KEY DEFINITIONS

Category 1.0 Develop Vision and Strategy

APQC's Process Classification Framework (PCF)® is a reliable and robust framework used by hundreds of leading companies worldwide. The PCF is made up of 13 categories, as seen in Figure 1. This article highlights the definitions for each element for category **1.0 Develop Vision and Strategy**, specifically. If you're looking to learn more about the PCF, or download the PCF itself, please visit www.apqc.org/process-frameworks.

APQC's Process Classification Framework (PCF)®

Figure 1

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STRUCTURE OF THE ARTICLE

Throughout this article, you will see multiple tables, with different colored headers. They relate to the levels of the PCF (Figure 2).

PCF Levels

LEVEL 1 **CATEGORY**	**11.0 Manage Enterprise Risk, Compliance, Remediation and Resiliency (16437)** Represents the highest level of process in the enterprise in general groupings such as manage customer service, supply chain, finance, and human capital.
LEVEL 2 **PROCESS GROUP**	**11.1 Manage Enterprise Risk (17060)** Groups of processes that are part of executing a category. Examples include perform after sales repairs, procurement, accounts payable, recruit/source, and develop sales strategy.
LEVEL 3 **PROCESS**	**11.1.3 Manage Business Unit and Function Risk (17462)** A single process that may include elements related to variants and rework in addition to the core elements needed to accomplish the process. Examples include invoice customer and develop and manage IT security, privacy, and data protection.
LEVEL 4 **ACTIVITY**	**11.1.3.3 Develop Mitigation Plans for Risks (16458)** A key step performed to execute a process. Examples include maintain chart of accounts and develop salary/compensation structure and plan.
LEVEL 5 **TASK**	**11.1.3.3.1 Assess Adequacy of Insurance Coverage (18129)** An element of work that goes into executing an activity. They are generally much more fine-grained and may vary widely across industries. Examples include create a business case and obtain funding, and design recognition and reward approaches.

Figure 2

Below is a definition of the different elements and numbers you will see throughout the article.

Element Name

This is the name of the element within the PCF. For example, "Manage supply chain for physical products," as seen in Figure 3.

4.0 Manage supply chain for physical products (20022)
Performing supply chain activities include planning supply chain, procuring materials and services, and managing logistics.

Figure 3

Hierarchy ID

In the PCF, there are identifying numbers to the left of each process element. These numbers are called hierarchy ID numbers and are used by people to help quickly locate a specific process element. Figure 4 has an example of "4.0."

4.0 Manage supply chain for physical products (20022)

Performing supply chain activities include planning supply chain, procuring materials and services, and managing logistics.
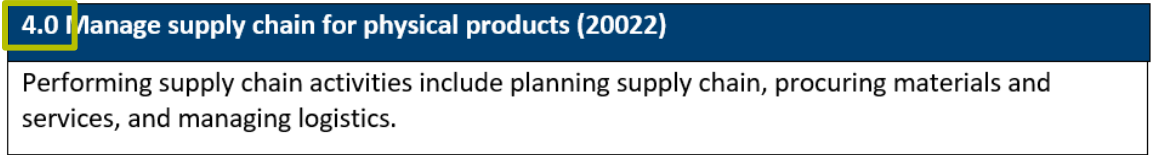
Figure 4

Element ID

The numbers to the right of the process elements (20022 in Figure 5) are called process element identification numbers. Each process element in the PCF has a unique five-digit reference number.

4.0 Manage supply chain for physical products (20022)

Performing supply chain activities include planning supply chain, procuring materials and services, and managing logistics.

Figure 5

Element Definition

Each element in the cross-industry PCF has a definition associated with it. The definition is designed to provide detail and information around what type of work the element consists of.

In Figure 6, and for all elements in this article, you'll find the definition directly under the colored heading that contains the name of the process element.

4.0 Manage supply chain for physical products (20022)

Performing supply chain activities include planning supply chain, procuring materials and services, and managing logistics.

Figure 6

Outside of the Key Definitions articles (like this one), element definitions can be found in the Excel version of the PCF, which includes a tab that has definitions for each element.

DEFINITIONS

1.0 Develop Vision and Strategy (10002)
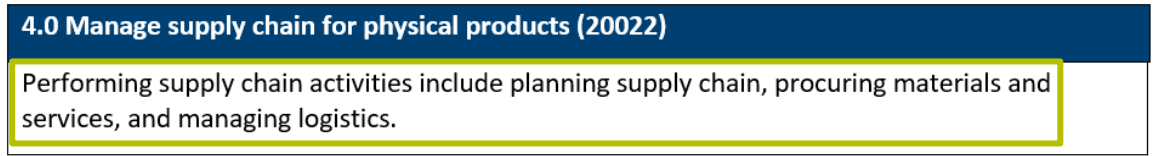
Establishing a direction and vision for an organization. This involves defining the business concept and long-term vision, as well as developing the business strategy and managing strategic initiatives. Processes in this category focus on creating a vision, a mission, and strategic objectives, and culminate in creating measures to ensure that the organization is moving in the desired direction.

