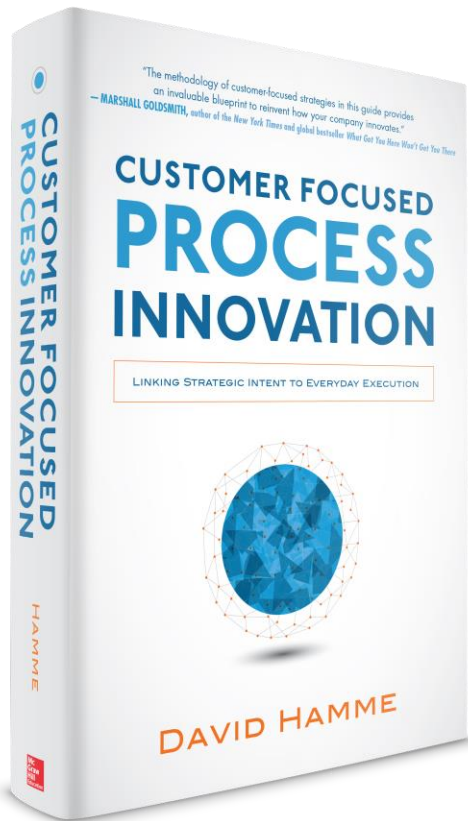


Build Your Organization to Innovate

(. . . or Watch It Deteriorate)

Presentation Based on the Book *Customer Focused Process Innovation*



- By David Hamme—Managing Director of Ephesus Consulting
- Available at Barnes & Noble, Amazon, 800CEORead.com, and other major booksellers

The Changing Marketplace

Success Requires Adaptation

- Shifting customer preferences
- Competitive intrusions
- Updated business practices
- New technological and scientific advancements
- Evolving geopolitical forces
- Shifting regulatory environment
- Others. . . .

Impediments to Innovation

In Many Enterprises Today

- Horizontal silos
- Knowledge chasms
- Strategic planning deficit
- Operational confusion
- Strategy execution gap
- Innovation approach missing

Innovation Is a Road Trip

- Where do we go?
- Where are we?
- What resources do we have at our disposal?
- What is our path to get from here to there?



The 4 Facets of Innovation

	Customer Focus	Strategic Planning	Operational Improvement	Initiative Management
				
Focus	<ul style="list-style-type: none"> ▪ Internal Feedback Loops ▪ External Research & Benchmarking ▪ Trend Analysis ▪ Customer Analytics 	<ul style="list-style-type: none"> ▪ Competitive Assessment ▪ Core Value Chain Analysis (Capabilities Assessment) ▪ Game Theory 	<ul style="list-style-type: none"> ▪ Process Transformation ▪ Technology Development ▪ Organizational Analysis ▪ Structural Analysis 	<ul style="list-style-type: none"> ▪ Initiatives Developed ▪ Overall Initiative Management ▪ Resource Allocation (\$, headcount, focus)
Output	<ul style="list-style-type: none"> ▪ Customer Processes ▪ Customer Perspective 	<ul style="list-style-type: none"> ▪ Strategic Initiatives 	<ul style="list-style-type: none"> ▪ Operational Improvement Initiatives 	<ul style="list-style-type: none"> ▪ Coordinated Initiative Plan ▪ Resource Allocation

Process

A Platform for Innovation and Execution

- Guidelines for daily execution
- Mechanism for adjusting and driving strategy
- Framework for continual improvement
- Tool for training
- Foundation for creating and tracking metrics
- Clarity for overall organization

