Problem Identification and Stakeholder Management – Exercise Answers

Step 1: Problem identification

DELIVERABLE 1: Quantitative and Qualitative Analysis

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| --- | --- | --- | --- | --- |
|  | **Feb-24** | **Mar-24** | **Difference** | |
| **Sales Statistics** | **TOTAL** | **TOTAL** | **Value** | **%** |
| Total Sales Value: | $71,626.00 | $40,620.00 | $31,006.00 | 43.29% |
| Total Number of Transactions: | 477 | 302 | 175 | 36.69% |
| Average Daily Sales Value: | $2,558.07 | $1,450.71 | $1,107.36 | 43.29% |
| Average Number of Transactions Per Day: | 17 | 10.79 | 6.21 | 36.55% |
| Average Transaction Value: | $150.16 | $134.50 | $15.66 | 10.43% |

**Most common complaints:**

|  |  |  |  |
| --- | --- | --- | --- |
| **Ref** | **Complaint type** | **Quantity** | **%** |
| **1** | Creating account for checkout | **8** | **53.33** |
| **2** | Web Design  - Poor product description - Poor categorization of products / No sorting options | **5** | **33.33** |
| **3** | Limited Payment methods | **1** | **6.67** |
| **4** | Slow loading website | **1** | **6.67** |

Recommendation:

Northwind Trading has seen a drop of 43.29% in its total sales value in the month of March as compared to the previous month due to drop in it’s number of transactions by 37%.

The March sales data shows a decline in both transactions and total sales value, despite a consistently high website traffic. It suggests that there is a problem affecting customer engagement and conversion rates, once they visit the website.

The customer complaints show that the new website design has poor detailing features and slow loading time. Moreover, availability of limited payment methods and the major change in checkout process i.e. the mandatory Sign Up process can be seen as the major reasons driving customers away.

To prevent a further decline of sales it is paramount to improve the checkout process, add additional payment options e.g. PayPal, Apple Pay, Google Pay, improve product grouping, tagging and descriptions and resolve the issues with the page loading speed.

DELIVERABLE 2: Root Cause Analysis Questions

|  |  |
| --- | --- |
|  | **Questions** |
| 1. | Why are the sales down?   * Customers are not happy with the new website design. |
| 2. | What problems are customers encountering with the new website design?   |  | | --- | | Required Sign up / Login for checkout | | Web Design  - Poor product description - Poor categorization of products / No sorting options | | Limited Payment methods | | Slow loading website | |
| 3. | Why is the checkout confusing and payment options are limited?   * There is no guest checkout option hence the customer is required to login/Sign up for the checkout process. Also, due to security reasons payment is only available using paypal. |
| 4. | Why does the website require customers to create an account?   * Because the marketing department wants to gather customer data for marketing purposes and keep a track of their purchase history. |
| 5. | Why does the company prioritize gathering customer data over providing a smooth checkout experience?   * Because they haven't conducted any market research to understand customer preferences and behaviors regarding checkout processes. |

Root Cause Diagnosis:

The core issue stems from the marketing department's decision to redesign the website without first conducting market research to understand customer preferences and behaviors related to the checkout process and payment methods. The most effective solution would be to revamp the checkout process again, this time addressing the customers' complaints.

Step 2: Project Planning and Execution

DELIVERABLE 3 - User Role Analysis – Northwind Trading online store

|  |  |  |
| --- | --- | --- |
| **User role** | **Role description** | **Concerns/Requirements** |
| Customer | Individuals browsing and purchasing products | They want easy navigation, better product description and sorting features,simplified checkout process and added payment options with data security. |
| Website Administrator | responsible for managing and updating the website (product listing, pricing, promotion) and maintaining customer accounts | Website Admin wants easy-to-use tools for website update, performance monitoring, user account management and data security management. |
| Sales Manager | Oversees sales operations and strategies, including monitoring sales performance, and optimizing sales processes to achieve revenue targets. | Access to sales data and analytics tools for tracking sales performance, identifying trends, and making data-driven decisions. |
| Marketing Team | Responsible for creating and implementing marketing campaigns to drive traffic and sales. | Analytics tools for tracking the effectiveness of marketing campaigns, monitoring website traffic, and measuring conversion rates. |
| Customer Service Representatives | Handling inquiries, complaints, and providing assistance to customers. | Customer service representatives need communication tools for interacting with customers and resolve issues promptly. Representatives need a ticketing system for managing customer inquiries, assigning tasks, and tracking resolution times to ensure timely and efficient customer support. |
| Web developers/  IT Team | Responsible for website development, maintenance, and troubleshooting technical issues. | Developers require access to development and testing environments for building and deploying website updates, plugins, and custom features. |

POWER - INTEREST GRID

|  |  |
| --- | --- |
| **Low Interest – High Influence** | **High Interest- High Influence**   * Customers * Northwind Management * Business Analyst * IT Department * Sales Manager * Marketing Manager |
| **Low Interest – Low Influence**   * Suppliers (Optional) | **High Interest – Low Influence**   * Website Administrator * Customer Service |

DELIVERABLE 4 - RACI MATRIX

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Project Task** | **Management** | **Marketing** | **Sales Manger** | **Web Admin** | **IT Department** | **Customer Service** | **Customers** | **BA/PM** |
| 1 | Identify website issues (survey, focus groups, quantitative and qualitative analysis) | I | R | R | R | I | R | C | A/R |
| 2 | Requirements analysis, prioritization and User stories | C | C | C | C | I | C |  | A/R |
| 3 | Checkout process re-design (workshops) | I | R | R | R | R | R |  | A/R |
| 4 | Usability testing | I | C | R | I | I | I | C | A/R |
| 5 | Development of the new checkout and website re-design | I | I | I | I | A/R | I |  | C |
| 6 | Website launch | I | I | I | I | R | I | I | A |
| 7 | Monitor website performance and user feedback | I | R | A/R | R | I | R |  | I |
| 8 | Provide customer support and assistance | I | I | I | I |  | A/R |  | I |
| 9 | Review and analyze sales data and customer feedback | I | R | R | C | C | C |  | A/R |
| 10 | Evaluate the effectiveness of implemented changes | I | C | C | C | C | C |  | A/R |

Each letter in the RACI matrix indicates stakeholder involvement in the respective activities.

R - "Responsible" refers to those responsible for completing tasks.

A - "Accountable" refers to those ultimately answerable for the tasks' completion.

C - "Consulted" refers to those whose input is sought during task completion.

I - "Informed" refers to those who need to be kept informed of progress and decisions.

Conclusion:

I have applied quantitative and qualitative analysis to investigate a potential issue at Northwind Trading, an eCommerce company experiencing a downward trend in sales and negative feedback on social media.

Through iterative questioning, I then identified the underlying causes of the issue, pinpointed the root cause of the declining sales and developed targeted solutions (website redesign).

I then examined the roles and responsibilities of different users involved in the project, ensuring that the website meets the specific needs of each user group.

Then proceeded to identify and assess the interests, influence, and involvement of stakeholders in the project to prioritize communication and engagement efforts based on the analysis results.

As the last step, responsibilities were allocated to various stakeholders for completing various project tasks to and ensured clarity and accountability of the roles and responsibilities by presenting the stakeholders with a RACI Matrix.

By applying these techniques, I had an opportunity to deepen my understanding of problem-solving and stakeholder management, setting the stage for future successful execution and delivery of projects.