1.1 Define the business concept and long-term vision (17040)

Creating a conceptual framework of the organization's business activity and strategic vision with long-term applicability. Scout the organization's internal capabilities, as well as the customer's needs and desires, to identify a fit that can be used to advance a conceptual structure of the organization's business activity. Conduct analysis in light of relevant externalities and large-scale shifts in the market landscape.

1.1.1 Assess the external environment (10017)

Assessing all forces, entities, and systems that are external to an organization but can affect its operation. Analyze far-reaching currents in the macroeconomic situation, assess the competition, evaluate technological changes, and identify societal as well as ecological issues of concern. Create a big-picture understanding of externalities, with sufficient depth across individual aspects.

1.1.1.1 Identify competitors (19945)

Identifying your competitors, their service and/or product. Evaluating competitors' strategies to determine their strengths and weaknesses relative to those of your own product or service.

1.1.1.2 Analyze and evaluate competition (10021)

Assessing the competitive forces in the marketplace that could potentially affect the organization. Analyze various aspects of business competition including competing firms. Aggregate competitive intelligence, create benchmarks to juxtapose processes and performance metrics, and inject crucial information about the competition into management models to synthesize insights.

1.1.1.3 Identify potential product or service alternatives (21421)

Examining if there are other existing products or services in the marketplace, and building the business case to make a go/no go decision based upon substitutions.

1.1.1.4 Identify economic trends (10022)

Determining large-scale macroeconomic shifts and trends, with medium to long-term relevance for the organization. Vet the immediate and the larger economic ecosystem to identify broad-based movements that affect the organization. In the immediate vicinity, for example, examine the stock price of key vendors/suppliers in the organizational value-chain. In the larger economic ecosystem, analyze according to geographical distribution where factors such as interest rates, taxation structures, oil prices, and unemployment rates are explored.

1.1.1.5 Identify political and regulatory factors (10023)

Identifying areas of concern pertaining to public policy and regulation, established by sovereign or multinational authorities. Examine various regions and geopolitical formations to identify those political and regulatory issues-present or developing-that can potentially affect the organization. Plan for an iterative process, partitioned across regional and geopolitical entities that have a direct bearing on the organization's activities. Assess changes in environmental compliance, product standards, trade barriers, etc.

1.1.1.6 Identify environmental factors (10027)

Identifying changes in ecological ecosystems that can be directly or indirectly detrimental to the organization. Analyze ecological factors within the immediate ecosystem for near to middle-term impact. Analyze the ecology, at large, to get a sense of long-term shifts and concerns. Gather analyses from research publications. Speak to subject matter experts. Engage with advocacy groups, lawyers, journalists, and the active populations.

1.1.1.7 Identify social and cultural changes (10026)

Distinguishing changes in societal makeup, as well as the cultural composite. Isolate shifts in the societal composition and distribution, as well as the value systems and attributes that bind the organization together. Analyze well-regarded publications--and gather the perspective of public intellectuals and opinion leaders--on relevant issues.

1.1.1.8 Assess new technologies (10024)

Assessing developments in technologies presently being used by the business, new technologies that have a potential for the business, and any disruptive innovations. Conduct a survey of advancement in technologies that are already deployed with inputs from the personnel closely working with them, tracking utility and feasibility for deployment. Arrange for mid- to senior-level management personnel who explore contingent uses to assess new and disruptive technologies. Follow up with desk research, involving physical scoping and viability assessment.

1.1.1.9 Analyze demographics (10025)

Analyzing statistical data relating to the size, distribution, and composition of relevant populations, as well as their characteristics. Perform quantitative analysis over raw data-sets gathered from well-founded sources such as government census or large, private databases. Consider employing primary research in collecting required statistics. Use comprehensive studies (reports, briefs, and articles) to assist with the analysis, in place of raw data.

1.1.1.10 Evaluate intellectual property (16790)

Establishing measures and procedures for identifying various intellectual property threats and concerns.

1.1.2 Survey market and determine customer needs and wants (10018)

Examining the market to identify customer required solutions. Assess the relevant market(s) to determine the products/services that are needed or wanted by customers. Carry out quantitative and qualitative analyses to capture and investigate products/services. Employ creative techniques that allow for a closer appreciation of the customer, and design relevant solutions.

1.1.2.1 Conduct qualitative/quantitative research and assessments (10028)

Investigating key market features and customer characteristics, using qualitative and quantitative measures to capture relevant aspects. Distill key ingredients that allow the organization to Capture customer needs and wants [19946], and Assess customer needs and wants [19947]. Conduct standardized appraisals by defining selection parameters and setting quotas.

1.1.2.2 Capture customer needs and wants (19946)

Identifying and collecting customers' wants and needs of a product and/or services from a marketing perspective. Identify which consumer needs are important and whether needs are being met by current products/services.

