

Module 5: Discussion

What are the strategic objectives of your company? Some examples of specific topics you may elaborate on are:

What is your organization's strategy?

What are the core competitive advantages of your organization?

How may you incorporate the strategic goal in your decision-making process?

Joe Williams

Joe Williams

Oct 5, 2020 Oct 5 at 3:43pm

The strategic objective of my company is to solve complex challenges, advance scientific discovery, and deliver innovative solutions to help our customers keep people safe. The strategy is to be the global leader in supporting customers' missions, strengthening security, and advancing scientific discovery. The competitive advantages of our organization are producing Fifth-Generation fighter jets, laser weapons systems, hybrid airships, and advanced drone capabilities to name a few.

Our company also attracts many of the greatest minds on the planet who want to be a part of building security systems/products for our nation and future conflicts. For our company to not only meet our strategic objectives but exceed them, it takes a lot of thinking outside the box. You really have to ask yourself the hard questions of "what if....?", and you can't stop asking those questions.

We are not in a business where we can afford to not listen to everyone involved within the company. You never know where the next idea is coming from, the next product, or the next great leader. This culture helps me to remain open-minded, and always listening to everyone. I listen to everyone not only in my professional life but personal life as well. I never know, who might be the next person who brings added value into my life.

Daniel Talamantez

Daniel Talamantez

Oct 6, 2020 Oct 6 at 4:18pm

Joseph,

When I read this question, I was thinking more so about outside sources of leverage, however you are correct that internal knowledge is just as important. People within a company have a strategic advantage because most of the time they understand the business and how it operates. Our company has a submission box and I know we have groups that are developed to provide input on various aspects of our business. It is a great point, and should be utilized as much as possible.

(1 like)

Jordan Caddick

Jordan Caddick

Oct 6, 2020 Oct 6 at 9:33pm

Joseph,

In your response, you touch on the fact that you remain open-minded and listen to others. While most companies don't necessarily openly indicate this cultural attribute on their formal mission statement and/or strategic plan, I think it's fantastic that your company culture encourages that type of behavior. Collaboration, respect, and open-mindedness are part of the backbone that supports any strategic objective. That is to say, if the organizational culture does not support its strategic objectives, then it is likely the organization will experience difficulty attaining those objectives. Great insight on your part, and thanks for sharing.

(1 like)

Joe Williams

Joe Williams

Oct 11, 2020 Oct 11 at 11:39am

Jordan you would be amazed at how many people I have had tell me stories about "while working for Company X, they didn't care what you had to say at all. You are just a number, you do what they want you to do, and you go home". Instantly it made me think..... Can you imagine how many ideas/profits they've missed out on because of that culture?

Daniel Talamantez

Daniel Talamantez

Oct 6, 2020 Oct 6 at 4:11pm

What are the strategic objectives of your company? Some examples of specific topics you may elaborate on are:

What is your organization's strategy?

At Oncor Electric Delivery, we are a regulated electric utility. Our strategy is to safely construct, deliver, operate, and maintain transmission and distribution electric service to commercial and residential customers within our service territory.

What are the core competitive advantages of your organization?

As a regulated utility in Texas, our competitive advantage is that we are technically considered a monopoly. The electric market is set up this way by design to provide efficient electric service and protect customers. There are some areas designated as dually certified areas. This means there is more than one utility that has the capability and legal jurisdiction to provide power (the customer essentially has a choice). In terms of other utilities, Oncor is the largest in the state of Texas and therefore we have the largest infrastructure and man power as compared to other utilities in Texas. In turn, our capital budgets/revenue are greater, allowing for reinvestment back into the "grid". These investments help us stay in the forefront of electric service and include new technology for instance, field equipment to isolate and locate faults quicker (intellirupter), remote supervisory equipment, enhanced customer applications, state of the art operation center, etc. In all we have obligation to serve, however we work to be the best at what we do. We know that distributed generation, like EV vehicles in the car industry will continue to open new avenues of choice. So it will be up to us to convince customers that we are still the better choice when it comes to electric service. Today, our delivery costs are some of the lowest in the country and so we can continue to compete with solar due to overall install, equipment, and maintenance costs.

How may you incorporate the strategic goal in your decision-making process?

We can incorporate strategic goals in our decision-making process by utilizing customer surveys and data analytics to name a few. Our current business strategies are mainly customer driven and so we make it a point to listen to feedback regarding our service. We also utilize data sets to help us predict outages, decrease outage times, reduce injury, etc. These various sources of metrics assist our company with generating new business objectives and goals through various enhancements.

Edited by Daniel Talamantez on Oct 16 at 2:39pm

Jordan Caddick

Jordan Caddick

Oct 6, 2020 Oct 6 at 9:52pm

Daniel,

Government support (in my case federal) is something that is unique to some industries and seems to be a nearly impenetrable barrier to entry at least for my industry: nuclear security. It seems like challengers to Oncor have similar barriers to entry as it relates to state government support. I know with Los Alamos National Laboratory, since we are federally funded, we face no competition in the traditional sense but we do have to worry about federal spending cuts to our budget. This is particularly concerning during election years, as the national posture towards nuclear threats and deterrence may change. On a separate note, the economics of regulated electric utilities fascinates me. I used to work overseas and saw how different countries approached electric energy distribution and how it could negatively or positively affect the country's GDP. For example, when I lived in Zambia, we would have planned power outages so that the copper mines could operate. If I recall, we did not have a choice as it related to choosing a more reliable electricity provider.

