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A FRAMEWORK FOR POSITIONING THE GLOBAL BUSINESS

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Abstract

This framework offers positioning and revitalizing approaches by which high performing global businesses may strategically meet their global business challenges. These approaches offer ways to capture business competitiveness, and if approached in unison can yield additional benefit to the global business. A more responsive, revitalized global business can emerge – one capable of moving its position in conjunction with business-monitored customer drift or changed customer requirements.

Several business or operational solutions, plus business-customer interface approaches, and a final services gateway system offer three challenging ways for the leading-edge global business to revitalize itself, and to competitively re-position itself closer to its customers. By setting very tough goals, the global business can then intelligently link its operational, business-customer interface and customer knowledge capture zones into a finely-tuned, multiple-channel services gateway connectivity system. Built outwardly from the interface this approach continually analyses, aligns, and refocuses the back-end business deliverables, as its best solution to each customer requirement.

Keywords: company solutions, service value networks, services gateways, business strategies, interactive market, customer niches

Introduction

IBM [8] suggests high-performing global companies are suitably positioned to deliver competitive enterprises of the future. Such high performing companies carefully assess their competitive business environment (Keenan, Bixner, Powell, & Brooks, 2008). They note the possibilities of turbulent times, they understand and benchmark their competition, and they recognise and harness the power of their consumers. In addition, they carefully monitor the overarching market factors [9] [12] [17]. They move with changes in the global environment, they aim to lead and to generate change, and they recognize the competitive value of sophisticated supplier-to-business-to customer linkages – which are often reliant on operational or technological enhancements. These high-performing global companies chase business opportunities, and they

understand the unique value-adding components embedded across such opportunities. They also build solutions from multi-dimensional assessment approaches. They then skillfully redesign and refocus their strategically-determined component options into ones that better enable them to extract maximum value, and to drive leading-edge change pathways into new niches [9] [12] [17].

To follow such leading-edge pathways, high-performing global companies should be agile and prepared to adapt to their ever changing environment. They should deliver new efficiencies by exploiting their existing knowledge capabilities. By combining such new efficiencies with new capabilities, in conjunction with specifically-targeted opportunities (or exploitation-style processes), new knowledge can be released. This approach can deliver innovation and rapid adaptation to changing business conditions [13]. Business adaptation may be delivered via the remix of existing lower-level business procedures, processes or programs. This sometimes results from experimentation with existing business capabilities, whilst exploitation may be achieved by harnessing a range of adaptive internal business approaches (or outcomes) into higher level change-driving macro business templates. High-performing global companies may choose: (1) to build such a business system where experimentation/exploration and exploitation must be jointly sustained [16] or (2) to largely neglect experimentation/exploration, and just pursue the quick returns often generated by pure exploitation [11].

Business-Customer Targeting

Business solutions are delivered in terms of an interaction with an external party. To influence this external party a cone of customer influence as shown in Figure 1 is exerted. This Business-Customer Targeting model shows external parties – which are typically potential customers or some form can be influenced by the business's product offering. These potential customers are then drawn downwards experiencing or seeking more product information, and so progress towards the business and its actual product (and/or service) offering. Many potential customers leave this cone of influence, passing out through the porous sides of the cone, whilst others move all the way through yet

still pour out the base of the cone without considering an interaction or transaction with the business. Some potential customers do choose to engage in interactions and only some of these actually choose to complete the transaction. Hence, from the business point of view this system is very inefficient.