1.1.2.3 Assess customer needs and wants (19947)

Creating customer profiles to get a picture of customers and their needs. Identify particular groups of people/organizations that benefit from your product/services and then selling to them.

1.1.3 Assess the internal environment (10019)

Undertaking a review of the organization's in-house skills and resources in order to create a big-picture understanding of internal capacities. Assess the organization's capabilities in order to advance the advantageous and weed out the detrimental aspects. Identify synergic associations within the backdrop of the forces and players active in the market, and take into account all externalities.

1.1.3.1 Analyze organizational characteristics (10030)

Identifying and examining key attributes that differentiate the organization in the market and those that underscore the core of its operations. Consider how the organization functions. Reflect over tangible and intangible aspects in order to spot critical correlations and the interplay between these attributes. Have senior executives conduct the analysis, with input from management and operational personnel.

1.1.3.2 Analyze internal operations (19948)

Identify key elements of operations and measure effectiveness of these elements within internal operations.

1.1.3.3 Create baselines for current processes (10031)

Establishing baselines that provide standards for assessing performance levels and allow for a relational benchmarking of current processes. Undertake a survey of archival performance records, conducted in conjunction by the management and the operations personnel. Take into account the organization's internal objectives, particularly for process improvement and enhancement. Understand industry best practices.

1.1.3.4 Analyze systems and technology (10032)

Analyzing the capabilities of technology and process automation systems deployed within the organization in order to direct future associated processes. Conduct a broad-based survey to examine various aspects associated with such systems and technologies, with the objective of identifying key facets that are of interest. Investigate the intended purpose, purpose served, utility, longevity, remaining service-life, repair or service requirements, etc.

1.1.3.5 Analyze financial health (10033)

Appraising the financial state of the organization so that management can create resource allocation strategies. Scrutinize the organization's financials--including balance sheets, statements of income, cash-flows, equity holdings, and liquidity-- with the objective of understanding the organization's financial health and capacities. (This analysis directly feeds into Conduct organizational restructuring opportunities [16792] and Define a business concept and long-term vision [17040].)

1.1.3.6 Identify core competencies (10034)

Determining a strategically significant aggregate of competence and capacities that differentiates the organization in the market. Identify distinguishing attributes including unique skills and resources and its brand and services in the marketplace. Have senior executives and management personnel assess competencies in order to further develop these capabilities into distinct commercial value propositions.

1.1.4 Establish strategic vision (10020)

Establishing the organization's long-term vision as a strategic positioning and engagement of stakeholders. Institute the vision by creating strategic orientations of all stakeholders. Understand the strategy development frameworks in this context.

1.1.4.1 Define the strategic vision (19949)

Developing goals to define an organization's vision. Define and document ideas, direction, and activities which enable the organization to reach these goals.

1.1.4.2 Align stakeholders around strategic vision (10035)

Orienting those entities, associated with the organization that have a direct bearing on its operations and output, in a way that advances its strategic vision. Map all stakeholders in strategic configurations, within the architectural layout of the marketplace, and position the organization relative to them. (This exercise is undertaken by senior strategy personnel, drawing upon the process Define a business concept and long-term vision [17040].)

1.1.4.3 Communicate strategic vision to stakeholders (10036)

Developing and executing communication strategies to convey an alignment plan of all organizational stakeholders, which helps the organization realize its vision. Create custom communication strategies and delivery channels with the objective of orienting stakeholders according to the configuration maps created in the process Align stakeholders around a strategic vision [10035]. Have senior strategy personnel closely collaborate with the communications/marketing team.

1.1.5 Conduct organization restructuring opportunities (16792)

Examining the scope and contingencies for restructuring based on market situation and internal realities. Map the market forces over which any and all probabilities can be probed for utility and viability. Once the restructuring options have been analyzed and the due-diligence performed, execute the deal. Consider seeking professional services for assistance in formalizing these opportunities.

1.1.5.1 Identify restructuring opportunities (16793)

Identifying opportunities for restructuring the organization, through an analysis of internal viability and external contingency. Conduct a broad-based survey of the market landscape, taking the large-scale trends and movements into account, to determine the necessity and possibility of restructuring the organization. Review the organization's internal capacities, the readiness of its process frameworks, the robustness of its financials, the capableness of its systems, the resourcefulness of its personnel, etc. for assimilating an extensive overhaul.

1.1.5.2 Perform due-diligence (16794)

Auditing the status quo of the probabilities, before formalizing any restructuring of the organization with another entity. Systematically investigate all entities discerned to be of interest in Identify restructuring opportunities [16793], to verify all tangible and substantial facts. Consider engaging specialist professional services including legal, accounting, and consulting help.

1.1.5.3 Analyze deal options (16795)

Examining various options shortlisted for assimilating new entities into the organization or dissociating from it. Undertake a piecemeal and comprehensive consideration of each option identified for acquisition, merger, de-merger, and divestment. Consider intangible and non-material aspects of the entities involved and synergic aspects. Consider the assistance of specialist professional services.

