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# High Priority

# Objective

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- Overview VOC technique for B2B relationships
- Demonstrate techniques with a practical example
- Discuss how to initiate a VOC effort at your company

*Detailed in Quality Progress, February, 2010*

# Marc Hamilton

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- 20 years in consulting (PwC, Deloitte, HMC)
- BS/ME Industrial Engineering
- ASQ SSBB, APICS CPIM
- VOC in manufacturing experiences
  - Structural Steel
  - Semiconductor company
  - Lighting company
  - Tractor manufacturer
- VOC in Service Sector experiences
  - Big 5 Accounting firm
  - Software company
  - Safety consulting firm
  - Post production film company

# What is VOC

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ASQ DEFINES voice of the customer (VOC) as

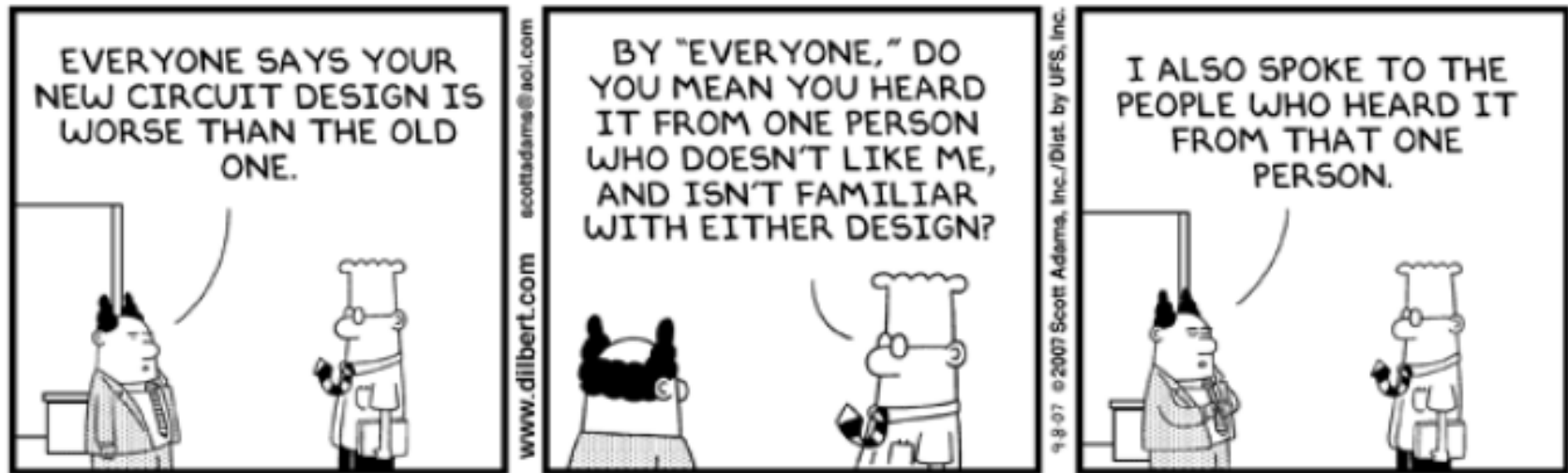
“the expressed requirements and expectations of customers relative to products or services, as documented and disseminated to the providing organization’s members.”

The challenges for B2B VOC are that

- Requirements can be softer than form, fit, and function for products
- Multiple people and multiple events often involved in meeting the requirements

# Common Challenges

- Corporate arrogance
- Account Manager anxiety
- Focus on “basic” requirements
- Customer requirements open to interpretation
- Ownership often falls to Account Managers



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# Execution follows some basic principles

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Principles	Details
<b>1. Comprehensive</b> Plan to gather all types of requirements.	<ul style="list-style-type: none"><li>• Identify all touch-points</li><li>• Identify topics for requirements</li></ul>
<b>2. Evidence</b> Gather evidence to define the requirements.	<ul style="list-style-type: none"><li>• Explanation of “how you know”</li><li>• Critical incidents as examples</li></ul>
<b>3. Kano</b> Prioritize using the Kano model.	<ul style="list-style-type: none"><li>• Categorize requirements as Basic, Performance, Excitement</li></ul>
<b>4. Translate</b> Attach requirements to processes and define specifications	<ul style="list-style-type: none"><li>• Identify impacting process</li><li>• Define process specification</li><li>• Assign owner</li></ul>

