviour is consistently demonstrates effectively within the context of the core requirements of the job.

5.3.1.1.2.4 Standard Deviation

The B1 to B10 have standard deviation between 0.706 and 0.902, it reveals that these variables have variation in respondent's perception.

5.3.1.1.2.5 Variance

The B1 to B10 have variance between 0.498 and 0.813, it reveals that these variables have difference in respondent's perception.

5.3.1.1.2.6 Range

The B1 to B10 have range values 3 and 4, it indicates these variables have difference in respondent's perception and respondents have expressed all types of opinions towards study variables.

5.3.1.1.2.7 Minimum

The B3, B4, B5, B6, B7, B8, B9, B10 have a minimum value of 1. It indicates respondents have articulated minimum or at least respondents are unable to comment or the respondent felt the behaviour not relevant.

The B1 and B2 have a minimum value of 2, it indicates respondents have articulated minimum or least perception is the behaviour is sometimes demonstrated effectively.

5.3.1.1.2.8 Maximum

The B8 has maximum value of 4, it indicates respondents have articulated highest perception that the behaviour is consistently demonstrated effectively in challenging or demanding situations.

The B1, B2, B3, B4, B5, B6, B7, B9, B10 has maximum value of 5, it indicates respondents have articulated maximum of highest perception that the behaviour is demonstrated in exceptional and distinctive ways in all contexts.

5.3.1.2 Descriptive Statistics - How important

5.3.1.2.1 Descriptive Statistics – Individual Questions

Rating scale for describing <u>how important</u> each of the behavioural descriptions is for the company.

Critical	Underpins the organisation's achievement of "customer centric" goals
Required	Goals can not be achieved without strong evidence of these behaviours
Supportive	Will support the achievements of customer centric goals
N/A	Not relevant to the achievement of customer centric goals

The statements that the respondents were asked to rate in terms of "how important" it is for the company to display these customer centric behaviours were: -

1. Knows key customers and understands their specific importance to the business

2. Establishes processes which promote customer awareness

3. Recognizes and rewards customer focused behaviour

4. Builds alliances and co-operative relationships with customers/potential customers, locally and globally

5. Assesses the strategic importance of key customers in developing customer solutions

6. Initiates changes in organisation processes/policies to generate value for customers

7. Mobilises organisational resources to meet customer needs and resolve problems

8. Balances customer needs and organisational goals

9. Actively seeks information to understand customers' circumstances, problems, expectations, needs

10. Implements objective and hard-edged measures to monitor and evaluate customer concerns issues, and satisfaction and to anticipate customer needs

Statistical analysis and the following statistical tests were done for each sub-section of the questionnaire: -

- Descriptive statistics - frequency stats
- Mean
- Median
- Mode
- Standard Deviation
- Variation
- Range
- Minimum and Maximum

Question 1

B1: Knows key customers and understands their specific importance to the business

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	C : Critical	66	81.5	88.0	88.0
	R : Required	7	8.6	9.3	97.3
	S: Supportive	2	2.5	2.7	100.0
	Total	75	92.6	100.0	
Missing	System	6	7.4		
Total		81	100.0		

Table B1 – Knows key customers and understands their specific importance to the business.

The above table reveals perceptions of participated respondents in the project, where they have expressed 88% as critical in underpinning the organisations achievement of customer centric goals, 9,3% as required, as goals cannot be achieved without strong evidence of these behaviours and 2,7% as supportive, which will support the achievements of customer centric goals, of how important it is for Afrox to know the key customers and understand their specific importance to the business.

Question 2

B2: Establishes processess which promote customer awareness

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	C : Critical	34	42.0	45.3	45.3
	R : Required	34	42.0	45.3	90.7
	S: Supportive	6	7.4	8.0	98.7
	N/A	1	1.2	1.3	100.0
	Total	75	92.6	100.0	
Missing	System	6	7.4		
Total		81	100.0		

Table B2 – Establishes processes which promote customer awareness

The above table reveals perceptions of participated respondents in the project, where they have expressed 45,3% as critical in underpinning the organisations achievement of customer centric goals, 45,3% as required, as goals cannot be achieved without strong evidence of these behaviours, 8% as supportive, which will support the achievements of customer centric goals, and 1.3% of respondents felt that it was not relevant to the achievement of customer centric goals, of how important it is for Afrox to establish processes which promote customer awareness.

Question 3

B3: Recognises and rewards customer focused behaviour

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	C : Critical	38	46.9	50.7	50.7
	R : Required	22	27.2	29.3	80.0
	S: Supportive	12	14.8	16.0	96.0
	N/A	3	3.7	4.0	100.0
	Total	75	92.6	100.0	
Missing	System	6	7.4		
Total		81	100.0		

Table B3 - Recognises and rewards customer focused behaviour

The above table reveals perceptions of participated respondents in the project, where they have expressed 50,7% as critical in underpinning the organisations achievement of customer centric goals, 29.3% as required, as goals cannot be achieved without strong evidence of these behaviours, 16% as supportive, which will support the achievements of customer centric goals, and 4% of respondents felt that it was not relevant to the achievement of customer centric goals, of how important it is for Afrox to recognise and reward customer centric behaviour.

Question 4

B4 : Builds alliances and co-operative relationships with customers/potential customers, locally and globally

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	C : Critical	58	71.6	77.3	77.3
	R : Required	16	19.8	21.3	98.7
	S: Supportive	1	1.2	1.3	100.0
	Total	75	92.6	100.0	
Missing	System	6	7.4		
Total		81	100.0		

Table B4 – Builds alliances and co-operative relationships with customers/potential customers, locally and globally.

The above table reveals perceptions of participated respondents in the project, where they have expressed 77,3% as critical in underpinning the organisations achievement of customer centric goals, 21,3% as required, as goals cannot be achieved without strong evidence of these behaviours, and 1,3% as supportive, which will support the achievements of customer centric goals, of how important it is for Afrox to build alliances and co-operative relationships with customers and potential customers, locally and globally.

Question 5

B5: Assesses the strategic importance of key customers in developing customer solutions

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	C : Critical	48	59.3	64.0	64.0
	R : Required	25	30.9	33.3	97.3
	S: Supportive	2	2.5	2.7	100.0
	Total	75	92.6	100.0	
Missing	System	6	7.4		
Total		81	100.0		

Table B5 – Assesses the strategic importance of key customers in developing customer solutions

The above table reveals perceptions of participated respondents in the project, where they have expressed 64% as critical in underpinning the organisations achievement of customer centric goals, 33,3% as required, as goals cannot be achieved without strong evidence of these behaviours, and 2,7% as supportive, which will support the achievements of customer centric goals, of how important it is for Afrox to assess the strategic importance of key customers in developing customer solutions.

Question 6

B6: Initiates changes in organisation processes/policies to generate value for customers

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	C : Critical	37	45.7	49.3	49.3
	R : Required	30	37.0	40.0	89.3
	S: Supportive	8	9.9	10.7	100.0
	Total	75	92.6	100.0	
Missing	System	6	7.4		
Total		81	100.0		

Table B6 – Initiates changes in organisational processes/policies to generate value for customers

The above table reveals perceptions of participated respondents in the project, where they have expressed 49,3% as critical in underpinning the organisations achievement of customer centric goals, 40% as required, as goals cannot be achieved without strong evidence of these behaviours, and 10,7% as supportive, which will support the achievements of customer centric goals, of how important it is for Afrox to initiate changes in organisation processes and policies to generate value for customers.

