OBD ACADEMY

Programme Structure

OBD ACADEMY PROGRAMME STRUCTURE

OUR PHILOSOPHY
We believe that many talented individuals lie undetected within organisations. We believe the more people's talent is developed the more engaged and fulfilled they become.

We know that by identifying and nurturing this talent, organisations can bring about positive change in their culture thus allowing them to compete more successfully.

OUR APPROACH
Designed and supported by experienced business leaders, OBD Academy delivers through:

- *On-line learning*
- *Off-line workbooks*
- *Real-time coaching*

Five key disciplines provide detailed insight into how successful businesses operate whilst practical assignments help test out new learning in your own workplace.
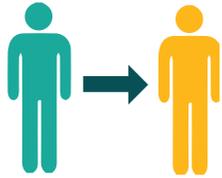
ACTIVE LEADERSHIP

Module 1:
INTRODUCTION TO LEADERSHIP

Module 2:
MANAGING UNCERTAINTY

Module 3:
EVIDENCE BASED DECISION MAKING

Module 4:
ENCOURAGING CREATIVITY & INNOVATION

Module 5:
GOALS & PRIORITIES

Module 6:
PERFORMANCE MANAGEMENT

FINANCIAL AWARENESS

Module 1:
MAKING SENSE OF FINANCIAL INFORMATION

Module 2:
ASSETS & LIABILITIES

Module 3:
GROWING REVENUE & BUILDING GROSS MARGIN

Module 4:
OPERATING INVESTMENT & PERFORMANCE

Module 5:
LIQUID ASSETS

Module 6:
RISK & REWARD
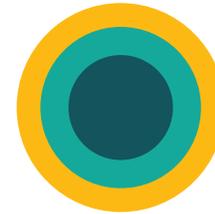
MARKETING IN PRACTICE

Module 1:
THE PROPOSITION

Module 2:
WHO ARE YOUR CUSTOMERS

Module 3:
UNCOVERING YOUR POTENTIAL

Module 4:
LIFETIME CUSTOMER VALUE

Module 5:
BUDGET VS. INVESTMENT MARKETING

Module 6:
INNOVATION & CREATIVITY

CUSTOMER ENGAGEMENT

Module 1:
ARE CUSTOMERS IMPORTANT?

Module 2:
SERVICE DELIVERY MODEL – WHAT'S YOURS?

Module 3:
NURTURE YOUR STAFF TO NURTURE YOUR CUSTOMERS

Module 4:
SERVICE FAILURE – BRING IT ON!

Module 5:
ENERGISING ENGAGEMENT: THE NEW NORM

Module 6:
ARE CUSTOMERS IMPORTANT TO YOU?

LEADING SALES

Module 1:
THE IMPORTANCE OF SALES

Module 2:
DATA RICH, KNOWLEDGE POOR

Module 3:
DEVELOPMENT PRIORITIES

Module 4:
SYSTEMATIC SALES

Module 5:
TIME, TERRITORIES & TARGETS

Module 6:
COACHING ENGAGEMENT

OBD ACADEMY

The following are sample pages from OBD Academy books from the following modules:

Leading Sales:
Systematic Sales

Customer Engagement:
Are Customers Important?

Marketing In Practice:
Lifetime Customer Value

Sample Pages

Results Based to Results Driven

The fatal error all of us continue to make is to assess opportunity from the platform of performance. In the absence of further information this is understandable. The resultant fall back position is to take last year's performance and add a little bit more. I label this approach to business development as **Incrementalism.**

This little bit more syndrome has some big drawbacks. Each year a business will plan to do a little bit more in the hope of doing a lot more. Unfortunately the latter rarely prevails, as **you tend to get closer to what you 'plan for' than what you 'hope for'**. Strangely that works in every area of life so it shouldn't come as a surprise that it also happens in business.

Incrementalism chokes business growth; a phrase borrowed from Sergio Marchionne of Fiat Group Automobiles that encapsulates the difference between a Results Based and a Results Driven business.

Results Based businesses are concerned with the protection of results and the guarantee of hitting the corresponding targets. **Their plans for growth are based on the incrementalism principle of 'last year plus a little'**. Mindful of the projected results, their approach to change is conservative and careful. The underlying philosophies within the business are 'If it's not broken, leave it' and, 'if it is broken, plaster it back together again, the way it was'. Whilst I'm not saying this philosophy is doomed to failure, I am saying it limits your chances of future success. Even in a growing economy, a **Results Based** business struggles to survive, let alone thrive. A growing economy is an open invitation to new entrants, whilst existing players will seek to maximise all possible opportunities that the upturn presents. The reality is, if you're not setting your stall out to take advantage of the upturn you're unlikely to build the necessary reserves to sustain yourself during the lean times.