# Overcoming the challenges has value

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- Improvement customer relationships
- Enhanced market share
- Superior product and service quality
- Reduction in cost to manage project portfolio



# First Things First

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## Define the Objective

***A well stated problem or objective is***

***1) an effective predictor of a successful outcome;***

***2) an efficiency tool***

Company	VOC Objective
Audit and Tax Consultancy	Differentiate Services
Steel Mfg	Recover from Quality failure
Semiconductor Mfg	Be easier to do business with
Post Production Co.	Create a single face to customers
Start-up lighting manufacturer	Focus efforts to help dealers sell
Software company	Reduce write-offs from projects

# VOC follows a simple and effective process

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## Plan

- Assign Leader and Staff
  - Identify key discussion topics
  - Identify and catalog contacts and touch points
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## Analyze

- Gather customer data
  - Consolidate and prioritize requirements
  - Translate requirements to specifications
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## Act

- Scope projects or department goals
- Report requirements and plans to customers
- Implement

# Principle 1 – Gather All Requirements

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1. Define all the touch points
2. Define topics to discuss from what you know about
  - Critical events
  - Customer plans
  - Feedback from Account Management and Customer Service
3. Get requirements from the touch points
  - Interview the staff
  - Attach topics to be sure and hit in each interview

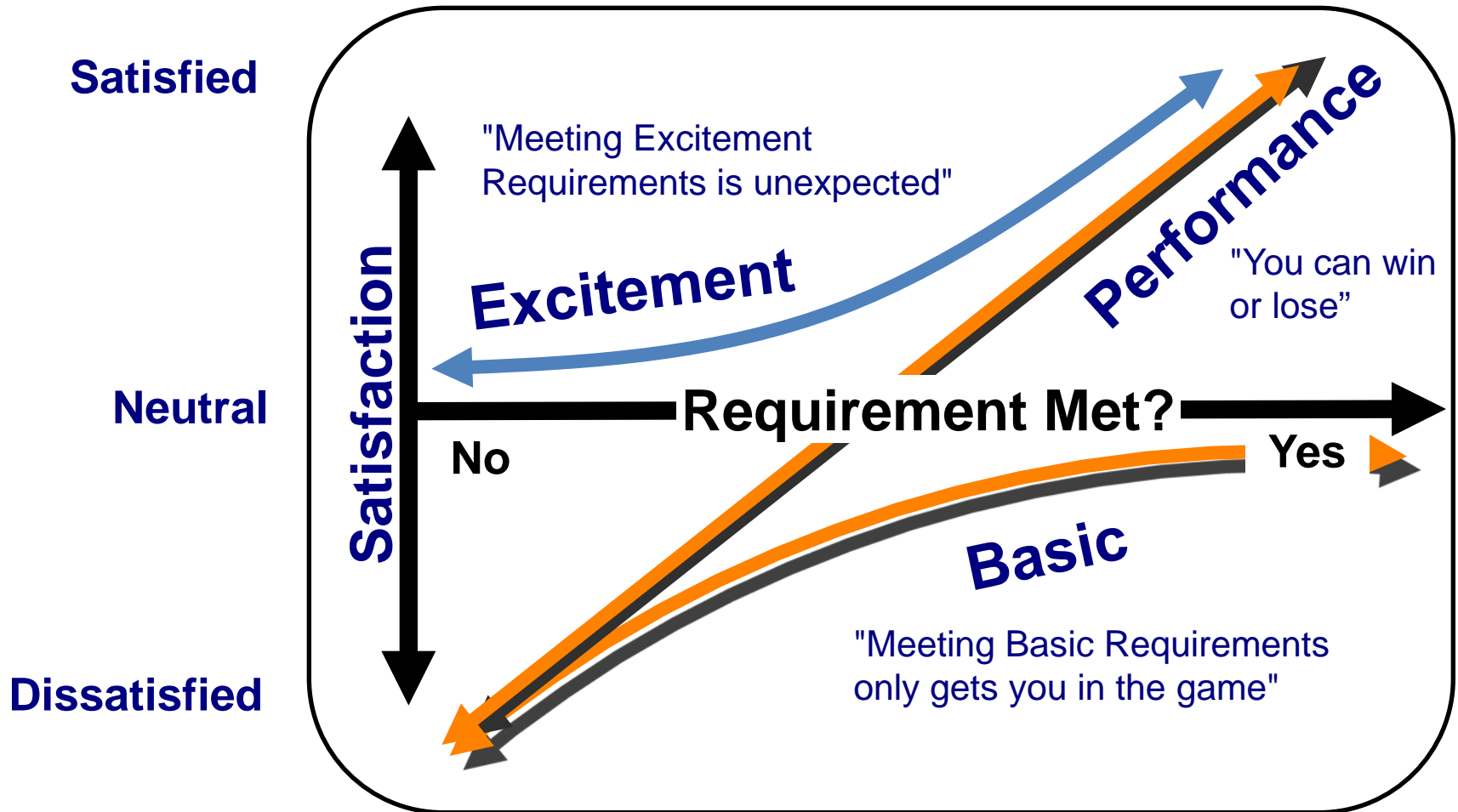
# Principle 2 – Collect Evidence

Topic	Requirement	Evidence
Product information	Enable the customer to self help	<ul style="list-style-type: none"><li>• Detailed product information available on our website, not link to SS</li><li>• Product information updated and available as new SKUs come in</li><li>• More technical detail available on products</li></ul>
Lead Mgmt and Quoting	Help us track deals	<ul style="list-style-type: none"><li>• Tracking details on contacting customers in sales process</li></ul>