Question 7

B7: Mobilises organisational resources to meet customer needs and resolve problems.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	C : Critical	40	49.4	53.3	53.3
	R : Required	27	33.3	36.0	89.3
	S: Supportive	8	9.9	10.7	100.0
	Total	75	92.6	100.0	
Missing	System	6	7.4		
Total		81	100.0		

Table B7 – Mobilises organisational resources to meet customer needs and resolve problems

The above table reveals perceptions of participated respondents in the project, where they have expressed 53,3% as critical in underpinning the organisations achievement of customer centric goals, 36% as required, as goals cannot be achieved without

strong evidence of these behaviours, and 10,7% as supportive, which will support the achievements of customer centric goals, of how important it is for Afrox to mobilise organisational resources to meet customer needs and resolve problems.

Question 8

B8: Balances customer needs and organisational goals

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	C : Critical	37	45.7	50.0	50.0
	R : Required	29	35.8	39.2	89.2
	S: Supportive	7	8.6	9.5	98.6
	N/A	1	1.2	1.4	100.0
	Total	74	91.4	100.0	
Missing	System	7	8.6		
Total		81	100.0		

Table B8 – Balances customer needs and organisational goals

The above table reveals perceptions of participated respondents in the project, where they have expressed 50% as critical in underpinning the organisations achievement of customer centric goals, 39.2% as required, as goals cannot be achieved without strong evidence of these behaviours, 9.5% as supportive, which will support the achievements of customer centric goals, and 1,4% of respondents felt that the behaviour was not contributing towards achieving customer centric goals, of how important it is for Afrox to balance customer needs and organisational goals.

Question 9

B9: Actively seeks information to understand customers circumstances,problems, experctations,needs

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	C : Critical	41	50.6	54.7	54.7
	R : Required	30	37.0	40.0	94.7
	S: Supportive	4	4.9	5.3	100.0
	Total	75	92.6	100.0	
Missing	System	6	7.4		
Total		81	100.0		

Table B9 – Actively seeks information to understand customers circumstances.

The above table reveals perceptions of participated respondents in the project, where they have expressed 54,7% as critical in underpinning the organisations achievement of customer centric goals, 40% as required, as goals cannot be achieved without strong evidence of these behaviours, and 5,3% as supportive, which will support the achievements of customer centric goals, of how important it is for Afrox to actively seek information to understand customer circumstances, problems, expectations and needs.

Question 10

B10: Implements objective and hard-edged measures to monitor and evaluate customer concerns issues and satisfaction and to anticipate customer needs.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	C : Critical	38	46.9	50.7	50.7
	R : Required	31	38.3	41.3	92.0
	S: Supportive	6	7.4	8.0	100.0
	Total	75	92.6	100.0	
Missing	System	6	7.4		
Total		81	100.0		

Table B10 – Implements objectives and hard-edged measures to monitor and evaluate customer concern issues and satisfaction and to anticipate customer needs

The above table reveals perceptions of participated respondents in the project, where they have expressed 50,7% as critical in underpinning the organisations achievement of customer centric goals, 41,3% as required, as goals cannot be achieved without strong evidence of these behaviours, and 8% as supportive, which will support the achievements of customer centric goals, of how important it is for Afrox to implement objective and hard edged measures to monitor and evaluate customer concern issues, and satisfactions to anticipate customer needs.

5.3.1.2.2 Descriptive Statistics - Analysis Of 10 Questions

Statistics

		B1:	B2	B3	B4	B5
N	Valid	75	75	75	75	75
	Missing	6	6	6	6	6
Mean		1.15	1.65	1.73	1.24	1.39
Median		1.00	2.00	1.00	1.00	1.00
Mode		1	1	1	1	1
Std. Deviation		.425	.688	.875	.460	.543
Variance		.181	.473	.766	.212	.294
Range		2	3	3	2	2
Minimum		1	1	1	1	1
Maximum		3	4	4	3	3

Statistics

		B6	B7	B8	B9	B10
N	Valid	75	75	74	75	75
	Missing	6	6	7	6	6
Mean		1.61	1.57	1.62	1.51	1.57
Median		2.00	1.00	1.50	1.00	1.00
Mode		1	1	1	1	1
Std. Deviation		.676	.681	.716	.601	.640
Variance		.457	.464	.512	.361	.410
Range		2	2	3	2	2
Minimum		1	1	1	1	1
Maximum		3	3	4	3	3

Likert scale coded values are:-

3 Critical	Underpins the organisation's achievement of "customer centric" goals
2 Required	Goals can not be achieved without strong evidence of these behaviours
1 Supportive	Will support the achievements of customer centric goals
N/A	Not relevant to the achievement of customer centric goals

5.3.1.2.2.1 Mean

The mean results are as follows: -

B1 has mean value of 1.15, it reveals the respondents participated in this project have articulated average perception that it will support the achievements of customer centric goals.

B4 has mean value of 1.24, it reveals the respondents participated in this project have articulated average perception as it will support the achievements of customer centric goals.

B5 has mean value of 1.39 it reveals the respondents participated in this project have articulated average perception as it will support the achievements of customer centric goals.

B9 has mean value of 1.51 it reveals the respondents participated in this project have articulated average perception as it will support the achievements of customer centric goals.

B7 and B10 has mean value of 1.57 it reveals the respondents participated in this project have articulated average perception as it will support the achievements of customer centric goals and it is moving towards the perception that customer centric goals cannot be achieved without strong evidence of these behaviours.

B6 has mean value of 1.61 it reveals the respondents participated in this project have articulated average perception that it will support the achievements of customer centric goals and it is moving towards the perception that customer centric goals cannot be achieved without strong evidence of these behaviours.

B8 has mean value of 1.62 it reveals the respondents participated in this project have articulated average perception that customer centric goals cannot be achieved without strong evidence of these behaviours.

B2 has mean value of 1.65 it reveals the respondents participated in this project have articulated average perception that customer centric goals cannot be achieved without strong evidence of these behaviours.

B3 has mean value of 1.73 it reveals the respondents participated in this project have articulated average perception that customer centric goals cannot be achieved without strong evidence of these behaviours.

5.3.1.2.2.2 Median

B1, B3, B4, B5, B7, B9, B10 has median value of 1.00, which indicates that the perception is that the behaviour will support the achieving of customer centric goals.

B8 has median value of 1.50, which indicates a perception that the behaviour will support the achieving of customer centric goals, but there is a possibility that the goals cannot be achieved without strong evidence of these behaviours.

B2 and B6 have median value of 2.00, which indicates that the perception is that the goals cannot be achieved without strong evidence of these behaviours.

5.3.1.2.2.3 Mode

B1, B2, B3, B4, B5, B6, B7, B8, B9, B10 has mode value of 1,00, which indicates a perception that the behaviour will support the achieving of customer centric goals.

5.3.1.2.2.4 Standard Deviation

The B1 to B10 have standard deviation between 0.425 and 0.875, it reveals that these variables have variation in respondent's perception.

5.3.1.2.2.5 Variance

The B1 to B10 have variance between 0.181 and 0.766, it reveals that these variables have difference in respondent's perception.

