# The Growth Challenge

CEOs and senior leaders of large multiunit organizations, whether in retail, hospitality, or other similar industries, know that customer loyalty is key to sustained revenue growth. They also know that the ability to win the loyalty of their customers requires more than an occasional friendly greeting or positive service experience.

Consider the performance of your units as you look at the familiar "bell curve" below. For most multiunit organizations, there is a lot of variation in the performance of their frontline units. They have a few high performers at the top, a few really bad locations at the bottom, and the rest of their units are clustered somewhere in the middle. It is this middle area that really defines what your customers experience because, by definition, that is where most of your customers are.
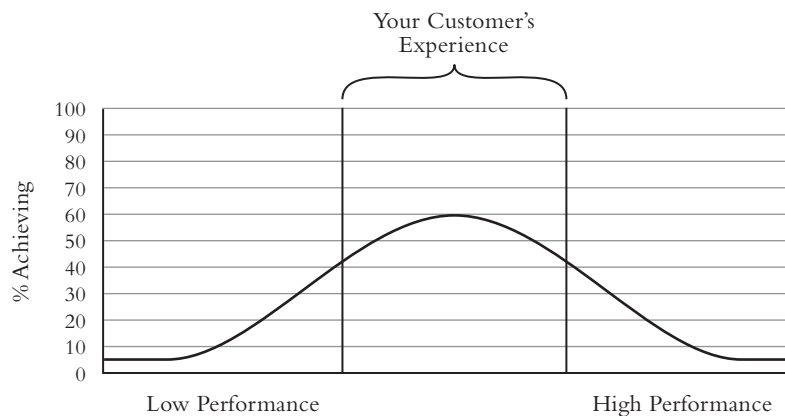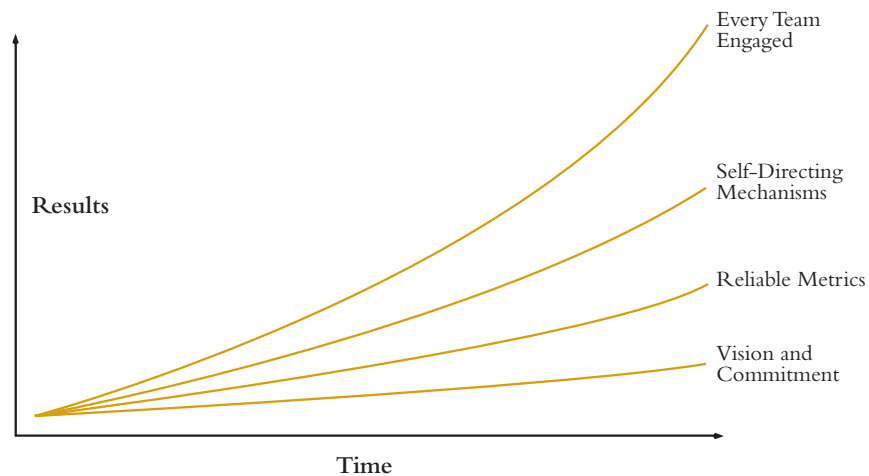

If your average of performance is no better than that of your competitors, then you have no differentiating advantage in the marketplace. It doesn't matter if you have a few properties that are great—everyone has that. The key is to have the vast majority of your locations performing at a level consistently higher than your competition. This requires that you "move the middle" and create a performance curve that is both "tighter (less variation) and "righter" (working at a higher level of performance). This competitive differentiation is what creates loyalty and sustains organic revenue growth.
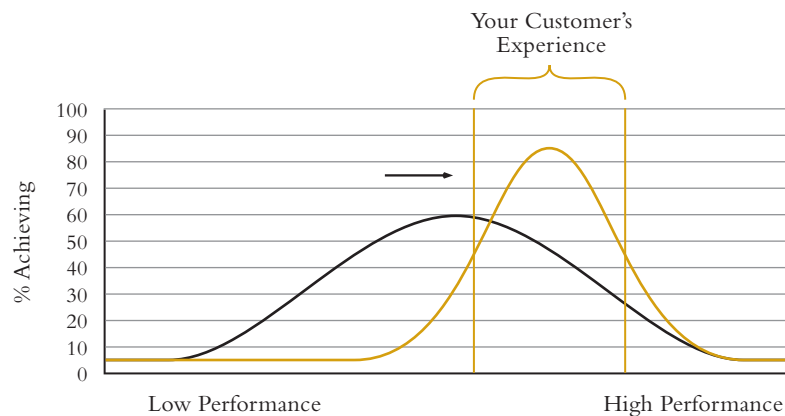
Creating Institutional Greatness

Creating institutionalized greatness require four conditions, shown on the chart below. Each builds upon the other to spread great performance throughout your organization.