1.1.5.3.1 Evaluate acquisition options (16796)

Appraising entities identified as being suitable for acquisition, taking into account the restructuring opportunities in the internal and external context. Verify the appropriateness and viability of the short-listed options. Ensure these entities pertain to the state-of-affairs in the market, as well as fit with the resources and capabilities of the organization.

1.1.5.3.2 Evaluate merger options (16797)

Appraising entities identified as being suitable for a merger, taking stock of the restructuring opportunities within the firm and the market. Verify the appropriateness and viability of such options. Assess these entities to ensure their pertinence to the contextual state-of-affairs in the market, as well as a fit with the resources and capabilities of the organization itself. (This process can be carried out, in its entirety, by qualified in-house personnel or may be designated to specialist professional services providers.)

1.1.5.3.3 Evaluate de-merger options (16798)

Evaluating departments and subsidiaries within the organization, and/or previously merged entities, to assess the appropriateness of a de-merger, taking account of the fit between these entities as well as any relevant externalities. Examine the pertinence and soundness of a formalized dissociation.

1.1.5.3.4 Evaluate divesture options (16799)

Evaluating departments and/or subsidiaries within the organization to assess the appropriateness of a divestment, taking account of all market externalities. Examine any internal entities that have been identified to be suitable for dismemberment from the organization. Ensure the pertinence and soundness of such a move.

1.2 Develop business strategy (10015)

Developing an organization's mission statement, strategy, and business design. Create a concise statement that clearly articulates the mission of the organization, outlining practicable targets to Establish a strategic vision [10020]. Delineate strategic options by matching these alternatives with the organization's internal capabilities. Create an organizational design, and identify goals by developing strategies at the functional and process levels.

1.2.1 Develop overall mission statement (10037)

Establishing an overarching, compact statement that concisely underscores the mission of the organization. Define and communicate a clear and succinct mission statement, which encapsulates how the organization aims to proceed in order to Establish a strategic vision [10020]. Solicit critical inputs from senior management and strategy executives, and collaborate with marketing or personnel from allied functions.

1.2.1.1 Define current business (10044)

Defining the status quo relating to the de facto core of what the business is. Reflect over the fundamental essence of what the business accomplishes and the manner in which it operates. Look beyond the obvious solution capabilities to delineate capacities that form the basis of the business engine. Involve senior executives and management personnel and possibly professional services providers.

1.2.1.2 Formulate mission (10045)

Outlining actionable objectives that effectively set a course to fulfill the organization's vision. In this fundamental activity, articulate certain goals or targets in broad but practicable terms to reach long-term objectives.

1.2.1.3 Communicate mission (10046)

Developing and executing a communication strategy to convey the mission statement. Create a universal communication strategy and appropriate delivery channels, with the objective of leveraging the latter to execute the former. Convey the inherent message of the mission to all stakeholders, including employees, customers, and the public. Ensure collaboration between senior strategy personnel and the communications/marketing team.

1.2.2 Define and evaluate strategic options to achieve the mission (10038)

Assessing sets of strategic decisions designed to drive the organization's long-term objectives. Identify various strategies concerning core functional areas. Appraise strategic options in light of auxiliary decision frameworks that ensure smooth functioning, the advancement of functional efficiencies, and vitality. Involve senior management executives, especially strategy and/or business unit personnel, with need-based consultative assistance from professional services providers.

1.2.2.1 Define strategic options (10047)

Defining the various options available to achieve the goals highlighted in the mission statement. Delineate (in accordance with a predefined criteria) the various permutations of strategic decisions that would help the organization achieve the objectives outlined in Develop overall mission statement [10037]. Involve senior management and key strategy personnel, with timely help from professional services providers.

1.2.2.1.1 Select partnerships and relationships to support the extended enterprise (18083)

Supporting the design, manufacture and distribution of product and services through the extended enterprise model. This is concerned with the strategic decisions on make vs buy, in house or out sourced. Senior Executives map out how they want to run their business. Make strategic choices as to whether to buy in components / sub-assemblies, run their own distribution fleet or contract out, own their dealerships or franchise out, etc. Strategize with partnerships. Collaborate design consideration at strategy level for automotive and procurement act within the Target Operating Model set at strategy level.

1.2.2.2 Assess and analyze impact of each option (10048)

Scoping and probing to study the impact of strategic options for fulfilling the organization's objectives. Estimate a measure of the impact effectuated by each set of strategic decisions, which comprise Define strategic options [10047]. Closely examine the consequences of each option.

1.2.2.2.1 Identify implications for key operating model business elements that require change (13289)

Determine impacts of elements such as staffing, skills, training, new markets, technology, or policies within operating model which needs change.

1.2.2.2.2 Identify implications for key technology aspects (13290)

Determining key factors for technology ROI, benefits, architecture, etc.