5.3.1.2.2.6 Range

The B1 to B10 have range values 2 and 3, it indicates these variables have difference in respondent's perception and respondents have expressed all types of opinions towards study variables.

5.3.1.2.2.7 Minimum

The B1, B2, B3, B4, B5, B6, B7, B8, B9, B10 have a minimum value of 1. It indicates respondents have articulated minimum or at least respondents felt that it was not relevant to achievement of customer centric goals.

5.3.1.2.2.8 Maximum

The B2, B3 and B8 has maximum value of 4, it indicates respondents have articulated maximum or highest perception that the behaviour is critical and underpins the organisations achievement of customer centric goals.

The B1, B4, B5, B6, B7, B9 and B10 has maximum value of 3, it indicates respondents have articulated highest perception that the goals cannot be achieved without strong evidence of these behaviours.

5.3.2 Conclusion From The Results Of Part B

5.3.2.1 – Results From "How Well"

Figure 5.3.2.1 below shows that the respondents rated question 3, "recognition and reward of customer centric behaviour", and question 10, "implements objective and hard-edged measures to monitor and evaluate customer concerns issues, and satisfaction and to anticipate customer needs", as the lowest on the mean, indicating that these two areas are not done very well at present. Lawer (1998) says that employees must be motivated and rewarded for innovative contributions to customer innovation. (see 2.2.6). Fox and Brown (2001) stress the importance of monitoring and evaluating of customer concerns. The areas that the respondents rated the company to do the best were on question 1, "knows key customers and understands their specific importance to the business" and question 5, "assesses the strategic importance of key customers in developing customer solutions". This indicates that the senior management knows their key customers and value the strategic importance, yet they feel that customer centric behaviour is not recognised and that there is not a measure in place to record and respond to customer complaints. Fox and Brown (2001) advise that customer communication is and feedback is critical, as this should ensure retention of customers.

The largest standard deviation and variance was seen in question 6 "Initiates changes in organisation processes/policies to generate value for customers" which indicates that senior managers had very little consensus on this, either because communication is not effective that share the processes or policies that were put in place that generate value for customers, or that there is still a strong silo mentality in place amongst the senior managers where the information is nor shared or disseminated.
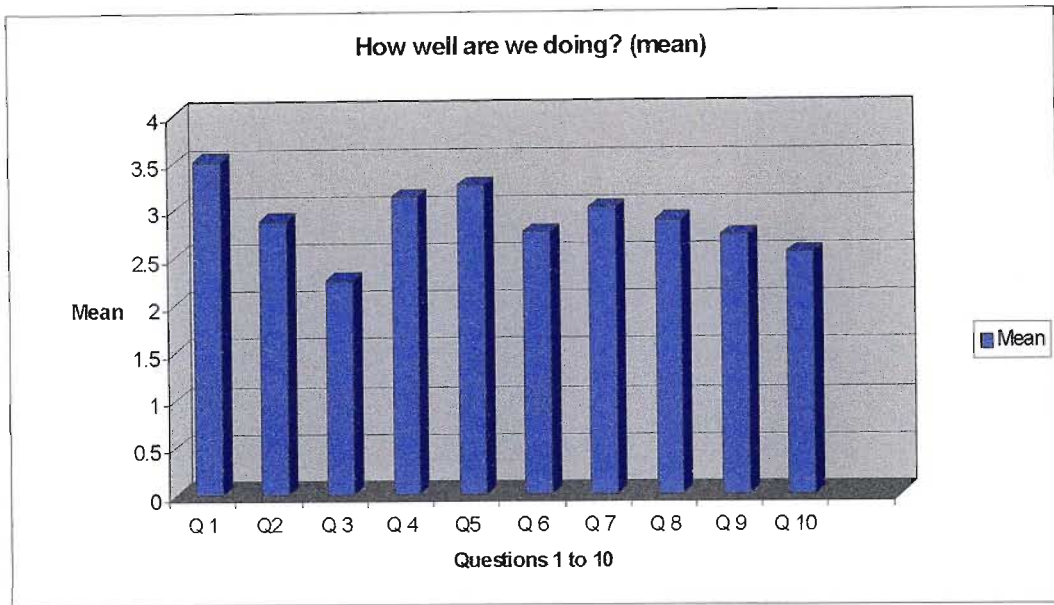
How well are we doing?

Figure 5.3.2.1

5.3.2.2 – Results From "How Important"

Figure 5.3.2.2 below shows that question 1, "knows key customers and understands their specific importance to the business", followed by question 4, "builds alliances and co-operative relationships with customers/potential customers, locally and globally" as the lowest mean score, indicating that the respondents rate that to be less important. Question 3, "recognising and rewarding customer centric behaviour" and question 2, "establishes processes which promote customer awareness" are rated to be the most important behaviours that employees of the company must exhibit to be seen as customer centric.

The standard deviation and variance in question 3 "recognising and rewarding customer centric behaviour" is by far the greatest, indicating that the senior management is not sure about the importance. Some have shown it a very important/critical whilst a fair number placed this as less important. If the culture of the company were truly customer centric, rewarding the behaviour would not be such an issue, as it would have been expected as the norm. The comment by Lawer (1998) discusses the importance of recognising customer centric behaviour and processes to promote customer awareness. (see 2.2.6)
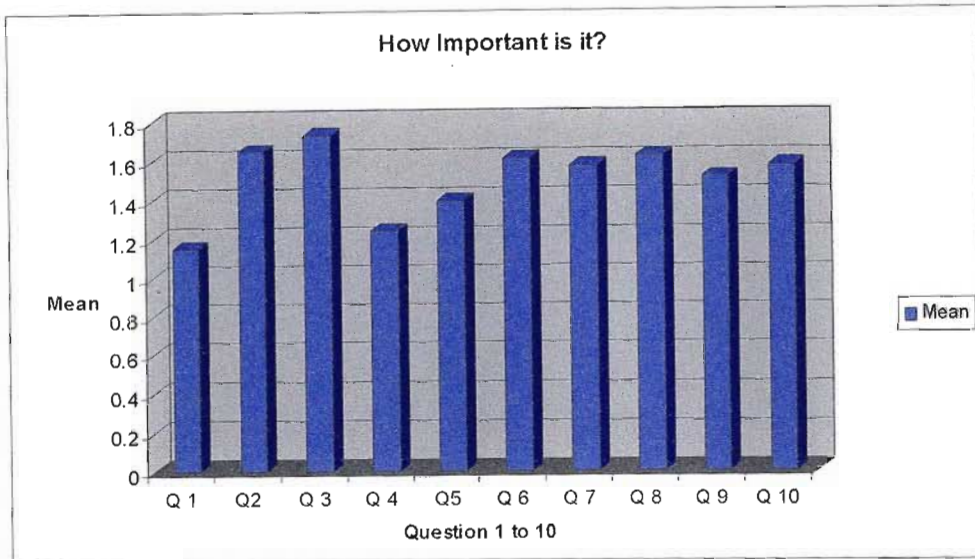
How important is it?