Daniel Talamantez

Daniel Talamantez

Oct 12, 2020 Oct 12 at 12:38am

Jordan,

Your work abroad seems super interesting and how it relates to the electric industry. I look forward to when we can discuss in person. Those "blackout" periods you were involved with in Zambia are actually a common practice for utilities. We only utilize such measures when the "grid" is overloaded or there is some highly specialized event going on. I can give you an example, during the Super Bowl that was in Dallas years back actually forced us to start rolling black outs to prevent an outage at the stadium. I believe temperatures were quite cold that year and so weather can adversely impact our ability to provide service. ERCOT manages the actual load on the grid and so if we hit a peak, they will notify for emergency measures to go into effect. I would agree that government regulation has a huge impact on the ability to enter certain industries. I look at this as a means to protect various industries from destruction, negligence, and many other adverse consequences. We are very similar in that respect and that we both have budgets. However, we have an obligation to keep the lights on and so our budget is highly regulated and normally increased or kept similar. If we do not meet certain metrics

each year, we can be fined and/or penalized. I can totally understand being at the mercy of the federal government.

Edited by Daniel Talamantez on Oct 12 at 1:02am

(1 like)

Travis Metz

Travis Metz

Oct 18, 2020 Oct 18 at 7:18pm

Jordan,

Interesting perspective in regards to the mining in Zambia. Were any of the profits from the copper mines used to expand the power grid to all for higher efficiency, or have alternative means (wind, solar, hydroelectric, etc) been considered to bolster the existing grid? Having been through a few parts of Africa myself, I didn't witness any of this personally, so I would be curious to know if Zambia was wrapped up in red-tape to the point that expanding or upgrading the grid was out of the question, or if there was something in the works to stabilize it.

Jordan Caddick

Jordan Caddick

Oct 19, 2020 Oct 19 at 10:07pm

Travis,

I don't think that the Zambian government had any fruitful plans in place to bolster their national grid. I do recall that they relied heavily on neighboring countries to import power. There are still many opportunities in countries similar to Zambia to make improvements to the reliability of their electrical grid.

Jun Gao

Jun Gao

Oct 10, 2020 Oct 10 at 5:12pm

Daniel:

From your post I can see the great scaled Infrastructure of your company. This really establishes barriers and prevents new entrants from entering into this market. As far as I know, a lot of local governors are giving the government policy advantages to companies that develop clean and green energy sources. Does your company feel this potential competition pressure and threats from these companies? Does your company have a special strategy to protect and expand the existing traditional energy market?

Daniel Talamantez

Daniel Talamantez

Oct 12, 2020 Oct 12 at 12:50am

Jun,

In Texas, the electric energy market is regulated and is actually broken into 3 different parts. Generation, Transmission & Distribution, and Retail Electric Providers. In the early 2000's the idea was to de-monopolize the market because before one company could control costs from the beginning to the end customer. Oncor actually falls within T&D and so we actually do not have much influence on how power is generated, as it falls to the many generation companies. In terms of federal regulations (measures to reduce carbon), I can totally see how their (generation) way of business could change overnight depending on who is in office. As the owner of poles and wires, our biggest threat would be distributed generation (solar, batteries, generators). However, we do not plan on getting into this market (regulators will most likely not approve) and so our goal is to show customers that we are still the better long term choice.

Edited by Daniel Talamantez on Oct 12 at 1am

Christopher Huebel

Christopher Huebel

Oct 14, 2020 Oct 14 at 9:01am

Hi Daniel,

One of the most repeated things I have read on this thread so far is the aspect of safety in everyone's post. It always seems to be either the first or one of the top priorities within the company's strategic vision. Yours is no different. I also admire the fact that your company involves the customer and their opinions in their decision-making process. With a company that is mainly customer driven, customer surveys and feedback offer a valuable insight to your company's main source of revenue. I can assure you that living next to the gulf coast, for me, being able to predict outages and decreasing down times are one of the top priorities for myself and many company's that rely on energy very heavily. You make some great points on how these surveys and feedback are used in the decision-making process. Thanks for your post!

Best Regards,

Chris Huebel

(1 like)

Timothy Koontz

Timothy Koontz

Oct 17, 2020 Oct 17 at 8:02pm

Good day Daniel.

I like how Oncor takes the initiative to reinvest its profits back into the grid and the company as a whole. Being a legal monopoly, I am sure there is some temptation to distribute the profits to the stockholders through dividends. The immediate results would be pleasant but would be detrimental to the company's future. The infrastructure will age causing problems that will ultimately disrupt service. My company was owned by a holding company which focused on dividends instead of maintaining its fleet. The end result was massive restructuring which compromised our share of the market. Prior to the fallout in the energy sector, the board change their leadership and a new ideology was adopted. The company began to focus on differentiation instead of resting on our hold of the market. The new leadership and adopted ideology has allowed us to survive in the turbulent market.

(1 like)

Jordan Caddick

Jordan Caddick

Oct 6, 2020 Oct 6 at 9:28pm

Los Alamos National Laboratory's (LANL) strategy consists of four strategic objectives, with a goal to obtain excellence in each one of the following: nuclear security, mission focused science/technology/engineering, mission operations, and community relations. LANL has the core competitive advantage of being the epicenter of nuclear and science related research in the United States, and has many facilities and research capabilities that are not available anywhere else in the US or the world. By staying at the forefront of science and technology development, LANL has a competitive advantage in the nuclear security industry. In addition, since the nuclear industry is heavily regulated and the government maintains a high degree of involvement, LANL enjoys the support of the federal government and is less reliant on the market or customer demands to support its strategic missions. In my role at LANL, I focus on the strategic objective of excellence in mission operations. As a project manager primarily involved with planning and infrastructure projects across the LANL campus that spans over 20 square miles, I work to improve integrated planning across priority mission activities and infrastructure by supporting new construction and renovation projects related to nuclear safety, criticality safety, and security related issues in support of national defense. The decisions I make take into account the four strategic objectives of LANL. For example, if I am managing six projects, all of which require an equal amount of attention, I will prioritize the projects that are more closely in alignment with the strategic objectives.