1.2.2.3 Evaluate B2B options (21606)

Evaluating future business to business opportunities against past and current approaches and performance. Gather insights into what competitors and other similar organizations are doing and the needs, goals, and expectations of stakeholders and partners to understand potential future impact.

1.2.2.4 Evaluate B2C options (21607)

Evaluating future business to customer opportunities against past and current approaches and performance. Gather insights into what competitors and other similar organizations are doing and the needs, goals, and expectations of customers and partners to understand potential future impact.

1.2.2.5 Evaluate partner/alliance options (21608)

Evaluating partnership and alliance opportunities to deliver products/services. Understand existing product and market models in use across the markets you serve, evolving trends, and the cost/benefit of potential new/updated partnership/alliance options.

1.2.2.6 Evaluate IP acquisition options (21609)

Evaluating intellectual property acquisition options available to scale, modernize, and/or extend product/service reach. Understand the cost, risk, timing and lifecycle value of candidate acquisitions.

1.2.2.7 Evaluate innovation options (21610)

Evaluating innovation options to advance technology, products/services, and/or operational performance.

1.2.2.8 Evaluate sustainability options (21611)

Evaluating sustainability requirements, stakeholder expectations, and value proposition for options. Understand the potential activities and changes across environmental, social, and governance, the effort required, cost to implement, and benefits gained. The analysis should consider sustainable product/service lifecycles, operations, infrastructure, performance, and workforce.

1.2.2.9 Evaluate global support options (19950)

Evaluating options for global support services and functions. This should include structure, scale, adaptability to change, and alternative delivery models to balance cost, performance, and customer value.

1.2.2.10 Evaluate shared services options (19951)

Evaluating options for shared services and support functions. This should include structure, scale, adaptability to change, and alternative delivery models to balance cost, performance, and operational efficiencies.

1.2.2.11 Evaluate lean/continuous improvement options (14197)

Evaluating options to enhance and optimize processes and functional areas. Understand alternatives to strengthen business capabilities, enhance process efficiencies, and advance performance standards.

1.2.3 Set/Develop long-term enterprise strategy (10039)

Developing a strategy for the achievement of business goals over the distant future. Adopt one of the strategic options for realizing its mission over the long term. Enlist senior management executives, comprising strategy and/or business unit personnel.

1.2.3.1 Develop partner/alliance strategy (16803)

Defining direction and plan objectives for partnering with other companies to deliver product/services. Focus on creating a vision and strategic objectives and culminate in creating measures for the strategic alliance or partnership.

1.2.3.2 Develop sustainability strategy (14189)

Formulating strategic options that create opportunities for the sustenance and prosperity of the business in the long run. Go beyond business longevity to consider alternate strategies that allow the organizations preservation of vitality over time. Earmark resources and target processes, the former of which are dedicated to the absorption of sustainable practices in the latter.

1.2.3.3 Develop merger/demerger/acquisition/exit strategy (16805)

Defining a strategy for corporate development. Include providing a framework for evaluating merger and acquisition candidates; and planning for a value creation through merging/demerging with a company, acquiring a company, or exiting from an already merged/acquired company.

1.2.3.4 Develop innovation strategy (19952)

Developing a plan and vision to encourage advancements in technology or product/services. Create a roadmap for changing or innovating the business model to make business operations more competitive. Set up new R&D services for changing or bringing new value propositions, services, production processes, and invention of technology not previously used by competitors etc.

1.2.3.5 Develop global support strategy (19950)

Developing a plan to deploy support services and support functions throughout the organization globally. Arrange the organizations functional support areas to create efficiencies of scale in the delivery of support services, globally.

1.2.3.6 Develop shared services strategy (19951)

Charting a plan to leverage internal services and support functions throughout the organization. Delineate a framework of parameters and criteria to selectively filter service areas for inclusion among the organization's common resources. Arrange the organizations functional areas to create efficiencies of scale in the delivery of internal services.

1.2.3.7 Develop lean/continuous improvement strategy (14197)

Developing strategies for the optimization of processes and the improvement of functional areas in order to improve the bottom line. Create a road map of decision choices that would allow the organization to continuously enhance process efficiencies and advance performance standards.

1.2.4 Coordinate and align cross-functional and process strategies (10040)

Aligning the approach and method of individual units, departments, systems, and operations within the organization, in accordance with the larger strategic course adopted. Employ the organization's strategic path to guide the functions, divisions, and operations. Calibrate the plan and method of each functional area, as well as the processes therein, to Select the long-term business strategy [10039].

1.2.5 Create organizational design (10041)

Formulating a design for the organization's resources that allows it to meet its objectives. Develop a new framework for molding the organization's various processes into a coherent and seamless whole.

1.2.5.1 Evaluate breadth and depth of organizational structure (10049)

Evaluating the structural makeup of the organization, including pertinent features of and associated synergies among constituent elements. Examine the organization's architectural framework, paying close attention to the individual elements, the relations among them, and the conjoint and co-acting forces therein. Analyze functions and processes, as well as work-related positions. Scrutinize various relevant characteristics associated with each of them, depending upon the scale, scope, and type of organization.