Lead Mgmt and Quoting	Consistent pricing	<ul style="list-style-type: none"><li>• Consistent pricing to put in quotes</li></ul>
Lead Mgmt and Quoting	Report on Performance	<ul style="list-style-type: none"><li>• Sales and quote results by overall company and sales by sales rep</li></ul>
Fulfillment	Allow tracking order details	<ul style="list-style-type: none"><li>• Estimated shipping</li><li>• Backorder or no</li></ul>

*When you hear a general requirement statement, ask the client how they know it has been delivered.*

# Principle 3 – Prioritize

## The Kano Model



# Principle 4 – Define Specifications

## Example – Requirement flow into process specifications

Requirement	Cat	Evidence	Impacting process	Process specification	Owner
Innovate for use	Perf	• Reduce cost of out designs	• Account review	• Compiles and presents cost reduction ideas quarterly	Account Management
		• Provides ideas on change to product design or fabrication to reduce cost or improve quality	• Applications engineering process	• Track assignments and completion of cost reduction activities	Engineering
			• Design Process	• Identify opportunities to reduce cost in Bid Phase	Engineer
			• Quality review process	• Document opportunities to reduce cost on future order	Account Management

# Results

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- Big
  - A structural steel company turned it around with a key customer; asked to bid on new work.
  - The Multi-media company delayed several large systems projects to focus on 5 tactical initiatives.
  - The VOC effort was cited by the Audit company in several multi-million dollar wins.
- Small
  - Electronics start up changed the focus of support for their distributors.
  - The software company did not have any significant project write-offs for the months following the VOC.

# Getting Started

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- Identify a known need, e.g.
  - building up existing accounts,
  - starting new accounts,
  - recovering from quality failures.
- Socialize internally the value and importance of clear requirements when making investments
- Socialize externally with customers how important and valuable their input is to your organization
- Execute the process.