Eric Worley

Eric Worley

Oct 10, 2020 Oct 10 at 12:59pm

Jordan,

Thanks for your post. Your employer and role sound like quite the opportunity! I am sure you get to engage with other talented team members and also have exposure to some cutting-edge technologies, which is incredible! In terms of the competitive landscape, who are LANL's top competitors? Also, with the government so closely involved with LANL's operations and projects, do you find significant 'red tape' or bureaucracy to accomplish certain items on a short timeline? Lastly, what has been the most exciting project that you have been a part of (providing you can share)?

Eric Worley

ewworley@tamu.edu

Jordan Caddick

Jordan Caddick

Oct 11, 2020 Oct 11 at 10:04pm

Eric,

Interesting question re: LANL's competitors. The Department of Energy has 20 national laboratories across the nation. LANL is one of nineteen, so technically the other laboratories would be considered the closest to a competitor that we have. Generally speaking, we don't compete for any share of private work, however, since most of our work is federally funded. Regarding "red tape", there is a significant amount of that at LANL. I came from private industry and there is a huge difference. It's part of the package, though, and old challenges are replaced with new ones at LANL, one of which is navigating the bureaucracy. One of the most exciting projects I've been involved with concerns the below facility, which utilizes one of the worlds most powerful x-ray machines.

<https://www.lanl.gov/science-innovation/science-facilities/DARHT/index.php> (Links to an external site.)

Matthew Hudson

Matthew Hudson

Oct 12, 2020 Oct 12 at 9:05pm

Jordan,

It would seem that your four strategic objectives strongly contribute to highly specialized projects and quality. Between your strategies and market share you keep other entrants from entering the market and your regulations keep quality high. It would appear that with each project your manage you are placing the emphasis on excellence to maintain the competitive

edge. Are the stress levels high to ensure the quality demanded or is simply a part of the ecosystem and ingrained in daily activity?

Jordan Caddick

Jordan Caddick

Oct 19, 2020 Oct 19 at 10:09pm

Matthew,

I'd say the stress levels are high, but not unbearable. I am surrounded by team members who are high performing and dedicated and together we all put in what it takes to meet the demands of the Department of Energy, National Nuclear Security Administration, and Los Alamos National Laboratory.

Timothy Koontz

Timothy Koontz

Oct 17, 2020 Oct 17 at 8:28pm

Howdy Jordan.

Los Alamos National Laboratory sounds like a strong progressive company that must stay abreast with the newest technology. I would imagine that the company's success is a result of strong leadership. There is a level of difficulty in dealing with the government and its onslaught of regulations, especially in the nuclear field. I work in the oil industry as a Health Safety Environmental Manager. We also deal with strong government regulations; more so since the BP Macondo incident. The regulations, for better or for worse, changes how we do business. The better management is at accepting and embracing the regulations for what they are intended to do, the more successful the company will be. This is a sign of strong leadership that will ultimately foster a strong safety culture.

Jay Hembree

Jay Hembree

Oct 18, 2020 Oct 18 at 6:50pm

Jordan,

Is is also a consideration as a economy of scale? While Lockheed is very large and has amazing facilities, our building and the land are government owned and leased. As such the government could lease the facility to another company when it saw fit. It is the same for LANL? While that doesn't happen, the Fort Worth facility has changed hands many times since it was built as companies buy out others (Lockheed bought General Dynamics). Our facility is called Air Force Plant #4. We mainly have an EOS advantage because of the cost to invest in building a fighter aircraft and the engineering, tooling, etc. It is similar to the Ford example from this week in that we spend Billions for a ROS of approx. 10%.

-Jay

Kassie Mobley

Kassie Mobley

Oct 18, 2020 Oct 18 at 10:40pm

Jordan,

This is a great post. When regulated by government, it is much different than being reliant on customer demands and market. In my line of work, we are driven by regulation but not the extent of nuclear. In your discussion about how your decisions align with strategic objectives, you make it seem as though it is easy to make those calls. I am sure it is more difficult than it sounds but I can appreciate that the clear strategic objectives of LANL help make your decision making process easier.

Tom Cappucci

Tom Cappucci

Oct 8, 2020 Oct 8 at 4:13pm

My organization, Union Pacific Railroad, has the following corporate strategy: provide safe, reliable, and efficient transport of customer goods. The core competitive advantages of Union Pacific, are our unparalleled railroad network, which serves many of the fastest-growing U.S. cities, operates from all major West Coast and Gulf Coast ports to eastern gateways, connects with Canada's rail systems and is the only railroad serving all six major Mexico gateways. For my decision making, safety, reliability and efficiency are always at the forefront when determining the best course of action on a project. To give an example: Union Pacific has a major operating facility near Baton Rouge, LA where we fuel locomotives from two 450,000 gallon diesel tanks. The pumps that take fuel out of the tanks and provide fuel to the locomotives at the service track were not performing up to standard and were constantly leaking. When deciding how to proceed, it was imperative for me to first keep safety in mind when my employees were working with heavy equipment to replace the pumps. Second, make sure the pump replacements were the correct size for the fuel demand and provide reliable service. Third, make sure the pumps run efficiently, and do not run for longer than they should, which would cause the pumps to burn out and reduce their useful life unnecessarily.