Figure 5.3.2.2

Issues relating to customer relationships were ranked as the most important. At present this is largely occurring in the company and is well done with the key customer segment. Lee (2001) suggests that segmentation of customers should be done according to their needs. Items about understanding and ensuring response to customer needs were ranked as second most important elements. The ratings of understanding, mobilizing and satisfaction measures were below par. The respondents pointed out that reward and recognition of employees for customer centric behaviour is very un-aligned to customer intimacy and needs satisfaction. The company will have to address this soon, or change the behaviour of the employees, not to expect reward for exhibiting customer centric behaviour. This is a major culture change required to align the company to the correct behaviour and not expect reward for it. Weitz (2000) comments that employees play such an important role in the customer relationship that the issue of reward can be a potential problem to change the behaviour of the employees.

It was also identified that we have an opportunity for data mining, where meaningful customer information can be extracted. The extraction of customer intelligence will

lead to a process, which will promote customer awareness. Lee (2001) has suggested ways of extracting the intelligence.

Although building of alliances with customers are seen as critical, the company should be doing this at a much higher level of intensity, which is not the case at the moment. Gilbert (2005) warns about the dangers of not building the alliances with customers.

It has been identified that there is a need to balancing the customer and organisational needs, and that the company need to become better at this. There is a cost to serve associated with customer relationships, but it is important that the long and short-term approach to building profitable customer relationships be understood. There is a relationship between customer centric and profit centric and Lee (2001) discusses it in detail.

The introduction of systems and measures to evaluate and monitor customer concerns, and to assess their satisfaction in needed. This is another major area for improvement. Fox and Brown (2001) offers comments on how the systems can be introduced and why these measures to evaluate the customer concerns are so important.

The basic level of understanding with relation to the concept of customer centricity was established as per objective 1 in chapter 1. (see 1.5) The executive of the company got a very good signal from the senior managers as what they perceive to be important customer centric behaviours, as well as expressing an opinion of how well this is currently been done in the company. This information will give the company the "as-is" situation, as set in objective 3 in chapter 1, and by assessing the issues raised by the senior managers as alluded to above, the "to be" vision can be mapped out. (see 1.5) The fact that the senior managers raise the issues that they believe are important and rate how well the company is doing them gives an indication that management is receptive for change as they have identified things that should be done better. They are not satisfied with the status quo. There will be a lot of change management needed to get the company more customer centric and Senior (1997) offers some comment on why change takes place.

Senior management does not have a common understanding of the concept of customer centricity, as proved by the standard deviation, variance and range. The low mean score that the ten customer centric behaviour questions returned indicated that senior management agrees that Afrox is not customer centric. The responses to the customer centric behaviours received scores of mostly critical or required when the importance was tested, and on target or below target when the demonstration was tested, which indicates that the senior managers are seeing room for improvement and that they know that the company can be better at customer centric behaviours. The executive of the company is committed to change to a customer centric organisation by allowing the senior managers to get an understanding of what customer centricity is as well as to give a perception of how they see the current situation. The executive could believe that the strategic intent as published could be seen as achieving the customer centric goal, but they know the behaviour of all employees need to be changed to becoming more customer centric. Gilbert (2005) warns that intentions are often not supported by action to change behaviour.

5.4 PART 3 – OPEN ENDED QUESTIONS

Six opened ended questions were put to the respondents and these required qualitative responses. The responses were difficult to analyse and categorise.

The following are the responses to the six questions. Where possible, responses of a similar nature were grouped together to give a view on the perception of the respondents, or to take note of the suggestions made to the questions posed.

5.4.1 Question 1 - How customer centric do you think we are?

It is interesting to note that 35% respondents commented that the company is only partly customer centric, with still a long way to go, to 33% of the respondents commented that the company is **not** customer centric. The minority felt that the company is customer centric. The results are shown in Figure 5.4.below. Out of the 81 respondents representing senior management of the company, not a single person said that Afrox was customer centric. These senior managers were exposed to the definition of customer centricity and they would have had a clear understanding of the

meaning of customer centric. Referring to the vision and strategic plans of the company that states that Afrox is customer centric, work will have to be done to align the senior managers with the change in behaviour required to create a customer centric culture. This comment confirms the concern raised by Afrox about the execution of the service offers.

How customer centric are we?

Category	Percentage
We are cust centric	0%
Well on the way	4%
Some people/areas on the way	18%
Partly cust centric -still long way to go	35%
Not cust centric	33%
No response	10%

Percentage of target group
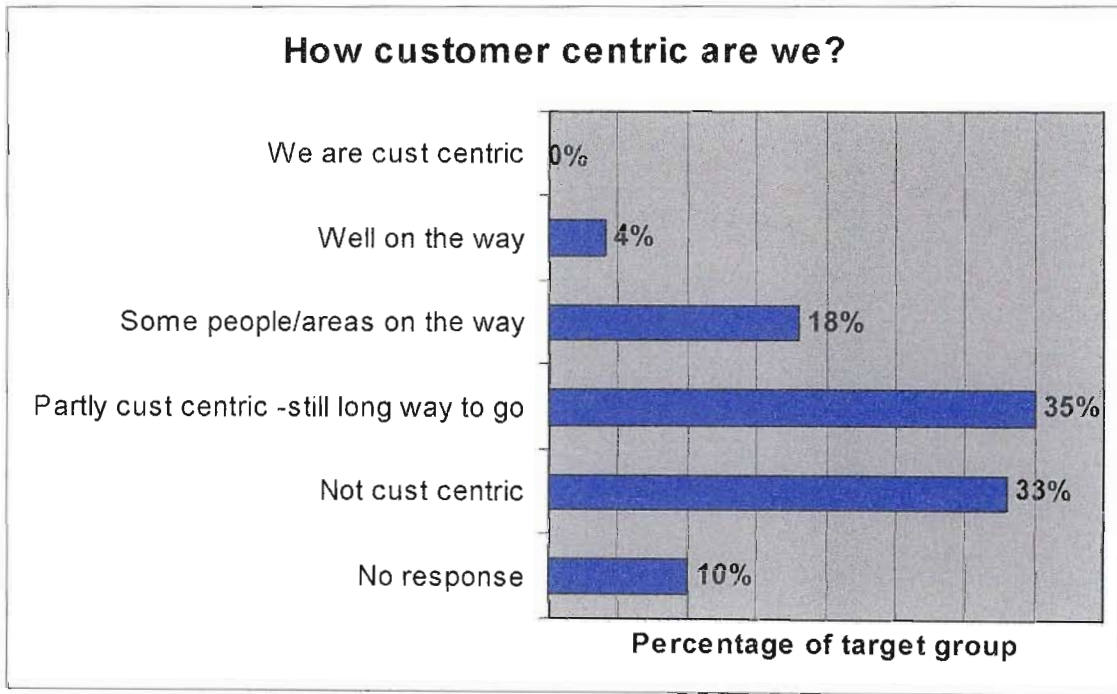
How customer centric are we?

Figure 5.4

Some of the reasons offered by the respondents were as follows: -

- *"Not great, pockets of excellence, inconsistent interpretations of what this means.*
- *With regard to ProServe and Key Customers we are progressing, for the rest, not customer centric at all.*
- *Varies from one part of the organisation to another, some areas or certain individuals are more than others.*
- *Customer centric awareness and understanding at executive level and one level below. All other levels not customer centric.*

- *Very little and only in patches. We are far too internally focused, a long way to go.*
- *Not sufficiently, definition and communication urgently required.*
- *Need to establish greater levels in the support functions, but good in the sales function.*
- *Not "walking the talk" as yet".*

5.4.2 Question 2 – What could we do as an organisation to become more customer centric?

The top 12 responses offered by the respondents were as follows: -
- *Change our behaviours and attitudes*
- *Involve all levels of staff*
- *Understand customers' needs*
- *Review and improve processes*
- *Start customer centricity programmes*
- *Change program, definitions and communications needed.*
- *Walk the talk (Management)*
- *Improve systems*
- *Re-align existing measures with customer centricity*
- *Measure and reward customer centric competence and performance*
- *Customer surveys*
- *Training*

The majority of responses had a flavour of behaviour and indicated that a change in behaviour will assist the company to move to customer centric. Management can also review the other suggestions and build it into the program to assist with the change in the culture to becoming customer centric. Pompetzki (2001) recommends steps to become customer centric and these are closely aligned with the comments from the senior management.