Results

Every Team Engaged

Self-Directing Mechanisms

Reliable Metrics

Vision and Commitment

Time

1. **Vision and commitment at the C-suite.** Effective organizational change starts at the top. If there is no serious commitment at the senior levels to growing revenue through improved customer loyalty, then there will be no energy or accountability to "move the middle."

2. **Reliable metrics to measure customer and employee experience for every unit.** Most organizations have reliable systems to measure profit and other financial metrics for every unit in their organization. Yet rarely is the same rigor applied to customer and employee experience. These measures need to be just as reliable and "bankable" as your financial measures.

3. **Self-directing mechanisms that create operational alignment, support, and incentives to win at the frontline.** Service happens at the front line, yet often operational, reporting, and compensation systems actually get in the way of delivering a great customer experience. Great organizations create systems that naturally drive great performance.

4. **Every team is engaged around the key activities that drive great customer experience.** Engaging every team is where the rubber hits the road. It requires competent frontline managers who can lead their teams to consistently and wholeheartedly execute the activities that drive great experience.

How FranklinCovey Works With Your Organization

FranklinCovey draws from its large array of offerings to craft a solution that works with your company's culture, operating environment, and strategic vision.

A typical solution includes components such as the following:

Condition	Offering
1. Vision and commitment at the C-suite	This is the one condition you must supply yourself. While we can help you create a shared vision, if your senior team is not seriously committed to growing revenue through improved customer loyalty, our efforts (both yours and ours) should be spent elsewhere.
2. Reliable metrics to measure customer and employee experience.	**1. Customer scores.** Accurate and reliable customer-satisfaction and loyalty scores for every unit, every month. **2. Employee scores.** A targeted employee survey that gauges each unit's "Execution Quotient" (xQ®), or the conditions required for an engaged and focused workforce. **3. Loyalty Portal.** A Web-based dashboard that allows every unit to see their scores, reach out to customers, and manage their team's focus on the key activities that drive customer loyalty.
3. Self-directing mechanisms that create operational alignment, support, and incentives to win at the frontline.	**1. "Lead measure" identification.** Our most senior consultants guide the senior team through a "lead measure" identification process where, through a combination of best practices and strategic assessments, key activities are identified that become the drives of a memorable customer experience. **2. Systems alignment.** We also work with your senior team to align compensation, training, and other systems around your most critical goals and remove operational barriers to execution.
4. Every team is engaged around the key activities that drive great customer experience.	**1. Manager certification.** Unit-level managers are certified in their ability to engage their teams around their scores, lead measures, and key activities. Typically, certification is a year-long process and requires improved business results to reach the Gold level. Each manager's certification level is tracked through the Loyalty Portal and is visible to all. **2. Frontline training.** We provide world-class training in key areas such as scoreboarding, focus and execution, leadership, and creating a culture of service. Much of this training, as well as supportive tools, is delivered to each unit through the Loyalty Portal.

A Typical Engagement

A typical Customer Loyalty engagement might look like the following:

	Phase 1	Phase 2	Phase 3	Phase 4
	Calibration	**Baseline and Organizational Readiness**	**Deployment**	**Manager Certification and Ongoing Measurement**
Key Activities	1. Validate measures and measurement processes. 2. Perform technical assessment. 3. Engage senior team. 4. Build business understanding and draft initial lead measures.	1. Gather reliable baseline metrics for all units. 2. Define and validate lead measures. 3. Certify internal champions. 4. Define Manager Certification requirements, accountability process, and compensation alignment plan.	1. Distribute reliable metrics to all frontline units. 2. Train frontline managers and their leaders.	1. Continued monthly scores. 2. Begin accountability cadence and Manager Certification. 3. Monitor performance to drive impact. 4. Compensation alignment.

The FranklinCovey Difference

Most organizations you might consider for a senior-level engagement around customer loyalty generally stop where the real work begins. They might offer data gathering and analysis, strategic reformulation, or software systems. And while these things are valuable, unless they create new and better behaviors at the frontline you will not move your organization's performance curve.

If you are a senior leader of a large, multiunit organization that is committed to creating sustained revenue growth through customer loyalty and institutionalized greatness, contact your client partner or call at +91-124-4782222 to discuss the possibilities.