

Value Creation

Customer Intimacy

Cultivating relationships to gain customer knowledge
Delivering what specific stakeholders want

Operational Excellence

Delivering solid products and services at the best price and with the least inconvenience

Product/Service Leadership

Delivering the best products and services ---offerings that push performance boundaries

VALUE

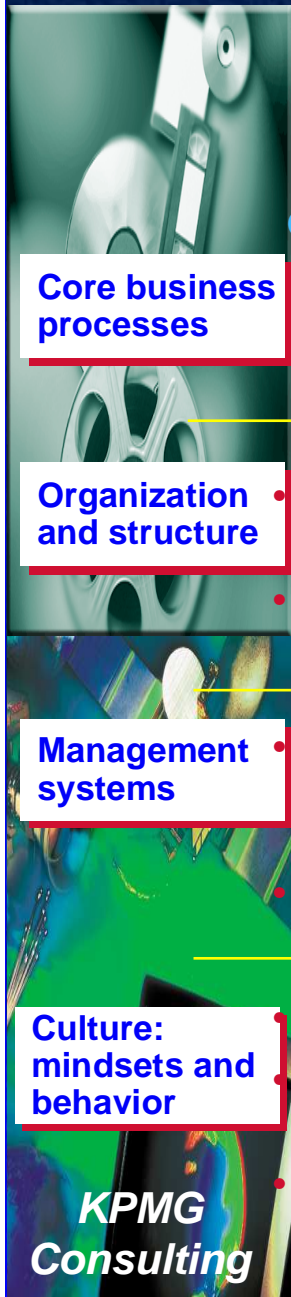
Employee Capability

Leveraging human intellectual capital in service design and delivery



KPMG
Consulting

The Four Value Propositions are Built Around Entirely Different Operating Models



Core business processes

Operational Excellence

Product supply, basic service, demand management

Product Leadership

• Concept invention, product development, market exploitation

Customer Intimacy

• Solution development, results management, relationship management

Employee Capability

• People development, expertise enhancement, performance management

Organization and structure

• Central authority, finite level of empowerment

• High skills at the core of the organization

• Ad hoc, organic, loosely knit, and ever-changing

• High skills abound in loose-knit structures

• Empowerment close to customer contact

• High skills at boundary of the organization

• Empowerment on work teams

• High skills at all levels

Management systems

• "Command and control", standard operating procedures

• Managing total quality

• Rewarding individuals' innovative capacity and new product success

• Managing risk

• Customer equity measures like life time value and share-of client

• Managing outcomes

• Rewarding demonstrated applications of individual and team expertise

• Managing learning and development

Culture: mindsets and behavior

• Process push

• Conformance, "one size fits all" mindset

• Emphasize efficiency and dependability

• Concept push

• Experimentation and "out-of-the-box" mindset

• Emphasize breakthroughs

• Relationship push

• Flexibility and "have it your way" mindset

• Emphasize complete solutions

• Learning push

• Resilience and growth mindset

• Emphasize development