Edited by Tom Cappucci on Oct 8 at 4:13pm

Eric Worley

Eric Worley

Oct 10, 2020 Oct 10 at 12:36pm

Hello Tom,

Thanks for your post. Your employer is quite intriguing considering the infrastructure, strategy, and integral part the company plays every day, delivering critical products and raw materials to numerous industries. From a competitive landscape perspective, who are the largest threats? How does Union Pacific build more significant barriers to entry for their competition? Does the organizational strategy include growth and expansion of the current rail network, or is it focused on applying digital technologies to the existing infrastructure to optimize the current system? Lastly, with such a significant infrastructure in Baton Rouge, LA, and all of the recent hurricanes this year, how does Union Pacific handle inclement weather and the potentially sustained impact on the operations and rail network?

Thanks Again,

Eric Worley

ewworley@tamu.edu

(1 like)

Tom Cappucci

Tom Cappucci

Oct 10, 2020 Oct 10 at 1:36pm

Howdy Eric,

Great questions. UPRR only has track in 23 states all west of Chicago. Our main competitors are Burlington Northern Santa Fe Railroad (BNSF) and Kansas City Southern Railroad (KCS). It is basically impossible for a new railroad competitor to enter the game at this point, since the capital investment would be in the multi-billion dollar cost to build a new rail network. Union Pacific will spend capital money to build new track to areas like ports, otherwise, we will try to out compete on a handful of principles: 1.) Our large network allows many customers to work with us as the only carrier from start to finish of shipping their material. 2.) We are the only railroad who directly serves all the Mexico gateways, as well as west coast and gulf coast ports, which is huge for us. 3.) Compete on price for shipment, our precision scheduled railroad (PSR) strategy seems to be able to ship customer products more efficiently than the other railroads, by eliminating unnecessary touch points, thus reducing cost to the customer. 4.) We offer competitive intermodal business, that allows our customers to access our rail network and access trucking hubs. The main focus is apply new technologies, or new methods (PSR) to better optimize our service product. Great questions on the Hurricanes, we implement "Incident Command Structure" in hurricane response. We have a team that is assembled before the storm, where roles & responsibilities are assigned for the aftermath. We serve as many customers as we can ahead of the storm, and usually pull as many cars out of the storm path as possible, and shut down train traffic for the duration of the storm. Once the storm clears, inspectors go to the impacted facilities for damage assessment. Extra train crews are mobilized to the impacted area the following week to handle any clogged/backed-up rail traffic for a few days until the car volume normalizes.

Jun Gao

Jun Gao

Oct 10, 2020 Oct 10 at 5:12pm

Tom,

In our laboratory, safety and reliability are also the main drivers on our decision-making process. Since we work with nuclear and explosive devices. The impact of the incident of nuclear and explosive would be significant. The good news is, we have not had any accidents relating to that in decades. The reason behind this is that we are implementing good practices and put safety and reliability as our highest priorities during the decision-making.

(1 like)

Kaleigh Philips

Kaleigh Philips

Oct 25, 2020 Oct 25 at 9:53pm

Howdy Tom!

I find the railroad industry so fascinating and enjoyed reading your response. Being in a safety organization, I love seeing "safe" listed first in your company strategy. A commitment to safety results in an employees commitment to the company, I truly believe that. I also had no idea Union Pacific was so large! I am going to have to wiki Union Pacific now!

Thank you for the interesting read.

Kaleigh

(1 like)

Jun Gao

Jun Gao

Oct 8, 2020 Oct 8 at 11:38pm

What is your organization's strategy?

The objective of our laboratory is to design, produce and certify current and future nuclear weapons and reduce global nuclear threats. The strategy is to achieve objectives that are leveraging scientific and engineering excellence, such as applying transformative science, developing novel technology and engineering solutions to address and respond to emerging

national security challenges. Different programs were established according to the capability and scientific workforce to support our strategic goals and achieve the National Nuclear Security Administration (NNSA) mission. Quantitative metrics and annual analyses are used to evaluate strategic priorities, program structure, and funded projects.

What are the core competitive advantages of your organization?

Since the lab is a very complex system, many directories or divisions have different missions. Therefore, they may have different competitive advantages. Our directory is using a differentiation strategy to provide the values of our devices/products to enhance our competitive advantages among all other national laboratories. This competitive advantage is highly relied on in our advanced cutting edge sciences and engineering technologies and government policy. These value-adding features are associated with nuclear weapon safety and security.

How may you incorporate the strategic goal in your decision-making process?

The measurements of our strategic goals are milestones and deliverables in the program. We use a data-driven process to facilitate our decision-making. As test lead, I collect project progress information from teams. This progress information is associated with the milestone, and the deliverable is usually interpreted as percentage of completion of the entire project. This data will be submitted to program director for his upper level objective and risk evaluation.

Daniel Day

Daniel Day

Oct 11, 2020 Oct 11 at 4:17pm

With your company being so closely related to government operations, instead of focused primarily on market competitiveness, how does your company measure profitability? Is it simply in measuring the profits provided by the government contracts vs your expenditures in fulfilling them? Or are there other metrics that are under scrutiny?

Jun Gao

Jun Gao

Oct 12, 2020 Oct 12 at 11:33am

Daniel,

The National Lab runs quite different compared with the private company. It is federally funded lab and responsible for the DOE/National Nuclear Security Administration (NNSA) mission. The success of the mission is not measured by profitability. The most common programmatic measurement metric is based on the percentage of the achieved deliverables. This deliverables are all aligned with the DOE /NNSA mission.

Daniel Talamantez

Daniel Talamantez

Oct 12, 2020 Oct 12 at 12:59am

Jun,

Do you directly compete with other laboratories in your area of business? Or is it more of divide, conquer, collaborate? It seems funding could be an area of competition but I was curious how your company is awarded contracts and creates constant revenue. With nuclear being such a niche and national security issue, what is your companies ultimate goal?

