

Commerical Practices Diagnostic

	A	B	C	Rating
Customer & Technical Service	Customer expectations are examined, documented, and clearly understood. Services are tailored to specific segments based on needs and willingness to pay.	All customers treated similarly according to documented process.	No formal process. Service provided on an ad hoc basis.	
Procurement	Supplier selection and qualification conducted by documented process that includes perspectives of multiple stakeholders. Total cost of doing business is measured. Supplier selection and performance is revisited regularly.	Consistent process for supplier selection and approval. Supplier performance monitored.	No consistent process for supplier approval or management.	
Pricing	Value-based pricing for product and service offerings. Price changes are proactive and / or hedging strategies employed.	"Cost-plus" pricing. Price changes are reactive to market changes and customer requests.	No consistent pricing practices.	
Strategic Planning	Formal process that identifies and evaluates strategic issues confronting the organization. Uses both "inside-out" and "outside-in" approaches to understand strengths, weaknesses, and market opportunities.	Process is a single or multi-year financial planning exercise.	No formal process in place	
Market awareness	Performance indicators for significant markets regularly tracked and related to business performance. Data is transparent and available enterprise-wide. Clear ownership of this function exists.	Market activity not tracked regularly, but data gathered on ad hoc basis.	No formal process in place	
Forecasting	Forecasts for critical markets and segments maintained centrally and shared across organization. Statistically correlated models used to forecast business performance.	Forecasts, if used, are sourced individually and not shared outside of business unit	Forecasts not used as part of the planning process	
Opportunity / Needs Assessment	Formal process and documented methodology established for evaluating markets & segments to pursue. Quantitative tools available for identification of unmet market needs.	Ad hoc process used. List of opportunities exists, but no formal screening methodology stated. Lack of transparency and ownership for process and decisions.	No formal process in place	
New Product Definition	Process used that clearly indicates unknowns to address before advancing to next step. Procedures mitigate risk, validate value proposition, and establish clear targets for development team.	Ad hoc or informal process used. Lack of consistency across company, divisions, or business units.	No formal process in place	
Development Portfolio Management	Clear and consistent methodology used company-wide. Ability to show alignment size and contribution of portfolio over time, and alignment with strategic goals. Tools identify projects that need to improve or be culled.	Ad hoc or informal processes used. Lack of consistency in practices across company, divisions, or business units.	No formal process in place	
Resources	Dedicated resources exist for exploring new opportunities and assessing unmet market & customer needs.	Short-term and long-term planning handled by the same individuals.	Responsibility for planning is unclear	
Value Proposition	See our value proposition self-assessment			

Score: A = Organizational strength; B = Needs improvement; C = Significant weakness

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