# Remember the Goal

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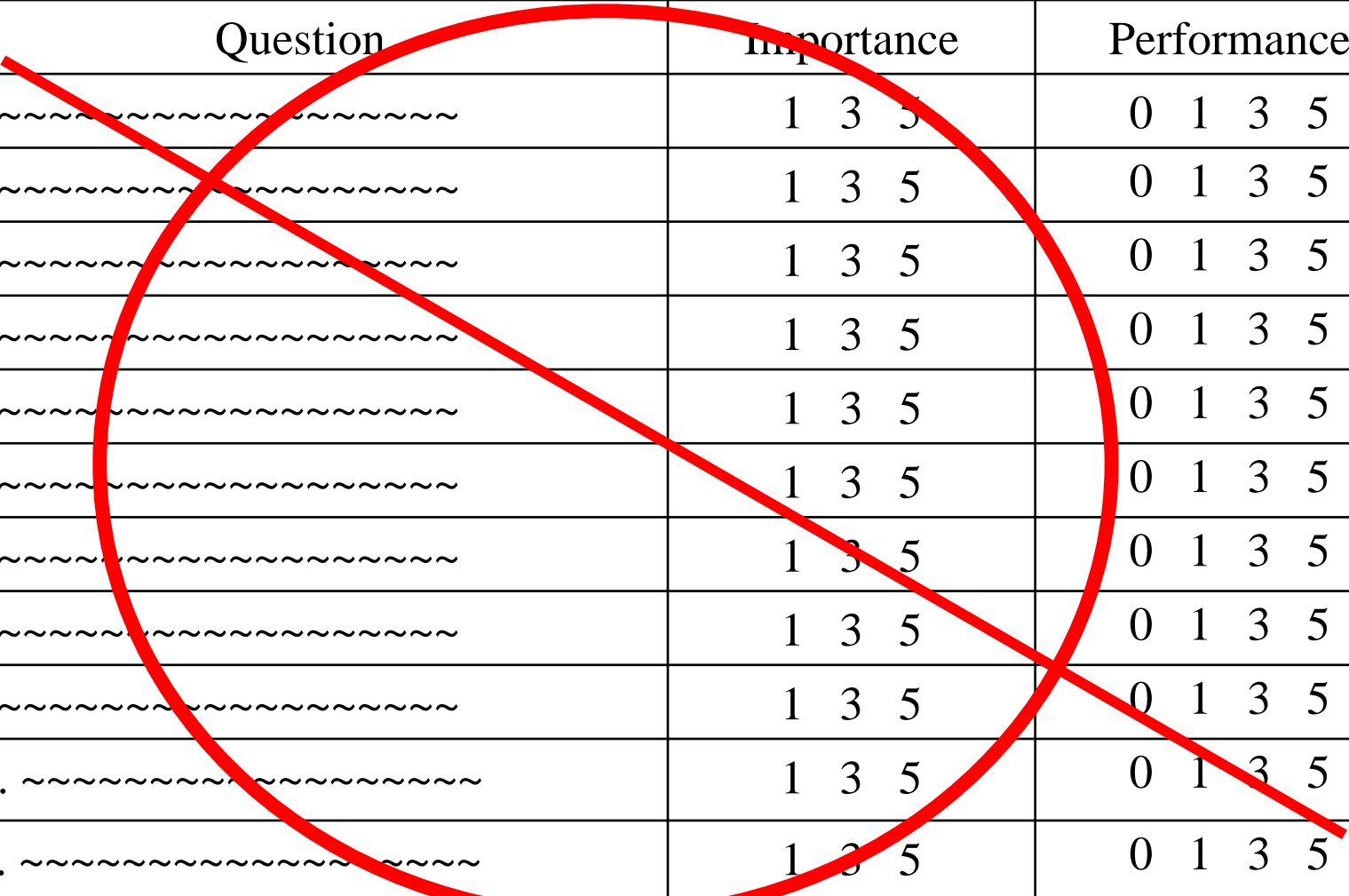
- Client requirements interview
  - The interview goal is to understand the customer's requirements.
    - Define the customer's requirements and obtain evidence for them
  
- ...not to
  - » Handle objections
  - » Give ideas (that comes later)
  - » Commit to anything
  
- The Goal is to gather information and commit ONLY a timeframe in which the client will hear back from you.