Jun Gao

Jun Gao

Oct 12, 2020 Oct 12 at 11:43am

Daniel,

We definitely felt the competitions from other National Laboratories. The good thing is that LANL has the strongest weapon system design and engineering teams. In fact, more than 97% of nuclear weapons in the stockpile are designed by LANL. We have already build the strong barriers in this area. Even though other labs want to compete with us, we still give our best effort to collaborate with them. Our goal is to build and maintain the effective and safe nuclear weapon systems to protect our Nation.

(1 like)

Zachary Smith

Zachary Smith

Oct 25, 2020 Oct 25 at 10:38pm

Jun,

It was reassuring to read under your third point about the progress data being used to help make decisions. For engineering projects my company works on, sometimes we use resource based schedules with milestones and implement activity progress reporting standards so we can understand our "earned value". And sometimes we have project managers who don't use this system which is available to them. What we have found, as you can imagine, is the projects that use this system that organizes the data to help them make their decisions, the more successful their projects are.

Eric Worley

Eric Worley

Oct 10, 2020 Oct 10 at 12:24pm

TAM-PrimaryMarkB-16.jpgEric Worley

TCMT 612 - Technical Management Decision Making

Module 5: Discussion

Although I have only been employed at my current company for just over three months, the organization's strategy is clear. We are the premier energy technology company, leading the industry with novel ideas and new approaches to today's energy-related challenges. The company is also at the forefront of minimizing its and our customers' carbon footprints and reducing greenhouse gas emissions. Some key business objectives are as follows:

- protect the core business
- divest assets and companies that are not aligned with the growth strategy
- reduce carbon footprint and achieve net-zero carbon equivalent emissions by 2050
- diversify the business beyond traditional oil and gas (power generation, electric transmission, renewables, hydrogen, etc.)
- establish significant position and investments in non-metallics (composites, material science, etc.)

The organization's core competitive advantages are size/scale, global footprint, financial health, human talent, established brand, and organizational systems and framework.

I am continually assessing technology adjacencies that align with the organization's strategy and integrates well within its current framework. These provide long-term value-added products and services for our customers, ultimately delivering continued growth and returns to our shareholders, employees, and communities where we work. Specifically, I plan to adopt the portfolio objective weighting spreadsheet example in Module 5's content. It will help me prioritize which technologies we should dedicate resources to and invest in.

Eric Worley

ewworley@tamu.edu

Edited by Eric Worley on Oct 10 at 12:36pm

Daniel Day

Daniel Day

Oct 11, 2020 Oct 11 at 4:04pm

Eric, I also like the idea to use the tools illustrated in the module content. Does your company already have any established methods for project evaluation? I wouldn't be able to tell at my current level, but I wonder how often various company management teams are able to take advantage of institutionalized knowledge and systems like this. Your introduction of this

method to your company could create lasting value for the company, even after you've moved on.

Tom Cappucci

Tom Cappucci

Oct 11, 2020 Oct 11 at 6:20pm

Eric,

net-zero carbon emissions is something I anticipate many companies striving for in the coming decades. what technologies are you seeing as most promising to push your organization to achieve the 2050 goal? Does your company have interim milestones/goals between now and 2050?

Jonathan Weiss

Jonathan Weiss

Oct 24, 2020 Oct 24 at 7:48am

Eric,

It sounds like your company is on the cutting-edge and properly preparing for the paradigm shift of utilizing less fossil fuels, which I think is certainly going to continue to gain traction. Your company covers some very important advantages. The business model seems to be a recipe for success. Not only is your company thriving on a hot topic, it sounds like they're preparing for the long-haul and anticipating changes that will come in the future, which is just as important.

John Mullins

John Mullins

Oct 24, 2020 Oct 24 at 10:21pm

Eric,

You have a very good understanding of your company for a 3 month employee. Has your company issued a mission statement of how they plan to achieve Net-0 by 2050? My company just rolled out our objectives to achieve that same task. Phase 1, close 6 coal plants by 2023 and install solar farms and battery storage. By 2030 all coal power plants will be converted to solar and battery storage. By 2040 start phasing out gas power plants for solar, battery storage, wind, and other new technologies.

Tyler Gilbreath

Tyler Gilbreath

Oct 10, 2020 Oct 10 at 10:39pm

Amazon's core strategy is to be the world's most customer-centric company in the world. This means that every decision our organization makes it does to further meet the needs of the customer, sometimes before the customer even knows they have the need. A great example of this is how Jeff Bezos started Amazon by just selling books online. Then the business evolved into recommending books to the customer and offering suggestions on books they may also like. Now Amazon has grown to include shopping for your groceries from home and having them delivered or prepared for you to pick up at your newest Whole Foods.

I feel like Amazon's greatest competitive advantage is its willingness to try new things and pave the way for new industries. When Amazon launched its Prime feature to guarantee 2-day delivery, this was new to the e-commerce industry. Amazon had to create a distribution network unlike any other to meet the demand for 2-day delivery. The other competitive advantage that I have seen at Amazon is their willingness to invest in new things and move on if they fail. Amazon has a saying that "Every day is Day 1" which means each day is a new day and we are here to learn and improve ourselves and the business.

The competitive advantages at Amazon have helped me to be more creative and bold in my decision making. I have been able to engage my team in the decision-making process to improve how we meet the customer's needs from different aspects of the business. Most

recently, I have been able to improve how my facility can improve their inventory accuracy as well as maintain the improved performance of our robotics through coaching and developing my team members that work with the robots.

Joe Williams

Joe Williams

Oct 11, 2020 Oct 11 at 11:48am

Tyler do you think it's a bit creepy that Amazon is knowing what the customer needs sometimes before the customer even knows they have the need? I can only imagine sitting on the toilet when all of a sudden I reach for the toilet paper only to find that I'm out. Then my house alerts me that my "Ring" has detected someone at the door, and it's a delivery person w/toilet paper!!