Innovation's Critical Pieces

From a Change Perspective

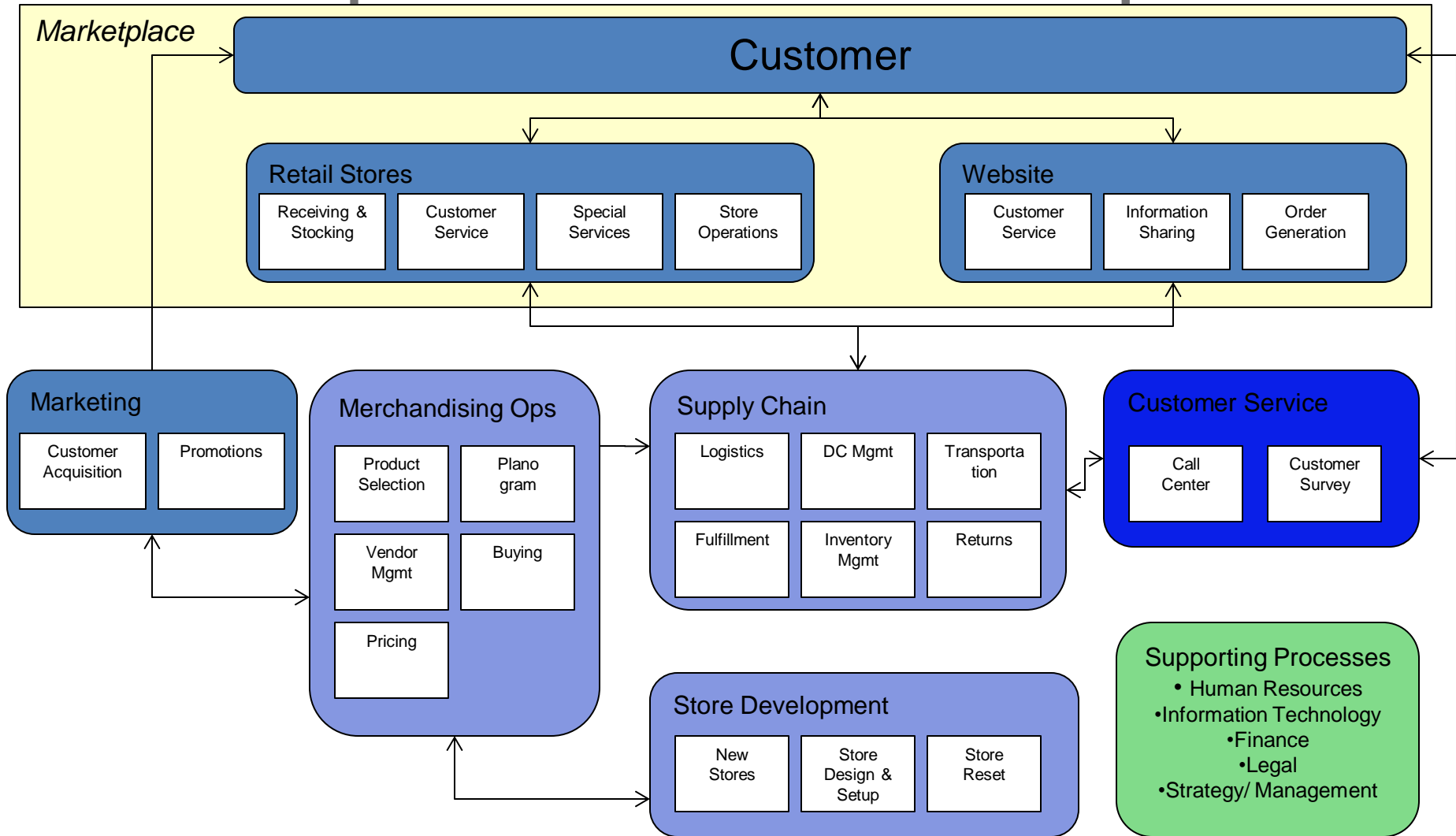
- Current state (What are our capabilities today?)
- Desired state (What needs to fundamentally change?)
- The plan (How do we make it happen?)

Process Blueprints and Maps

Building Operational Clarity

- Pictorial representations of work
- Mapping all major processes and connections
- Identifying customer touch points
- Processes as organizational structure (future)

Enterprise Process Blueprints



Process Innovation

Methodical and Specific Improvement

- Improvement initiatives identified by their impact on major processes
- Outputs specifically calibrated to customer preferences
- Forges a connection between improvement intent and everyday work efforts
- Identifies associates affected by improvement

New Banner Creation (Retail)

- Strategic planning—analyze customers and competitors and create value proposition
- Store development—develop blueprints and store layout for new concept
- Marketing—develop brand and core messages
- Website—build website to support new brand
- Merchandising—lay out store design and negotiate with vendors for new product selections
- Supply chain—develop inventory plan, including distribution routes for new stores and products

4 Facets From a Process Perspective



- Customer focus—feedback loops from front lines, mapping customer processes



- Strategic planning—calibrating to customer preferences, mapping competitor processes



- Operational improvement—delivering scalability, reducing cost, improving quality



- Initiative management—clarifying initiatives, prioritizing improvement activity

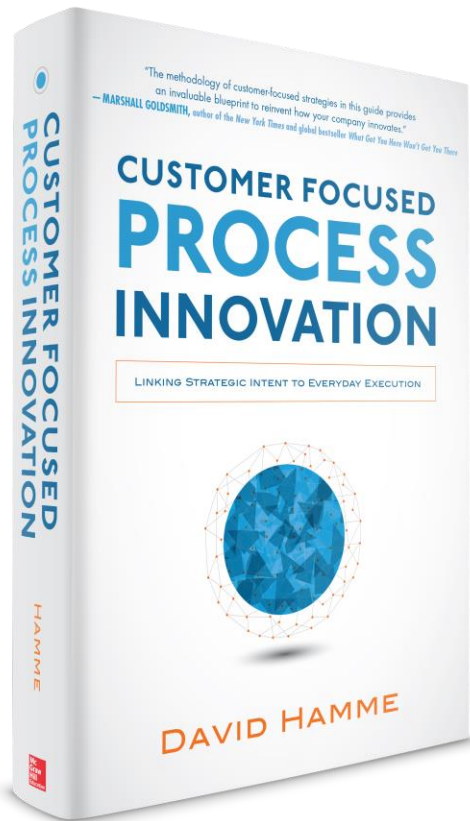
The Innovative Enterprise

- Naturally and fluidly takes in new information, assimilates it, and plans improvements
- Prioritizes improvements, allocates resources, and launches initiatives
- Methodically executes initiatives
- Monitors initiatives to ensure their continued relevancy
- Repeats the cycle

Moving Forward

- Building basic process understanding to facilitate “thinking in the language of process”
- Universal training on skills and knowledge required to execute process improvement
- Specialized training on organizational design and development

For More Information



- www.davidhamme.org
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