1.2.5.2 Perform job-specific roles mapping and value-added analyses (10050)

Appraising job-specific roles within the organizational chart and their hierarchical architecture. Analyze a map of work-related roles within the organizational structure. Examine the value added by the positions associated with jobs to be performed and how they stack up within the organization's operations.

1.2.5.3 Develop role activity diagrams to assess hand-off activity (10051)

Examining the constituent exercises and undertakings within a work-related position for the purpose of effective delegation. Deconstruct job-specific roles into activities and visualize the relations among them, with the objective of assigning responsibilities to the appropriate personnel.

1.2.5.4 Perform organization redesign workshops (10052)

Organizing workshop sessions to adopt organizational redesign. Communicate the organizational structure and mapping of responsibilities against job roles in order to facilitate an effective understanding among personnel. Use a collaborative process that may include participative workshop sessions.

1.2.5.5 Design the relationships between organizational units (10053)

Fleshing out the connections and dependencies among the various units of the organization. Delineate the relationship among business units or process frameworks within the organization, in terms of activities, synergies, and shared resources and responsibilities. Formalize relationships among business units so that any mutual coherence is clearly understood and can be attended to.

1.2.5.6 Develop role analysis and activity diagrams for key processes (10054)

Creating an understanding of the fit between job roles and organizational processes in order to properly place personnel. Deconstruct key processes into constituent activities and examine job-related roles. Take cues from Develop role activity diagrams to assess hand-off activity [10051]. Map appropriate positions against these important processes, which in turn expedite the deployment of staff members.

1.2.5.7 Assess organizational implication of feasible alternatives (10055)

Probing the repercussions of all practicable organizational design options. Analyze the significance and impact of workable organizational structure options. Closely examine the long-term impact of these frameworks over the functioning of the organization.

1.2.5.8 Migrate to new organization (10056)

Embracing and ratifying a new organizational structure. (Assume the new framework to be the best fit through Assess the organizational implications of feasible alternatives [10055].)

1.2.6 Develop and set organizational objectives (10042)

Developing overall goals for the organization that helps in accomplishing its mission. Formulate organization-wide targets in the near to middle term, which will accumulate and propel the organization to realize its long-term objectives, as outlined in Develop an overall mission statement [10037]. Enlist business unit heads or equivalent personnel, in close collaboration with senior management executives.

1.2.6.1 Identify organizational objectives (19953)

Creating and developing strategic objectives that establishes a process to outline expected outcomes and guide employees' efforts.

1.2.6.2 Establish baseline metrics (19954)

Establishing baselines that provide standards for assessing performance. Create metrics and KPI's for various functions/processes/activities based on organizational goals.

1.2.6.3 Monitor performance against objective (19955)

Defining methodology and frequency of assessment for measuring and monitoring performance of various functions/processes/activities against standard set goals.

1.2.7 Formulate business unit strategies (10043)

Charting a strategic course for business units in order to leverage opportunities, sidestep hurdles, and create synergies among each other. Create strategic road maps for the organization's units--in light of their individual resources and requirements, as well as their relationships with other business units--to achieve organizational goals.

1.2.7.1 Analyze business unit strategies (19956)

Assessing the performance of a business unit against set organizational goals which are based on pre-defined metrics collected through various business unit operations.

1.2.7.2 Identify core competency for each business unit (19957)

Determining the resources and skills of each business unit based on knowledge and technical capacity. Enable business units to meet customer needs and grow in a competitive marketplace.

1.2.7.3 Refine business unit strategies in support of organizational strategy (19958)

Evaluating existing business unit strategy based on the company's strategy and eliminate unwanted/unnecessary resources/elements and re-consider necessary resources to meet the overall company's strategy.

1.2.8 Develop customer experience strategy (19959)

Defining a roadmap to meet customer expectations while considering how it will affect the business.

1.2.8.1 Assess customer experience (19960)

Measuring customer feedback in regard to product and services effectiveness based on overall satisfaction. The data to be analyzed is collected through surveys, customer responses, and feedback based on the delivered products/services.

1.2.8.1.1 Identify and review customer touchpoints (19961)

Creating methods to gauge customer experiences, expectations, and suggestions. Review both liked and disliked areas of product/services to be delivered. Evaluate touchpoints based on the nature of product/service in the market e.g., billboards, web sites, direct mail, service calls, etc.

1.2.8.1.2 Assess customer experience across touchpoints (19962)

Evaluating customer experiences, expectations, and suggestions in both liked and disliked areas of the product or services. Analyze all modes of communication, human and physical interactions, or customers' experience during the relationship lifecycle with your organization. Evaluate the gaps/further development/alterations to the existing product/service to attain better customer response.

1.2.8.1.3 Perform root cause analysis of problematic customer experiences (19963)

Analyzing the core reason for the customer experience/feedback/response about the product/service to take considerable action for better customer experience.