I'll agree with you that Amazon's greatest competitive advantage is its willingness to try new things and pave the way for new industries. I remember seeing a news special on Amazon being the next business model for corporate America because of the culture. Happy employees meant increased profit margins and brand loyalty. The news feature was about the warehouse workers and how it was "wear what you want, listen to what you want, talk to who you want, etc.." It was an entire culture of "do what you want, be yourself, etc..." and it was working and taking the business world by storm.

(1 like)

Brandi Greenberg

Brandi Greenberg

Oct 15, 2020 Oct 15 at 9:44am

Joseph, Thanks for the vivid image and the laugh this morning.

(1 like)

Tyler Gilbreath

Tyler Gilbreath

Oct 18, 2020 Oct 18 at 8:49pm

I think Amazon's drive to continue thinking about what the next thing could be is what keeps them successful as a First Mover when other companies begin to replicate their business practices. I think that is the downfall of many businesses that they become complacent with a great idea and the success it brought them, but they aren't thinking of what next. That is the Day 1 mentality that I have appreciated at Amazon. Day 2 companies let themselves dwell on what did or didn't go well the prior day instead of moving on to what they can do great today.

Tom Cappucci

Tom Cappucci

Oct 11, 2020 Oct 11 at 8:41pm

Tyler,

Amazon is a really interesting company, and seems to be unique in filling customers changing needs without skipping a beat. Amazon Prime 2-day delivery probably would fit really well into this weeks module as a "First Mover" example. Surely, Amazon has reaped the rewards of being the "First Mover" to guarantee 2-day delivery. Have you seen examples of any "Fast Follower" organization's who have attempted to enhance and build upon the concept of Amazon Prime?

Tyler Gilbreath

Tyler Gilbreath

Oct 18, 2020 Oct 18 at 9pm

I think Walmart is the closest I have seen to a company trying to replicate the 2-day delivery. I won't lie, I have purchased things from Walmart that were supposed to have 2-day delivery and they haven't been consistent with meeting that expectation. Amazon has spent an enormous amount of energy and money into polishing the 2-day delivery experience. It is consistent and reliable.

Carolyn Perez

Carolyn Perez

Oct 15, 2020 Oct 15 at 2:17pm

Tyler,

You hit the nail on the head with the competitive advantage of Amazon and their 2-day delivery. I don't think I know of a company, similar to Amazon, that has been able to differentiate themselves that well and not only become a "First Mover" but still maintain that status even when I'm sure other competitors are working to become "Fast Follower". The impact Amazon has had on the market is astronomical and there is a force to be reckoned with. I am not aware of other companies using rewards programs in order to resemble Amazon Prime and certainly nothing quite to the caliber of Prime.

Edited by Carolyn Perez on Oct 15 at 2:27pm

Jay Hembree

Jay Hembree

Oct 18, 2020 Oct 18 at 6:57pm

Tyler,

Is there a fear that someone could become a substitute to Amazon the way Amazon became that same substitute for brick and mortar stores? The convenience and immediate gratification of 2 day (or sooner) have helped Amazon grow. What initiatives are being taken to remain at the top. Most consumers will take ease and price above other considerations. Is there fear now that Wal Mart is taking an Amazon approach to online shopping or is there greater concern that an outside company might step in and take away business.

I like that you engage your team in the decision-making process to improve on meeting customer needs. I am sure every employee of Amazon uses its service. As such, I am sure there are many internal ideas on process improvements that come forward. Is that the case?

-Jay

Tyler Gilbreath

Tyler Gilbreath

Oct 18, 2020 Oct 18 at 9:11pm

I think the largest potential for competition to Amazon comes from the niche businesses that carry services or items that Amazon hasn't been able to serve to the Amazon Prime community. I think another competitive advantage that Amazon has over other companies is that they have changed the way a company can manage the logistics and delivery of items. Amazon Logistics is a growing part of our business that allows people to start their own delivery business with the support of Amazon. Essentially, Amazon has created an opportunity for people to start a delivery business that services the Amazon delivery network. Amazon does not have to acquire large fleets of delivery vehicles and trucks to transport their items. The Amazon vans you have probably seen in your neighborhood are actually owned and operated by someone else. Amazon found a very unique way of meeting their delivery needs without relying on already established networks like FedEx or UPS.

<https://logistics.amazon.com/>

Mitchel Garrish

Mitchel Garrish

Oct 18, 2020 Oct 18 at 8:04pm

Hi Tyler

Amazon's strategy is working; their initiative to have 2-day shipping for Prime members has substantially impacted my purchasing. For me, it is simply too easy to shop with Amazon. Large competitors already mimic it, such as Walmart offering 2-day shipping. First mover advantage seems to have worked in their case; As a Prime member, I rarely purchase items online through alternative methods.

Troy Philips

Troy Philips

Oct 25, 2020 Oct 25 at 10:14pm

Tyler,

I love the fact Amazon is so customer focused! They have mastered that strategy and I know a few companies that could learn a thing or two from y'all. I think one of the best things about Amazon is their customer service. I personally have order the wrong thing or accidentally order multiples of the same item and wanted a refund or exchange. There is never a problem and I never even have to talk with anyone. That level of customer first mentality is why I use Amazon.

Daniel Day

Daniel Day

Oct 11, 2020 Oct 11 at 3:33pm

My organization pursues a differentiation strategy. As a critical facilities management company, T5 differentiates its service by leaning on its technical reliability and ability to provide continuous uptime to its clients, regardless of equipment failure or maintenance requirements. It markets this differentiation in its company slogan of "Forever On", and its marketing materials which highlight the company's numerous recognitions from the Uptime Institute for Continuous Uptime, and Management & Operations.