5.4.3 Question 3 – List three things you think we could do immediately to become more customer centric?

Typical responses from the respondents were: -

- *Review/improve/align existing processes*
- *Run customer centric awareness programmes for all staff*
- *Define and communicate customer centricity*
- *Reward customer centric behaviour*
- *Improve supply chain*
- *Behavioural training program for all staff*
- *Walk the talk – internally and externally (management)*
- *Find out what the customer segments require and value*
- *Align measurements with customer centricity (less internal focus)*
- *Introduce customer complaint/query handling system*
- *Listen better to both internal and external customers*
- *Change the focus and weighting of metrics*
- *Review organisational structure and resourcing (staff, equipment, tools)*
- *Understand customer needs better, rather than what we think they need*
- *Understand the impact of all staff roles in achieving customer centricity*
- *Empower staff to be customer centric*
- *Change organisational culture*

All the suggestions offered by the senior managers are valid and will appear to be genuine. It calls for behavioural programs to assist the employees to change the culture, as well as pointing out to the executive what they should consider doing to become customer centric. This is not about words in definitions, but actions from all in the company to make it happen. Lawer (1998) provided a solid framework as a foundation to assist with the behaviour and culture. (see 2.2.6)

5.4.4 Question 4 – What do you think your "lower level" employees might say or think about how customer centric we are?

The view from the respondents were that the lower level employees may give us three responses, namely, "no we are not customer centric", "yes we are customer centric", or, "we would like to be, but…." Within these three possible categories, the senior managers recorded what they believed the lower level employees might say and the reasons for their view.

No, were not customer centric, and the reasons are: -
- *We're too focused on our own internal processes*
- *Want to please the customer but would not understand the question/concept of customer centricity*
- *Do not see customer centricity being demonstrated*
- *Let down by supporting services (credit holds, stock outs)*
- *Driven by profits and costs – the customer does not come first*

Yes, we are customer centric, and the reasons we are saying so: -
- *Would say they are performing a superb function and satisfying the need of the customer*
- *Easier in smaller branches where they can respond more easily to problems than in the larger centres.*
- *We jumped when we were called upon*
- *Good, but need more improvement.*

Would like to be, but…
- *We say we are but don't live it*
- *Are concerned about customers shouting about failed deliveries, and shortages/out of stock situations*
- *We often deliver late.*

The only way of confirming the perception of the senior managers as to how the lower level employees sees customer centricity will be to do a survey amongst the rest of the organisation. The senior managers were not sure in which of these three categories the major part of the lower level employees might fall. Since the senior managers were not too clear as to how customer centric they were as a group, to make a call on the rest of the organisation was always going to be difficult. One thing is for sure, the present culture of Afrox cannot be seen as customer centric, or else the senior managers would have confirmed it. The leadership of the company is also open for scrutiny, as they do not have a unified view, Liebersohn (1972) comments that leaders must be effective for successful change.

5.4.5 Question 5 – What questions should we ask your lower level staff to establish whether we're customer centric?

There were diverse comments and suggestions from the management group in agreeing the questions that should be asked. The situation at present is as follows: A lower level questionnaire needs to be developed that will allow this group of people to firstly understand the concept and definition of customer centricity as then be able to give their perception against the definition.

The results from the senior managers group cannot be compared with what the lower level employees will respond, as the goal is more about obtaining perceptions than to initiate the behavioural change. The results will be used to start the change management process.

5.4.6 Question 6 – List three things that lower level staff could do to improve our customer centricity?

The management group acknowledged that lower level staff would improve the customer centricity of the company if they take certain actions. The group agreed that the lower level staff must be empowered and management must show the commitment to support their efforts in becoming customer centric.

Employee actions as recommended by senior managers: -
- *Improve communication with customers (frequency & quality)*
- *Provide customer feedback to management*
- *Understand how important their roles are to satisfying customers*
- *Listen to customers and give them the benefit of the doubt*
- *Friendly, polite interactions with customers*
- *Be more helpful towards customers – very don't care attitude exists*
- *Focus on delivery and quality – complete today's work today*
- *Work accurately*
- *Develop a "passion" for Afrox and the Afrox brand.*

Empower the rest of the organisation to: -

- *Resolve customer problems as far as possible*
- *Be super receptive to customer feedback*
- *Timeously follow up on a customer issue that was passed onto another person*
- *Be polite and do not defend or get aggressive – get to the bottom of the problem by being on the side of the customer.*
- *Ask customers what we can do better.*

Management must show commitment by: -

- *Lead by example*
- *Treat employees in the way we want them to treat customers.*
- *Train and support the employees in ongoing involvement in resolution of customer complaints.*

5.4.7 Conclusions from Section C

From the responses to the open-ended questions four conclusion can be made namely:-

- Leadership of the company need a common understanding of the definition of customer centricity.
- Once the leadership has a common understanding of the definition, they need to make sure that all staff has the same understanding. The company then needs to look again at if they really understand the needs of the customers, and have we asked them what they want?
- Change management must be applied. The company will have to define and communicate to the business that they have a burning platform to change to become customer centric. This will require a common plan with training and setting up of workshops or focus groups. Since the initiative may raise expectations within the company as well as outside, a plan must be devised to mitigate the results if expectations are not met.
- Definite measurements must be introduced to track progress. Introduce incentives to drive the correct behaviour and put in place a quality system that can track customer service issues.

Although this study was only directed around the senior managers of the company, there is an understanding that the entire organisation needs to develop a more customer centric culture and customer centric behaviours, which will drive the necessary change. Literature and appropriate models are available, some of which were in chapter 2, which can assist Afrox to follow up on the suggestion made by the senior managers.

5.5 CONCLUSION

The analysis of the responses answered many questions regarding the journey that Afrox has decided to embark on to move from product centric to customer centric.

The senior managers indicated through the first part of the questionnaire that they believe the company is close to base 2 on the Round baseball pitch model, a long way away from being customer centric.

The quantitative research gave us the descriptive statistics to get the perception from the senior managers as to how well Afrox is demonstrating customer centric behaviour and how important these behaviours are to becoming more customer centric. The consensus was that Afrox is not demonstrating customer centric behaviour very well, and because these behaviours are very important, the company will need major effort to become customer centric.

The final section of the questionnaire being qualitative, gave the executive a message that the company is not customer centric, although on the way, and offered suggestions to how the whole company can become more customer centric.

In the next chapter we will review if these suggestions were noted and what Afrox is doing to becoming more customer centric.