Key Message

Unless you set your stall out to do something quite different you're highly unlikely to get quite a different result.

DIFFERENT

Key Message

Incrementalism chokes growth by starving a business of the creative energy needed to outperform in good and bad times.
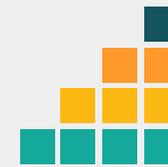
Conversely, **Results Driven** businesses continually look to push the boundaries of their capability. Performance is no less important to the Results Driven business. It is but a marker on a journey towards greater achievement where targets are seen only as milestones against which progress can be measured.

In a **Results Driven** business, leaders and followers are more entrepreneurial; they are concerned with potential and seeking opportunity at every turn. They view the status quo as a fierce competitor striving to challenge it in their determination to know how to convert potential into profitable business. They will refocus and reshape the business in order to tap into potential whilst continually fine-tuning it to penetrate further. They will learn as they go and be prepared to fail in order to get it right. **They understand the principle of getting it right over time, as opposed to having to get it right first time.**

If we apply this description to your business or division, how are you going to encourage your sales resource, not to mention your leadership colleagues, to change its mindset? I assume you don't want to be a **Results Based** business!

Key Message

The mantra in a results-driven business:

2014 2015

Implement with haste   Perfect at leisure

Assignment 1:

GIVE 3 EXAMPLES THAT DEMONSTRATE YOU OPERATE IN EITHER A RESULTS-BASED OR A RESULTS-DRIVEN ENVIRONMENT.

If the former, detail how a results-driven approach would be different and, if the latter, detail the impact this approach has on your business.

Notes...

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Introduce the Science

In the previous modules we've uncovered a substantial source of known and quantifiable potential. This comes from customers who are either Active or from those that have become Inactive. We've also seen the on-going need to attract and convert New customers as a way of both increasing future potential and of replacing lost revenue. And we've made clear the importance of profiling the potential of our own and of our competitors' customers.

Let's now look at the Trading Portfolio of our customer base. This can be summarised at company level and further detailed by team and individual sales territory level. At company level the Trading Portfolio may look like this:

Segment	Current Year		Prior Year	
	No. Of Customers	Sales Revenue (£)	No. Of Customers	Sales Revenue (£)
New	50	30,000	80	64,000
Active	750	800,000	850	860,000
New & Active Sales Revenue	**800**	**830,000**	**930**	**924,000**
Inactive	_250_	_250,000_	_150_	_250,000_
At Risk	_150_	_125,000_	_200_	_125,000_
Lapsed	_1,250_	_350,000_	_1,250_	_550,000_
Total	**2,450**	**1,555,000**	**2,530**	**1,649,000**

TABLE 4.1

Cultural Influences

Within Western Europe the most visible serving jobs tend to be in the low paid and transient end of the employment market. Cafés, bars and restaurants are notoriously poor payers with high staff turnover. Over the years they have recruited students to cover seasonal peaks and utilised the ever increasing and important immigrant population to fill the majority of their full-time serving posts.

The perception of the role of serving in this community is one of poorly paid, poorly trained and poorly treated.

What does this tell us? Does it project the importance or a sense of pride in the servile role? No, it's telling us that the people employed to serve our important customers typically aren't valued employees. If they're not valued employees, they're not valued people. At best they'll do a good job for little reward. At worst, if the perform badly, they can be replaced. Whilst this staff merry-go-round plays out who is thinking about the impact on the customer? What type of service can possibly be delivered by people either untrained in their roles or are fearful for their livelihood?

Of greater significance is the reality that the societal hierarchy places servile roles at the bottom of the aspirational ladder. **Serving people is something you do on your way through to doing something more important with your lif**e.

The world of work emulates the aspirational ladder. The most high-ranking roles that command the best pay, most influence and greatest amount of autonomy sit many levels away from the customers. Heaven forbid that a Chief Executive should have to answer a call from a happy or irate customer. The more successful you are in your career the further removed you become from your customer and those employed to serve them, your front-line staff. Crazy isn't it?

Key Message

This perpetuation of low skilled, low valued activities does little to fix the notion that serving customers is and should be the raison d'être of us all.