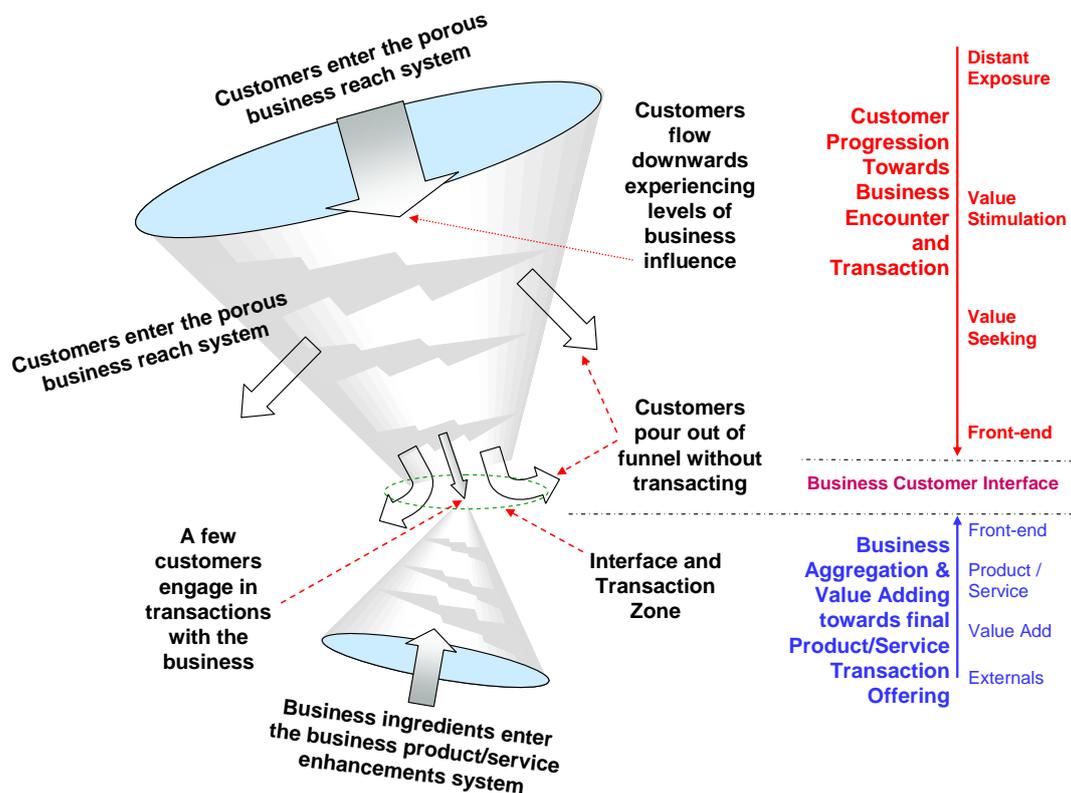
The lower cone represents the business concentrating its ingredients into a final product (and/or service) for the potential customer. Again this business product (and/or service) development process is inefficient, and continual improvements are generated by the business.

The business-customer interaction zone is a third area of weakness. For example, the two cones may be misaligned and so only a small spillover of

customers is captured, or the two cones may be widely separated by fields such as distance, or time, or by the potential to pay an asking price.

Hence, the high performing global company has many areas of business in which it can focus and generate new business solutions. The most critical area remains the area of engagement termed the business-customer encounter. The author suggests the high performing global company should re-tool and redesign its business model outwards from the interface and aim to deliver very responsive business solutions. This entails advancing the business model, targeting the customer, and developing toolkits (such as service value networks [4]) to capture the business interface into one services gateway [5] approach.

Figure 1: Business-Customer Targeting Model



Customer and Interface Solutions

Beyond the business back-end is the customer engagement area. This business-customer interface is an area where high-performing global companies have many ways to improve their business model. In general, the options here do not capture real-time customer data and real time business responses. Hence, real-time business intelligence is often

lacking. The business can improve its interface solutions by:

- pursuing mechanisms that allow it to develop quality measurement mechanisms across its business-customer interface [4].
- focusing on targeted marketspaces by adopting overlaying marketspace matrices populated with researched approaches that specifically time-line

the capture and growth of the specifically chosen customer niche [6] [14].

- using customer relationship management or service value networks approaches to drive the business-to-customer solution. Service value networks add an additional quality in that they measure engagement pathways, and these channels can then become the focus of traceable business-customer alignment systems, and potentially can deliver real-time business and management solutions, along with measurable degrees of customer perceived satisfaction, value and servicing [1] [3] [5] [6] [15].
- creating competitively-positioned, new product suites delivered into new niches or ‘blue oceans’ that are further expanded with second level segmented non-customer targeting [10].

Business-Customer Knowledge Management

To manage knowledge high-performing global companies should build their systems outwardly using a services gateway approach use their services gateway to accurately service and track each

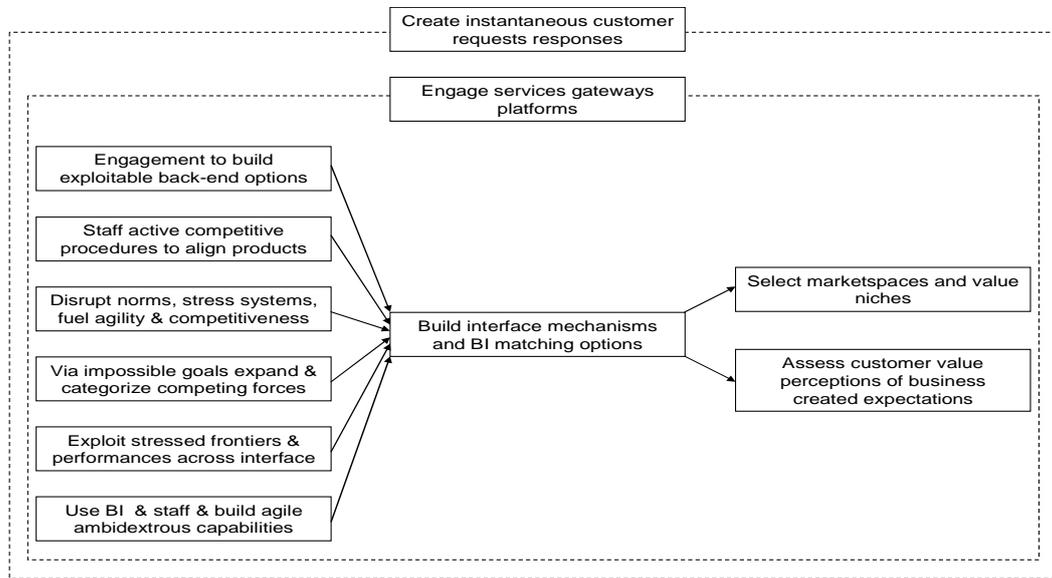
customer (and their changing requirements) over-time [5].