# Look for the Gems

## Examples of “gems”

Company	VOC Objective	Basic Requirements	Gem Discoveries (Performance/Excitement)
Audit and Tax Consultancy	Differentiate Services	Tax returns presented on time	<ul style="list-style-type: none"> <li>• Speaks using our vocabulary</li> <li>• Provide business advice not related to taxes</li> </ul>
Steel Mfg	Recover from Quality failure	No defects in the field	<ul style="list-style-type: none"> <li>• Recommend costs reductions in our designs</li> </ul>
Semiconductor Mfg	Be easier to do business with	95% Fill rate to Request Date	<ul style="list-style-type: none"> <li>• Start a vendor managed inventory program</li> </ul>
Post Production Co.	Create a single face to customers	Coordination between services	<ul style="list-style-type: none"> <li>• Engage us in developing new techniques</li> </ul>

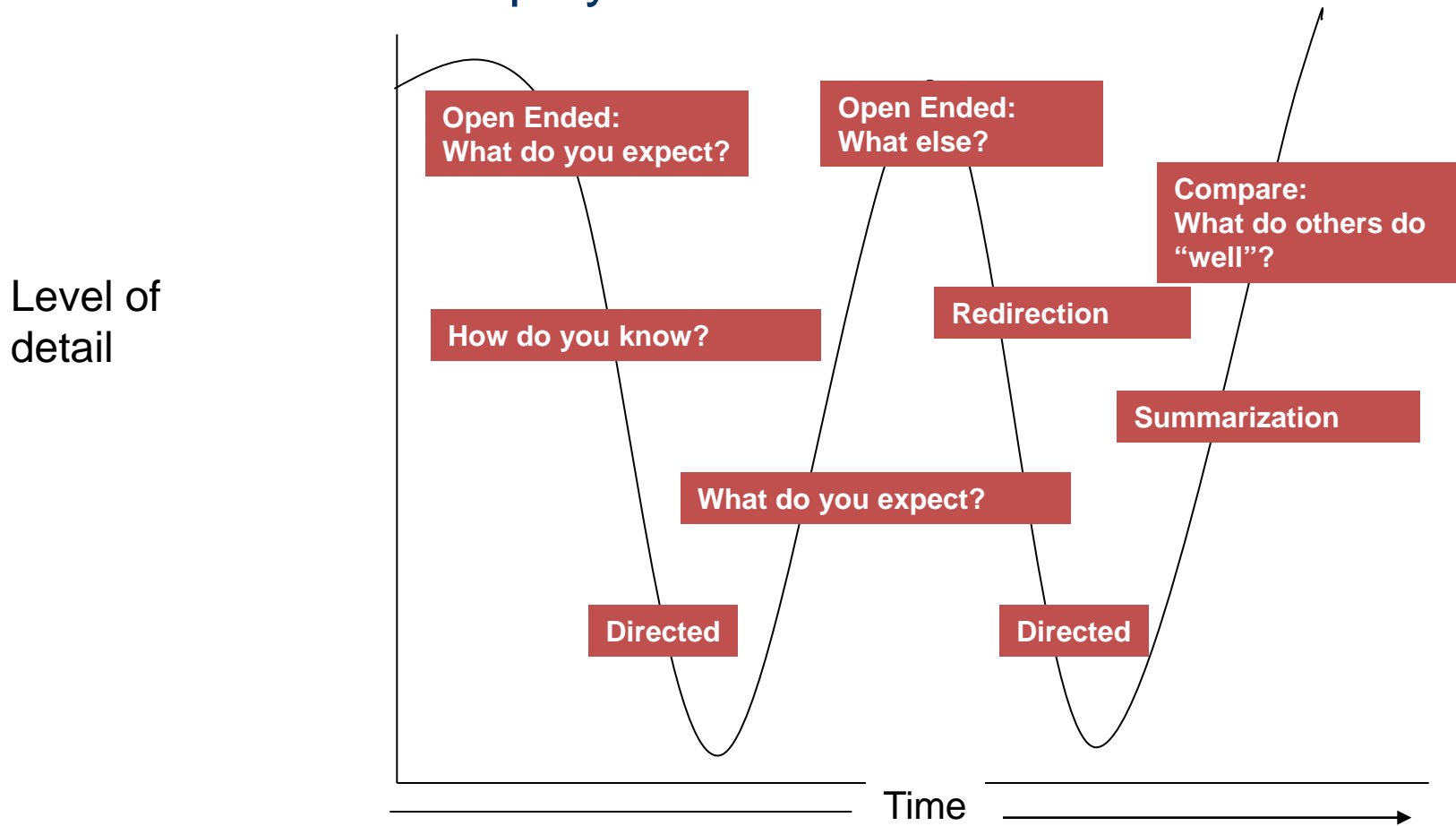
# Avoid this approach



Question	Importance	Performance
1. ~~~~~	1 3 5	0 1 3 5
2. ~~~~~	1 3 5	0 1 3 5
3. ~~~~~	1 3 5	0 1 3 5
4. ~~~~~	1 3 5	0 1 3 5
5. ~~~~~	1 3 5	0 1 3 5
6. ~~~~~	1 3 5	0 1 3 5
7. ~~~~~	1 3 5	0 1 3 5
8. ~~~~~	1 3 5	0 1 3 5
9. ~~~~~	1 3 5	0 1 3 5
10. ~~~~~	1 3 5	0 1 3 5
11. ~~~~~	1 3 5	0 1 3 5

# Make the Interview Flow

Hit your topics while moving between open-ended and directive inquiry



# Summary of our VOC Analysis Method

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1. Plan to gather all types of requirements.
2. Gather evidence to define the requirements.
3. Prioritize using the Kano model.
4. Translate - Attach to processes; define specifications; assign owners.

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# Questions?

# Comments?

# Discussion?

# Backup

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# Requirements will converge

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## Common Requirements - Customer of Software Company




<b>Function</b>	<b>Statement in VOC Interview</b>
Project Lead	Project staff knowledgeable about other customer problems and how they are using the tools
Finance	Share with us ideas for using the software solution that other people are doing.