T5 leverages its abilities in the competitive value chain in the Primary areas of Operations and Service, and in the Support area of Human Resource Management. All of the company's internal influence and systems engineering is centered around continuous operations without downtime. This is also the service that the company provides to its clients. Whether it is in engineered redundancies of systems, or competent and well orchestrated operations and maintenance by personnel, T5's operations and service distinguish itself from its competitors in the areas of service and operations. T5 also recruits heavily from the Navy Nuclear Propulsion Program for its operations staff. T5 has identified a pool of potential employees which are

already comfortable and familiar with engineering operations in a high-reliability environment. This reduces some of the training resource expenditure and also creates a ready-made culture of successful operations within the company.

I can incorporate these goals into my decision making by evaluating decisions in relation to how they will affect uptime and reliability of the site. I can prioritize site activities with respect to the risk to uptime that the activity presents, and the risk of not performing the activity. I can evaluate and rank projects as discussed in our lesson content with respect to maintaining our goal of continuous uptime.

Matthew Hudson

Matthew Hudson

Oct 12, 2020 Oct 12 at 9:17pm

Daniel,

It sounds as if your company is continually recruiting the best talent for each job and thus giving the customer a high quality experience. Given the operations of the company. With the need to ensure data from other companies is always accessible and with zero downtime relies heavily on competent staff. Everyone must work to achieve the companies strategic goals or other companies will be impacted. I have spent time in the Houston,TX Cyrus One data centers for work. Given the back power, air systems, flooding requirements, the goal of 99.9999% up time is not easy to achieve and I know you are doing everything possible to keep data flowing and machines running.

(1 like)

Daniel Day

Daniel Day

Oct 16, 2020 Oct 16 at 7:42pm

There's a large Cyrus One data center here in Dallas, as well, though I've never been there. I've heard, though, that it is huge!

Marc Farias

Marc Farias

Oct 12, 2020 Oct 12 at 9:32pm

Hey Dan,

100% reliability is a tall order and a huge selling point especially in the IT Service industry. With respect to competitors, does your company rely on proprietary or patented processes to stay ahead of the competition or is it simply marching to the company unwavering goal of “Forever On”? I would also think maintainability of the redundant systems goes hand in hand with reliability.

Daniel Day

Daniel Day

Oct 16, 2020 Oct 16 at 7:40pm

For the most part, I would say that the company does a good job of engendering buy-in from the operators to achieve its uptime goals. The company pays above market wages for operations staff, but in return is able to attract high-quality personnel that come onboard already having background and training in the kind of environment and expectations that T5 is trying to facilitate. Paying above market average also reduces turnover, as you can imagine, as staff know that this is where they're likely to get paid the most. And you're absolutely right about maintainability. We have concurrent maintainability on all of our critical systems, so even total shutdowns of particular lineups for major maintenance can be done without any outage to customer equipment.

Jeremy Meehleib

Jeremy Meehleib

Oct 12, 2020 Oct 12 at 11:11am

What is your organization's strategy?

Our organizations strategy was emblazoned on a “challenge coin” we had to keep with us at all times. Periodically at meetings, the division president would ask to see everyone’s coin and a cacophony of dropped coins would land on the meeting table. Those without their coin were met with much ridicule. The coin boiled our corporate strategy down to “Do it Better. Do it on Time and Do it Safely to meet the Customers Needs.” This philosophy was sometimes called our License to Operate.

What are the core competitive advantages of your organization?

A couple of the core competitive advantages of our organization was we were quite nimble in meeting customer requirements. Whereas larger corporations may have a host of approvals to make a particular change to meet a customer need; we could get the right people together to meet those needs without much delay.

We were also quite eager to make available laboratory resources to investigate product features requested by small operators. These operators are often not provided such resources. When leveraged appropriately this is great, but it can be taken advantage of and needs to be monitored effectively.

How may you incorporate the strategic goal in your decision-making process?

The last two years at my previous employer, the engineering director allowed us to make full use of the “Do it Better” portion of the organization’s strategy. We prioritized, developed and launched a host of initiatives during that time:

Revamping of a North American product initiatives request/development/rollout procedure.

Launch of more intense formation treating pressure interpretation training.

Development of a customer focused product brochure template to make product information more intuitive and less “technical”

Development of more formalized internal technical product information bulletins for our region and field engineering personnel.

Thank you,

Jeremy Meehleib

Matthew Hudson

Matthew Hudson

Oct 12, 2020 Oct 12 at 8:57pm

The coin challenge reminds everyone in the company that they play a part in the strategy and goals of the company. It also makes sure your employees don't forget the strategy. As a smaller company you also don't have the large overhead that must be accounted for given you the ability to get started quickly. This can be a market advantage in operating. Does this also mean you have certain line when it comes to large jobs that larger companies could have greater resources on certain jobs?

Jeremy Meehleib

Jeremy Meehleib

Oct 16, 2020 Oct 16 at 11:57am

Mathew,

With regard to company size and ability to respond to large jobs or quick gross market movements, yes, large companies can have an advantage. Where this comes into play in the fracturing services side of the oil and gas sector is in boom times. Large companies can siphon resources from other geographic areas to meet personnel and equipment demands in a particular 'booming' market. Smaller companies have less resources to react to such large and quick swings in markets and may not even have a presence in the specific market experiencing growth. Despite being nimble as a service provider, we just got a footprint established in South Texas only to have the market move to Midland after the down turn in the market in 2014-2016. The majors had facilities in each location long before the market movements. Being small, means we may not have those large capital investments already in place.