Discussion

High-performing global companies have several ways to rethink and to advance their business model, and over time, to build and revitalize their global business in-line with competitive global challenges. They may adopt an operational back-end supply-side, plus a business-customer engagement, and then add customer approaches (as shown in Figure 2), and then link these using services gateways as a means to deliver instantaneous customer responses. These challenges and strategies for business growth are each achievable.

The high performing company may tackle these approaches individually, or as blocks of related solutions, or even as one complete all encompassing approach. Solution choices engaged depend on the circumstances and on the commitment of each high-performing global company, and also on how they perceive the likely key challenges and strategies for growth within their specific international business arena.

Figure 2: Business through to Customer Framework



Management Implications

Goal setting

Companies like Toyota set seemingly impossible goals like a pollution free car. This executive ploy builds an incentive for each employee to be creative, and to experiment, and to progress their research into new dimensions. This approach allows managers to measure such competing ideas and to

balance these new possibilities into company advancing best solutions. This offers staff ways to explore, and to move beyond their comfort zone. Companies must allow such exploratory processes, or miss-out on these potential benefits. Astute managers may thus move their company further along the business learning curve.

Focused operations

To value add and align the business back-end, smart intelligence gathering systems linked to operational deliverable systems are necessary. This strong operational networking also extends to supplier systems and sometimes into peripheral information or alternate product support systems. This is a key focus area for management, and if aligned into customer recognition and request deliverance networks it is often an area of internal business tension. Here management should balance its competing expansionary and inwardly focusing systems, whilst strengthening its operational and customer integration connectivity.

Focused staff and executive teaming

Toyota teams its staff information sharing both horizontally and vertically. It generates deep knowledge and understanding systems across its enterprise, and management are appreciative of hearing about business related negatives and/or positives. These open communication channels encourage idea and information circulation, and they generate new business ideas for the company.

Customer orientation

Businesses aim to generate contact, and/or transactions and/or exchanges with their customers. In turbulent times businesses must focus on their customer base and on their customer-targeted product value adding. This research field is under-developed, and it remains a rich area for management intelligence gathering.

Interface intelligence

The intelligent interaction between a business and a customer remains a vital component of any exchange. This processes engaged here may win or lose a potential customer. Few empirical studies capture both sides of the business-customer encounter whilst also capturing the multiple engagement pathways that interplay. This area engages business strategy, marketing, communications, innovation services, economic value, interaction and interactivity, and external systems [4]. This area offers considerable scope for the high performing global company.

Services gateways

Services gateways complete the business approach for managers of high performing companies. Multiple database and intelligence systems are involved, and these conjointly engage, dissect, source, compile and deliver the business solution required by each specific customer. This highly intelligent structure allows the business to closely engage with its customers, management to test scenarios and experiment with real-time data, and

the intelligence system to grow, adapt and plot alternative solutions that allow for degrees of customer drift. This research area is in its infancy. When all the business systems are integrated and made operational across an integrated intelligent services gateways type system, near instantaneous customer responses are achievable.

Conclusion

This framework to position high performing global businesses suggests other strategies beyond cost containment and labour rationalization, and ones that do not hamper learning, intelligence and innovation can readily be sourced. Operational perspectives such as: increasing efficiencies, consistent execution of offerings, learning, innovation, optimization of processes and long-term adaptability all offer ways to move beyond the business restraining principles of integration, whilst also offering a means to innovate, experiment, and to reach-out towards seemingly impossible goals. Customer interface perspectives and knowledge management may be intertwined and linked to the business product (and/or service) and to the business-customer engagement strategies. When these operational and customer perspectives are jointly linked and developed with business intelligences such as those captured by service value network, services gateway, marketspaces and niche focused approaches these three challenging zones of business improvement can deliver additional ways for the high performing global company to revitalize itself, to bridge challenges, to strategically re-position itself closer to its customers.

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