1.2.8.2 Design customer experience (19964)

Creating a design of how customers interact with the business by analyzing data captured through various customer interaction and customer involvement. These will be captured through various channels such as customer satisfaction surveys, feedback forms, product reviews, targeted studies, observational studies, or voice of customer research.

1.2.8.2.1 Define and manage personas (16612)

Identifying a set of characteristics that define the demographic and behavioral patterns of the customer. Further, use persona scoring to design your marketing strategies around personas, and measure and optimize your interactions with the contacts classified by a certain persona.

1.2.8.2.2 Create customer journey maps (19965)

Creating a story of the customer's experience: from initial contact, through the process of engagement and into a long-term relationship. The goal is to teach organization about the customer.

1.2.8.2.3 Define single view of the customer for the organization (19966)

Defining parameters to show aggregated, consistent, and holistic representation of known data about customers. Define key parameters which enable the tracking of customers and communications across every channel.

1.2.8.2.4 Define a vision for the customer experience (19967)

Establishing a direction and vision on how the organization behaves towards customers in a consistent, effective way. The key attributes for customer experience vision consists of emotional connection, commitments and expectations, compelling value proposition, and ease of understanding the organization's behavior.

1.2.8.2.5 Validate with customers (19968)

Creating a process to validate the sales process and the assumptions that underpin the business model. Understand if the products/services have a repeatable, scalable business model around that product.

1.2.8.2.6 Align experience with brand values and business strategies (19969)

Aligning and defining a relevant, differentiated, and credible value proposition for the brand. Align experience to ensure that the product and service quality is consistent with brand promise and business strategies.

1.2.8.2.7 Develop content strategy (19970)

Planning, development, and management of content-written or in other media. Getting the right content to the right user at the right time through strategic planning of content creation, delivery, and governance.

1.2.8.3 Design customer experience support structure (19971)

Creating a roadmap for customer experience support with an overall approach, process flow, and impact timeframe.

1.2.8.3.1 Identify required capabilities (19972)

Determining the necessary skills and competencies required to efficiently collect customer experiences through the support structure.

1.2.8.3.2 Identify impact on functional processes (19973)

Identifying the effect of customer experience through customer experience support structure on other functions of customer services related to customer.

1.2.8.4 Develop customer experience roadmap to develop and implement defined capabilities (19974)

Defining a standard guideline to create and execute the capacities of registering customer experiences in a timely manner. Create a common understanding of what behaviors are required to implement the strategy. Define what talent/skills your organization needs to reach customer experience goals.

1.2.9 Communicate strategies internally and externally (18916)

Conveying planned procedures and methods to both internal departments and external stakeholders like customers, suppliers, etc., in an effective manner based on organizational objective.

1.3 Develop and measure strategic initiatives (10016)

Managing strategic initiatives, from development through selection, execution, and evaluation. Conduct and oversee strategic projects supporting long-term objectives. Administer programs of strategic significance by developing such initiatives, select the most appropriate projects, and formulate measures to assess their impact.

1.3.1 Develop strategic initiatives (10057)

Developing strategic projects that help fulfill long-term goals. Develop time-bound projects that are discretionary in nature and lie beyond the scope of the organization's routine operations.

1.3.1.1 Identify strategic priorities (19975)

Creating a statement of the organization's direction to guide decision making around the allocation of resources. Provide a focus on the organization's overarching goals to ensure coherent and considered action. Strategic objectives are ranked by their importance in achieving the strategic goals. All subsequent operational or tactical planning and resource allocation is based on strategic priorities

1.3.1.2 Develop strategic initiatives based on business/customer value (19976)

Creating a statement of the organization's direction based on what is considered "value" to the customer or business.

1.3.1.3 Review with stakeholders (19977)

Developing a process for stakeholder dialog that is integrated into the assessment of business strategies. Report on the evaluation of the business objectives, strategies, subject, or past events.

1.3.2 Evaluate strategic initiatives (10058)

Examining projects of strategic significance that lie outside the purview of the organization's routine operations. Closely analyze strategic initiatives for their applicability and feasibility, given the organization's vision.

1.3.2.1 Determine business value for each strategic priority (19978)

Establishing a standard measure of value to determine the business worth for each of the Identify strategic priorities [19975]. List the effectiveness and utility for every important strategic element based on the benefit it adds to the business.

1.3.2.2 Determine the customer value for each strategic priority (19979)

Analyzing the value preposition; the value the customer gets from a product/service for each of your Identify strategic priorities [19975]. Customer value is the satisfaction a consumer feels after making a purchase for goods or services relative to what he/she must give up to receive them.

1.3.3 Select strategic initiatives (10059)

Selecting relevant projects of strategic significance that create opportunities for the organization to realize its long-term objectives, on the basis of their suitability to the organization's constraints and reality. Select from the process Evaluate strategic initiatives [10058], based on their applicability and feasibility for the organization. Enlist senior management, especially strategy personnel.