Quality Manager	Staff on site know where the right expertise is within your company as well as the experiences of other customers
User Manager	Staff on site is knowledgeable about how your software is being used at other companies, what their problems and solutions were.

**Requirement Summary:** “Bring us your collective knowledge and perspective”

# Evidence Example

<b>Sample Requirement</b>	<b>Evidence it has been met</b>
Provide confidence that you can execute	<ul style="list-style-type: none"><li>• Kick off meetings are well run:<ul style="list-style-type: none"><li>○ Defined team roles, work schedule, deliverables definition, status reporting</li><li>○ Specific questions about our quality expectations and “hold points”</li><li>○ Team appears eager to know the details and ask good questions</li></ul></li><li>• There is a constructive back-and-forth on the details throughout.</li><li>• You manage due dates and closure of action items</li></ul>

# Summarizing results

Totally meeting requirement	
Somewhat meeting requirement	
Not at all meeting requirement	

	Basic	Performance	Excitement
<b>Sales Experience</b>	Awareness of services across business units	Customer Self-Service on equipment availability	Creative, value-added, service bundles
	Technical knowledge of all services	Single point of contact	Engage customers in developing services
	Complete marketing collateral Material		
<b>Service Experience</b>	Accurate invoicing	Single invoice per project	
	Internal coordination between services†	Web-Enabled invoicing and project status	
	Service staff accessible, helpful, accountable	Proactive notification of delays	
<b>Facilities and Operations Experience</b>	Consistent quality and QC process	Screening rooms w/ upgraded sound	Automated QC methods
	Clean facilities with proper equipment	Online element tracking	Higher yield dye transfer process
	On-Time Delivery	Access to HD dailies	Coordination / teaming of digital & film staff
<b>Overall Experience</b>	Communicate technology updates	Ownership culture throughout business	Participation in developing techniques