CHAPTER 6

RECOMMENDATIONS AND CONCLUSIONS

6.1 INTRODUCTION

Over the last four years a lot of time and energy was devoted by the senior executive of Afrox to change to company from being product centric to becoming customer centric. Strategic plans, vision and values were developed to place the customer at the centre of the organisation, but the perception of the staff was not tested to see if they are in alignment with the vision. This research was done to test the perception of senior managers.

Based on the results and findings of the research, the following conclusions and recommendations can be made.

6.2 CONCLUSIONS

The exploratory research recognised the important roll the customer plays in the success of the organisation. Customer centricity should form part of the business strategy and should be part of the core competence of the organisation as well as the strategic intent. The behaviour of the employees in the company will be the benchmark as to the customer centricity of the organisation, as the behaviour gives rise to the culture of the organisation. The process of changing the culture of employees to exhibit customer centric behaviours will be difficult and the organisation will have to embark on a significant change management program to change the culture of employees.

The company has recognised that they can get the competitive edge over the opposition through increased customer centric behaviour. Customer centric behaviours have to be supported through a structured process, and a company is not customer centric because it is written into the vision, mission and strategic plans. The key to become customer centric is in the change of the behaviour of the employees and to embrace the culture of customer centricity.

The executive drives the strategic initiatives to change Afrox into a more customer centric organisation, but the execution of the business plan lies with the senior managers as well as the rest of the employees in the company.

To assess the current position of where the senior managers believed they were on the journey to customer centricity they were asked to answer questions on key customer centric enablers which were interpreted by Round to show a position on a baseball pitch that could be related to place on journey. Respondents had to give their perception on a rating scale of how important certain customer centric behavioural competencies are, as well as comment on how well these are currently being displayed in the company. Respondents were asked to give their views on six open ended questions around customer centric concepts.

The analysis of the responses answered many questions regarding the journey that Afrox has decided to embark on to move from product centric to customer centric. The senior managers indicated through the first part of the questionnaire that they believe the company is close to base 2, customer focused, on the Round baseball pitch model, a long way away from being customer centric.

The senior managers all shown that they knew what important customer centric behaviours are, and that they could express an opinion on how well it is currently being displayed in the company. It was also shown that the senior managers do not have a common understanding of the concept of customer centricity, and they confirmed that Afrox is not customer centric. Managers were able to identify which behaviours need to change to become more customer centric.

The final section of the questionnaire being qualitative, gave the executive a message that the company is not customer centric, although on the way, and offered suggestions to how the whole company can become more customer centric. There is a willingness amongst the senior managers to have a better understanding of what customer centric behaviour is.

The move from product centricity to customer centricity is in essence a change in the behaviour of people. Behaviour in the organisation is much the same as the culture of the organisation, and to become customer centric, the culture must be changed. The perception of the senior managers is that the culture is still closer to product centric, but they understand the need for change.

Afrox see that the change from being product centric to becoming customer centric is a journey and it will a long time to change the behaviour throughout the company to get the culture to change into a truly customer centric organisation. Effective change management is essential to sustain the changes along the journey.

The senior managers all appears to see the need for change as well as the value that it will bring to the customers, but they are worried as to what level of customer centricity the rest of the organisation is showing.

6.2 RECOMMENDATIONS

The following recommendations can be made to Afrox as a result of the information gathered and the analysis of that information:-

- Refine the definition of customer centricity and publish and socialise it throughout the organisation. Effective communication will be needed to ensure the message gets through the organisation.
- Develop a clear customer centric strategy. The steps recommended by Pompetzky in 2.2.3 can be used as a reference.
- Develop a plan that can be used to change the behaviour of employees. The behaviour of the employees makes a company customer centric. The challenge is to change the behaviour, from the top to the bottom of the organisation. The OD process should be considered as an option to drive the change.
- The company should develop a program that has a holistic and integrated approach to customer centricity that will assist with the change to customer centricity. There are experts in the field of customer centricity it is recommended that they be asked to assist to develop a program to implement

customer centricity in the organisation. A customer centric framework as recommended by Lawer in section 2.2.6 should be considered.

- Based on the logic of the Round baseball pitch model the company has to set a point where they want to be in the journey to customer centricity. The third base of "customer value" could be the appropriate target for the whole company. To achieve the "customer value" base, Afrox needs to clearly define the strategies for every type of customer, which is in line with their market segmentation models.

- Customer centricity must be instilled as a value of the organisation.

- Customer centricity needs to become part of the culture of the organisation and to change culture throughout the company will be long and hard. It is recommended that a cultural web of Afrox be drawn up to really understand the major elements that drive the organisational culture. The cultural web is a useful device for obtaining clarity on what constitutes culture of an organisation and how it may be possible to manage the change.

- Communicate the results of this research throughout the company. It will share with the lower level employees the perception the senior managers have of the lack of customer centric behaviour by the organisation. Some recommendations made by the senior managers can be adapted immediately.

6.3 AREA FOR FURTHER STUDIES

The following are areas that should be studied further:-
- Test the perception of the rest of the employees of the company on how customer centric they think Afrox is at this point in time. This can be done through a questionnaire, but it is important to remember that the literacy levels at the lower end of the organisation may need more detailed explanations and assistance in completion of the questionnaire.

- Utilise the biographical data supplied by the respondent to assess the alignment within the company amongst the senior manager. It could indicate areas of immediate opportunity to start with the change management.

- Do further surveys amongst the customers to get an understanding of their perception as to how customer centric Afrox is.

- Review the components of a successful customer centric program – based on that Afrox can formulate a "to be" vision as to what level they want to take their customer centric program.

- Do in depth studies on culture of an organisation, draw up the cultural web of Afrox and develop a change plan that will support the move from product centric to customer centric.

- Consider a recognition and reward program that is linked to good customer centric behaviours and reward people for showing exceptional customer service.

- Review the communication channels in the company to ensure that all employees can be communicated with and that the channels are open, up and down the organisation as the company need to socialise what appropriate customer centric behaviours are.

6.4 FINAL CONCLUSIONS

Afrox as a company is ready to embark on the journey to become more customer centric, as the group of senior managers had indicated. It was clear from their responses that the company was not customer centric at the moment, and this is backed through the position of the company on the Round Baseball pitch analogy, as well as their own responses where they agree that to become customer centric is important, but that Afrox as a company is not displaying those customer centric behaviours at the moment.

To be successful in this journey, the most important elements that have been identified is the change in behaviour of the employees. This will result in the change in the culture to fully involve the customer in the process.

To become customer centric is clearly a journey. Afrox may never get to the absolute customer centric state, as per the current definition, but wants to move away from being product centric, through customer focus, with the intention to provide customer value on the way to become customer centric.

Customer centricity will come from the behaviour of the employees, and not from the strategic intent of the organisation. The challenge for Afrox will lie in the change of the behaviours of the employees. This will require clear direction from the company executive, supported by good communication plans and change management to change the behaviour of the employees.

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Appendix A – Data Collection Document

CUSTOMER CENTRICITY IN AFROX
Customer Centricity Indicator Survey – Data Collection Document

In order to grow, retain and defend the various markets in which we are active, Afrox is continuing with the PECO Programme, originally initiated as Afrox's acronym for "Performance Enhanced Customer Offering". A key differential in resuming our PECO journey is that it will now include a company-wide transition to become a customer centric organisation, placing our customers at the centre of our company.