1.3.3.1 Prioritize strategic initiatives (19980)

Listing the most effective procedures in the order of most important to the least. Create measures or filter for determining which of many "strategic initiatives" is most important to the least important.

1.3.3.2 Communicate strategic initiatives to business units and stakeholders (19981)

Establishing procedures for communications within the organization which creates the road map for successful understanding of strategic initiatives for both business units and stakeholders (internal and external).

1.3.4 Establish high-level measures (10060)

Devising measures to examine strategic projects. Formulate evaluation criteria to assess the strategic initiatives for the level of impact.

1.3.4.1 Identify business value drivers (19982)

Determining key indicators or factors responsible for driving business value. Key business value drivers comprise of operational, financial, and sustainability drivers.

1.3.4.2 Establish baselines for business value drivers (19983)

Establishing baseline measures that provide standards for assessing performance of Identify business value drivers [19982].

1.3.4.3 Monitor performance against baselines (19984)

Overseeing the progress of activities to ensure they are on-course and on-schedule in meeting the objectives and performance targets against Establish baselines for business value drivers [19983].

1.3.5 Execute strategic initiatives (19507)

Successfully implement strategic initiatives. Execution of strategy is also defined as the process of implementing logical set of connected activities by an organization to make a strategy work.

1.3.6 Review execution of strategic initiatives (21422)

Periodic review of initiatives based performance, conditions, and marketplace response.

1.3.7 Refine strategic initiatives and project plans as needed (21423)

Performing required updates to strategic initiatives based upon changes in the marketplace or performance.

1.4 Develop and maintain business models (20944)

Establishing how an organization creates, delivers and captures value or makes profit. Identify the products or services that a business will sell, its target market, anticipated expenses, and other core aspects of its modus operandi. Revise the plan as required to reflect changing circumstances.

1.4.1 Develop business models (20945)

Creating an economic model that describes the goals of an organization, and the business processes needed to achieve those goals. This involves information gathering, securing necessary approvals and authorizations, integrating with preexisting models, including the general business concept [10002] and business strategy [10015], and formally accepting the model as the basis for organization's day-to-day operations.

1.4.1.1 Assemble business model information (20946)

Collecting all relevant materials needed to develop the business model, so that it can adequately model its processes.

1.4.1.2 Secure appropriate approvals (20947)

Obtaining required permissions, licenses and authorizations that legitimize the business, help to mitigate associated risks and safeguard the operations.

1.4.1.3 Identify integration points with existing models (20948)

Ensuring coherence with pre-existing models to avoid contradictions between models. Make sure that all models represent the same long-term vision.

1.4.1.4 Adopt the business model (20949)

Consenting to a particular business model and formally accepting it to serve as the set of guiding principles in operating the company.

1.4.2 Maintain business models (20950)

Revising and updating business models to reflect the changes in the marketed services, product inventory, market behavior, available resources or accrued expenses. Determine how and when to modify the accepted business model in response to incoming feedback.

1.4.2.1 Establish business model maintenance parameters (20951)

Determining the timeline, procedures and responsibilities for reviewing the business model and for updating it to best serve the organization.

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1.4.2.2 Accept business model feedback parameters (20952)

Deciding the type of responses, reactions, sentiments and insights that are crucial to be taken into consideration with business model maintenance.

1.4.2.3 Prioritize and manage incoming feedback (20953)

Evaluating the feedback regarding products, services, processes or resources. Determine which judgments are critical and mandate changes to the current business model to better deliver the desired value

1.4.2.4 Update existing models (20954)

Modifying the business models that are presently in use in response to incoming feedback or changing markets to achieve the enterprise business goals.

1.4.3 Establish business model governance (20955)

Creating and implementing a strategy, responsibilities and control mechanisms for managing business models that are timely, efficient and cost-effective.

ABOUT APQC'S PROCESS CLASSIFICATION FRAMEWORK (PCF)®

The Framework for Process Improvement

Experience shows that benchmarking's potential to drive dramatic improvement lies squarely in making out-of-the-box comparisons and searching for insights not typically found within intra-industry paradigms. To enable this type of beneficial benchmarking, APQC's Process Classification Framework (PCF) serves as a high-level, industry-neutral enterprise model that allows organizations to see their activities from a cross-industry process viewpoint.

The PCF enables organizations to understand their inner workings from a horizontal process perspective, rather than a vertical functional viewpoint. The PCF does not list all processes within a specific organization, and every process listed in the framework is not present in every organization.

Originally created in 1992 by APQC and a group of members, the framework has experienced more than twenty years of creative use by thousands of organizations worldwide. The PCF is supported by APQC's Open Standards Benchmarking research. It is continuously enhanced as APQC's Open Standards Benchmarking team further develops definitions, processes, and measures. Please visit APQC's web site periodically for updates. The PCF is available for organizations of all industries and sizes at no charge by visiting http://www.apqc.org/pcf.

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