Why do we need this module?

Serving customers is not part of our innate or learned skill set. We like to think it is and we like to talk about it as if it is. But it isn't. In a similar way, we like to think we're better at serving customers than we are in reality. It's one of those areas where we're happy to convince ourselves otherwise for fear of retribution. Research conducted by Bain & Co in 2005 on 362 companies found that 80% of employees believed they delivered superior service to their customers. That's impressive, until you see the other part of the research. When the customers of the employees were asked the same question only 8% agreed. Now that's what I call a gap.

Key Message

SERVICE DELUSION

80%
of employees rate their service delivery as superior;

8%
of their customers share their self-assessment.
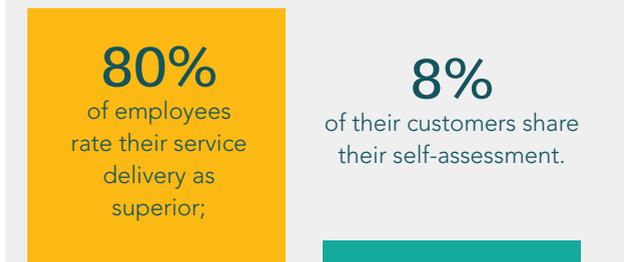
So there lies one of the biggest challenges facing most businesses. How do you improve what you do when you already believe you're doing it?

So the answer to the opening question, "Are Customers Important?" is still "Yes". The real challenge however, is what are you doing about it? Could it be that you are assuming that the rest of the team shares your customer centric values, and that no more needs doing?

Culture: Generating Value from Your Customer

So that's the financial incentive. On paper it's a no brainer, in practice it's a little more challenging. Progress, towards the ultimate goal, can only be achieved once your team are on board. They are the people tasked, by you, that will make it happen.

Let's start with you, the leader: are you on board? Sure you can do the math and are at ease with the logic, but that's different to being on board as an activist.

In Module 3 we highlighted two key drivers of profitability: gross margin and cost. Everyone understands that these are important, after all, that's why they're measured. If we actually believe in it, **why not measure customer longevity too? It's one of the key metrics of profitability and gross margin and a more accurate forecasting tool**. If your customer base falls off a cliff each year it becomes difficult to forecast with any confidence.

Engagement at the Top

Do you or the leaders in your business sit down to discuss '**what the customer experiences**' when they trade with your business? If you do, do you actually use live customer feedback to influence the quality of the discussion? You can say "Yes" to either question.

In all likelihood you can't and like many other businesses, you're not giving it the focus it deserves. **Leaders are more comfortable discussing customers in terms of sales revenue rather than the supporting processes.**

Can 'lifetime customer value' be kicked-off by the leaders, with its ownership sub-contracted lower down in the organisation? The simple answer is" No." The challenges brought to bear on a business start with the leaders. Whatever you focus upon and deem priorities are the same things your followers will deem important. Even the most

forthright 'followers' find it easier to follow rather than create their own agenda. So it's up to the leader to set the tone and make explicit the standards by which others should follow.

Leaders may compliment the endeavours of their followers who build rapport with their customers. They may also bestow a service award upon those who are singled out for praise by customers. **However, this outward show of customer centricity should not be confused with embedded customer belief.** Unless leaders are prepared to live the customer experience by displaying their personal commitment to it, their engagement will be by association only. That's simply not good enough.

A 'lifetime customer' experience is not built upon ad hoc moments of excellence; it's built upon a continuous system of consistent performance. This consistency will be, at times, interspersed by moments of excellence and probably moments of horror. Are you 'easy to do business with'? If you are, you're working steadily in the background, leaving customers to focus on running their own businesses.

A system of consistent performance may sound incredibly dull. What it means in reality is that your business is capable of delivering exactly what your customer expects you to deliver, 100% of the time. It may occasionally fail and, in such instances, you'll recover with moments of excellence. But a system of consistent performance is your day job – get that right and you can start talking about building a long-term future. How does your S**ervice Delivery Model** (SDM) stack up against your customers' expectations? **Are you 'easy to do business with?**

To be able to offer a 'system of consistent performance' requires the whole organisation to be working together towards a collective goal. What in reality does this mean?

Key Message

Leaders must be engaged in the activities that lead to Lifetime Customer Value, not simply the benefits that accrue.

Key Message

A 'lifetime customer' experience is built upon a continuous system of consistent performance not ad hoc moments of excellence.

ACADEMY