Such a change impacts at numerous levels, including the culture of the company. In order to become sustainable, it is dependent on the alignment of five enablers of customer centricity:

- **Business leadership** ♦ The mission, vision and values that guide an organisation into the future

- **Customer strategy** ♦ What a company does to manage different types of customers differently across the company's touchpoints and through the customer's lifecycle

- **Organisation design** ♦ How the company achieves a culture and structure that most effectively supports the talent and capabilities required, throughout the organisation, to deliver the customer strategy

- **Information architecture** ♦ How a company specifies the data and supporting technology required for the organisation to deliver the customer strategy

- **Performance measurement** ♦ How the company implements a balanced set of measures across the organisation to drive continual change and improvement

As a concrete starting point, we need to establish how far along the customer centric route Afrox already is and identify where, if necessary, we need to do things differently to reinforce the enablers to support and sustain a customer centric organisation. To this end, we will be using a tool called the Round Customer Centricity Indicator (CCI). (Input from Part A of the attached questionnaire.)

Over and above this, it would be useful to know where we stand on the ACTS Behavioural Competency of CUSTOMER INTIMACY so we have added two pages at the end of the questionnaire to assess our current position (Part B). Part C of the questionnaire consists of some open-ended questions.

Product centric companies typically have functional organisation designs [1], volumetric performance measures and are dedicated to maximizing efficiency. (1st Base)

Customer focus companies are dedicated to maximizing customer satisfaction, creating end-to-end customer processes [2] to ensure service consistency. (2nd base)

Customer value companies build on sound service foundations to maximize customer value [3] through the application of customer strategies at every touch point. (3rd base)

Customer centric companies develop such a strong emotional bond with their customers that customers become stakeholders in their success and even become part of the extended organisation. (4th base) [4]

CSF # 2 of the Company strategy states: "We will provide superior customer service through being a customer centric organisation and the implementation of PECO will further demonstrate our intent. Specifically, we will implement customer centricity; we will develop and implement sales effectiveness and organisational capability to meet PSO promises."

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1. **Functional organisation designs** : Organised around business functions such as sales, marketing, HR, finance, and manufacturing rather than by customer groups

2. **End-to-end customer processes** : Those that run across functional boundaries to create a seamless/ and therefore consistent customer experience

3. **Maximize customer value** : Understanding the needs of every customer and focusing the company's resources to maximize the value (profitability) of that relationship and knowledge to ensure high loyalty and full engagement of the customer

4. **Become part of the extended organisation. (4th base)** : At 4th base, the customer effectively manages his/her own propositions and drives the relationship almost as if he/she were part of the company. For example, he/she manages his/her suppliers and even has access to the supplier's internal systems for orders, shipping and payments. At 4th base customers are stakeholders in the success of the business. In reality, 4th base is an aspirational target towards which the organisation would strive.

CUSTOMER CENTRICITY IN AFROX
Customer Centricity Indicator Survey – Data Collection Document

It should be noted that the CCI questionnaire is measuring perceptions of our current status and is not going to provide specific recommendations of what needs to be done to change our behaviours and culture. Rather, it will provide us with an opportunity to identify areas where we are not ready to support customer centricity in Afrox. We have had many external customer survey done over the last few years, e.g. Insight, Retail survey, Mystery Shopper, etc. and we would now like to assess our own internal perceptions.

Approach
- Please answer from the point of view of **where Afrox is now**. (The **As Is**, not the future vision.)
- Please try to incorporate a general view of the whole company, where possible.
- Where there is more than one applicable answer, please select the one that you feel is most applicable.
- There are no right or wrong answers – we are using this to identify where, if necessary, our current practices need to shift, and to what extent.
- Also bear in mind that this is not a 100% scientific survey – it is simply a tool to give us a feel of where we are on our journey towards becoming more customer centric.
- Feedback on results will be circulated in due course.

Where do you fit in? Please tick one box (unless you are from a Region).

Regions			Marketing	Factories	Enabling Functions					
South	Central	North								
					CSC	Ops & Tech	HR	IM	SHEQ	Fin
Services		Sales								

Part A	
How customer centric is our organisation?	
Enabler	✓
Business Leadership:	The mission, vision and values that guide an organisation into the future

Business Leadership:

Our company's primary focus is to maximise:

- [ ] ▪ Customer satisfaction
- [ ] ▪ Customer value
- [ ] ▪ Bottom line profitability
- [ ] ▪ Customer's stake in the business

Our company's organisation structure is designed around:

- [ ] ▪ Customer processes
- [ ] ▪ Business functions
- [ ] ▪ Business functions with some cross-functional decision making and reporting
- [ ] ▪ Customer processes with some cross-functional decision making and reporting

Business Leadership (continued):	The mission, vision and values that guide an organisation into the future

Business Leadership:

The primary objective for investment in IT systems is to:

- Dynamically support the application of personalised account strategies at each engagement point [5]
- Enable the delivery of a consistent customer experience by automating customer processes
- Improve the delivery of products and/or the operational efficiency of a function
- Connect customers into corporate systems as virtual extensions [6] to our organisation

Business Leadership:

Our marketing strategy is primarily aimed at:

- Retaining customers
- Integrating customers into our organisation
- Acquiring new customers
- Maximising the value of existing customers

Customer Strategy:	What a company does to manage different types of customers differently across the company's touchpoints and through the customer's lifecycle

Customer Strategy:

How do we primarily measure the effectiveness of our sales and marketing?:

- Total revenue
- Total products sold
- Revenue by product
- Historic customer revenue
- Predicted customer lifetime value

Customer Strategy:

How do frontline employees engage with customers?

- All engagements are scripted
- Employees determine how to satisfy the customer themselves
- Employees are supported by end-to-end customer processes
- Employees are provided recommended strategies for each individual customer
- Engagements are driven by the customer

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5. **Engagement point** : e.g. Contact centre, technical support, sales, shop, website, accounts, etc.
6. **Virtual extensions (to org'n)** : The customer effectively manages his/her own propositions and drives the relationship almost as if he/she were part of the company, and even has access to their data on our internal systems for orders, payments, shipping, etc.

Customer Strategy (continued):	What a company does to manage different types of customers differently across the company's touchpoints and through the customer's lifecycle
Customer Strategy:	**How do we primarily segment our customer base?**

□ ▪ Products used

□ ▪ Current revenue

□ ▪ Industry sector

□ ▪ Predicted lifetime value

□ ▪ Relationship, contribution to the customer community, advocacy [7]

Customer Strategy: **How are marketing campaigns delivered to existing customers?**

□ ▪ Campaigns are executed by marketing using direct mail and telesales in isolation of other functional activity (1)

□ ▪ As per (1) above, plus campaign lists are filtered against conflicting activity elsewhere in the business

□ ▪ As per (1) above, plus any activity is flagged on the customer's records which are visible across the business

□ ▪ As per (1) above, plus campaigns are delivered by all customer-facing functions according to client preferences

□ ▪ As per (1) above, plus customer can initiate campaigns from self-serve channels

Customer Strategy: **How do customers generally influence our product development?**

□ ▪ By choosing whether or not to purchase what we offer

□ ▪ By telling us what they think of our products

□ ▪ By participating in our regular focus groups for new product development

□ ▪ By giving feedback that we actively solicit whenever we talk to them

□ ▪ By being an active member of a product design team

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7. **Customer community, advocacy** : Communities of customers working together to support each other acting as an extension to the business. Customers are not just loyal, they are dedicated fans who become stakeholders in the success of our business.

Customer Strategy (continued):	What a company does to manage different types of customers differently across the company's touchpoints and through the customer's lifecycle
Customer Strategy:	**How do customers generally influence our value added services development?**

☐	▪ By choosing whether or not to utilise what we offer
☐	▪ By telling us what they think of our value added services
☐	▪ By participating in our regular focus groups for new value added services development
☐	▪ By giving feedback that we actively solicit whenever we talk to them
☐	▪ By being an active member of a value added services design team

Organisation Design:	How the company achieves a culture and structure that most effectively supports the talent required to deliver the customer strategy
Organisation Design:	**Which of the following is most valued and rewarded in our organisation?**

☐	▪ Efficiency and cost management
☐	▪ Delighting customers
☐	▪ Improving customer processes and policies
☐	▪ Maximising customer value
☐	▪ Networking and building customer relationships

Organisation Design:	**What is our organisation's main objective when we recruit?**

☐	▪ To fill a vacant position
☐	▪ To find the best fit for the position
☐	▪ To find the best fit for the position and our organisation
☐	▪ To find new talent for our organisation who can initially address a resourcing need
☐	▪ To find new talent who brings skills and a network of contacts and can initially address a resourcing need

Organisation Design:	How the company achieves a culture and structure that most effectively supports the talent required to deliver the customer strategy

Organisation Design:

What is the most relevant measure of employee satisfaction?

- ▪ Employee turnover
- ▪ Anonymous employee satisfaction surveys
- ▪ Regular informal feedback processes
- ▪ Performance Appraisal and Feedback
- ▪ Employee driven improvements

Organisation Design:

How does our organisation normally work with suppliers, outsourcers and sales channel partners, e.g. distributors, franchisees, et al?

- ▪ Rigid, contractual relationship based on productivity, transactions, cost management with non-performance penalties
- ▪ Rigid, contractual relationship based on satisfying customers
- ▪ Close working relationship based on maximising mutual value
- ▪ Partnership with mutual goals, joint projects and full sharing of risk and reward

Organisation Design:

How often do our executives (other than sales) talk to our key customers?

- ▪ Only in exceptional situations
- ▪ Less than monthly
- ▪ Every month
- ▪ Every week
- ▪ Every day

Information Architecture:	How a company specifies the data and supporting technology required for the organisation to deliver the customer strategy

Information Architecture:	**What is the main purpose of our technology in supporting each customer engagement?**
	▪ Record customer transactions (1)
	▪ As per (1) above, plus automating transactions (with IVR [8] menus, e-mail auto-responses, etc.) within each channel
	▪ As per (1) above, plus automated end-to-end customer processes
	▪ As per (1) above, plus real-time decision support and customer personalisation
	▪ As per (1) above, plus to provide decision support, personalisation and customer community building tools [9]

Information Architecture:	**What is the main purpose of our organisation's web site?**
	▪ To provide information to customers and prospects about products and services
	▪ To provide a low cost customer self-service channel
	▪ To provide an alternative service and contact channel with content relevant to customers' value and product segments
	▪ To enable customers to personalise their own area of the site and manage their accounts
	▪ To support communities where customers can interact with each other and the company

Information Architecture:	**How much can products be configured to meet an individual customer's requirements?**
	▪ Not at all
	▪ Limited to add-on elements to core product
	▪ Different customer segments are given a pick-and-mix approach to product configuration
	▪ System support dynamic configuration and pricing for individuals
	▪ Systems allow customer to configure products themselves

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8. **IVR menus** : Interactive voice response menus, e.g. Press 1 for sales, 2 for accounts, etc.
9. **Customer community building tools** : To enable communities of customers working together to support each other, acting as an extension to our business. To provide capability for customers to build a network with other customers.

Information Architecture (continued):	How a company specifies the data and supporting technology required for the organisation to deliver the customer strategy

Information Architecture:	**Our customer database enables us to:**

- Identify a customer from their product/account reference
- As above, plus view basic customer details including the products used at any point of engagement
- As above, plus view a full product and contact history for a customer
- As above, plus predicts individual customer behaviour and profitability
- As above, plus show formal and informal relationships amongst individual customers

Information Architecture:	**How long does it typically take to define and deploy changes to customer processes?**

- More than 1 month
- 1 month
- 1 week
- 1 hour
- Immediate

Performance Measurement	How a company specifies the data and supporting technology required for the organisation to deliver the customer strategy

Performance Measurement:	**Check the boxes of ALL the performance measures that our organisation uses. Then use the boxes on the right hand side to indicate the top 3 in order of importance (1, 2, 3).**

- Customer attrition or churn
- Product per customer
- Customer satisfaction
- End-to-end customer process cycle times
- Predicted customer lifetime value
- Customer acquisitions
- Customer referrals
- Customer revenue

Part B:

CUSTOMER INTIMACY

You may remember that one of the ACTS behavioural competencies under **Collaboration** is Customer Intimacy.

On the next page you are asked to rate both the **importance** of Customer Intimacy behaviours to the Company and then **how well** you think Afrox as a Company does collectively in demonstrating these behaviours. Rate both the shaded headings **as well as** the bullet points under each heading.

RATING SCALES

Use this rating scale to describe **how important** you think each behavioural description is for the Company.

Critical	Underpins the organisation's achievement of "customer centric" goals
Required	Goals can not be achieved without strong evidence of these behaviours
Supportive	Will support the achievements of customer centric goals
N/A	Not relevant to the achievement of customer centric goals

Use this scale to rate **how well** you think we in Afrox do collectively on each descriptor.

SCORE	DESCRIPTION
5	Exceptional/distinctive in the demonstration of this competency in all contexts
4	Consistently demonstrates this competency effectively in challenging or demanding situations
3	Consistently demonstrates this competency effectively within the context of the core requirements of the job (ON TARGET)
2	Sometimes demonstrates this behaviour effectively
1	Unable to comment/not relevant

In terms of Importance				Customer Intimacy – Senior Leader	Your assessment of Afrox's collective rating				
C	R	S	N/A		5	4	3	2	1
				Ensures customers are a primary focus					
				• Knows key customers and understands their specific importance to the business					
				• Establishes processes which promote customer awareness					
				• Recognises and rewards customer focused behaviour					
				Builds long-term customer relationships					
				• Builds alliances and co-operative relationships with customers/potential customers, locally and globally					
				Makes decisions that balance customer and organisation needs					
				• Assesses the strategic importance of key customers in developing customer solutions					
				• Initiates changes in organisation processes/policies to generate value for customers					
				• Mobilises organisational resources to meet customer needs and resolve problems					
				• Balances customer needs and organisational goals					
				Set up customer feedback systems					
				• Actively seeks information to understand customers' circumstances, problems, expectations, needs					
				• Implements objective and hard-edged measures to monitor and evaluate customer concerns issues, and satisfaction and to anticipate customer needs					

Part C

How customer centric do you think we are?

What could we do as an organisation to become more customer centric?

List three things you think we could do <u>immediately</u> to become more customer centric?

What do you think your 'lower level" employees might say or think about how customer centric we are?

What questions should we ask your lower level staff to establish whether we're customer centric?

List three things that lower level staff could do to improve our customer centricity.

Thank you for taking the time to provide us with this input.