Thanks for your question.

Jeremy Meehleib

Christopher Huebel

Christopher Huebel

Oct 14, 2020 Oct 14 at 8:36am

Hi Jeremy,

I like the idea of having a challenge coin strategy. We used something very similar in the Marine Corps. We were presented with challenge coins when we arrived at a new unit or after completing a certain specialized training. These coins were always presented with the company's motto and ensured you were living up to these standards. The only difference is, when presented with a challenge, if you didn't have your challenge coin, you were ridiculed and to add to the insult you were the person buying the next round. We do something similar at our facility involving licenses. We go through a yearly training that "allows us to operate" and are given out cards that are signed by us after completing the training. They have printed on them our company's vision, mission, and other qualities we expect of our employees. I personally like the idea of a challenge coin better. Thank you for the post!

Best Regards,

Chris Huebel

Brandi Greenberg

Brandi Greenberg

Oct 15, 2020 Oct 15 at 9:41am

Jeremy,

The "Challenge Coin" idea sounds ingenious and would work very well within my organization since many are veterans. My company put ours on the back of our badges, so we always have it on us, but I am not sure anyone has a reason to look at the back of our badges. I can see people using the coin more regularly and taking it out at fidget times.

Being “Nimble” is one of our core values too. We expect each of our employees to be nimble. Do you see being nimble as being agile, thinking fast, etc.? Do you see a change in your team when you give this opportunity to “Do it Better”? My team loves getting in the lab and trying out some of their ideas, whether they work or not.

Jeremy Meehleib

Jeremy Meehleib

Oct 16, 2020 Oct 16 at 12:14pm

Brandi - The initiative to take advantage of the "Do it better" motto was able to materialize because of the vision of the new US engineering director. Prior to his hire, the company engineering direction was controlled by a single "voice" so to speak. Let's use that. It was not until almost an entire sea change in corporate evolution and structure that this engineering director was able to make these movements. This change energized the entire US engineering staff and broke down many barriers between the US and Canadian divisions leading to a massive increase in communication synergy. All of those initiatives had been boiling under the surface but politics and management style prevented them from materializing until things changed. There's always a way to make things better if you are open to change.

Thank you,

Jeremy.

(1 like)

Carolyn Perez

Carolyn Perez

Oct 15, 2020 Oct 15 at 2:24pm

Jeremy,

Until reading your post, I had never heard of a "challenge coin". Coming from a non military background, I actually went to google to find more information about it. I very much like that the idea would help employees remember why they are there and instill a sense of camaraderie among team members. I also find that keeping the strategy on everyone's person would remind each employee constantly the companies values and goals. I think this concept would work

wonders in terms of team building, enhancing overall morale of a group, and ensuring each employee felt a sense of belonging to the group.

Edited by Carolyn Perez on Oct 15 at 2:31pm

Megan Wallace

Megan Wallace

Oct 18, 2020 Oct 18 at 3:14pm

Jeremy -

It's fun to see the different uses of challenge coins, especially in various industries! It's helpful to have a tangible reminder of your goals, especially once you hear that first coin slam on the table!

The importance of meeting customer requirements cannot be overstated, to be able to complete that efficiently is vital to a company's success. Offering additional resources to your smaller clients was probably greatly appreciated as well!

Jonathan Weiss

Jonathan Weiss

Oct 24, 2020 Oct 24 at 7:53am

Jeremy,

I like your company's strategy. It's straightforward and a recipe for success. Too many companies get sucked into the dollar signs and timelines, completely negating safety and quality. I can appreciate the efficiency of your company. There are definite drawbacks to large organizations, they can become cumbersome and inefficient. Your company having the ability to be "nimble" is invaluable. I'm sure customers recognize this trait, which encourages them to become returning customers and to also recommend your services to others.

Zachary Smith

Zachary Smith

Oct 25, 2020 Oct 25 at 10:45pm

Jeremy,

I think License to Operate philosophy you mention sounds great. It's direct, motivational, and you all had a tangible coin with you at all times to keep you all focused and motivated on the company's objectives. I also like how you mention your team being nimble. I think that is a great characteristic for company's to have since no two clients are the same. There is always a need to tweak the style of how we operate to accommodate for differences. My company is large and we do our best to accommodate for our client's different ways of operating but it's difficult for us to use our shared resources and expect for them to have multiple modes of operation.

Amy Hollabaugh

Amy Hollabaugh

Oct 12, 2020 Oct 12 at 8:04pm

The objectives at LANL (Los Alamos National Laboratory) is to achieve simultaneous excellence in nuclear security , mission-focused science, technology and engineering; mission operations; and community relations. I work in Mission Operations and our specific objective is to execute operations that are reliable and responsive to mission needs. Working in engineering services we provide a service to all programs across campus and we are supporting different programs for specific mission needs. In order to decide which projects take precedence over the other it all depends on which program is asking for our services and the level of importance to the mission. I work in one building and there are plenty of reasons projects are added or taken off the priority list but the main reason projects are pushed up on the priority list is because it is a critical component to achieving the mission, specifically in support of the weapons division. Understanding what the real priorities of the institution are, helps each division decide what projects we should all focus on in supporting to achieve the same goal. Some Engineering Services core competitive advantages to accomplishing the mission is that we are an in-house organization, we know what the customer wants and we have a wealth of knowlegde of all the procedures and approvals that meet DOE standards.

Edited by Amy Hollabaugh on Oct 12 at 8:19pm

Marc Farias

Marc Farias

Oct 12, 2020 Oct 12 at 9:10pm

Howdy Amy!

Thank you for sharing your departments strategies at Los Alamos National Laboratory. I can imagine the level of complexity involved when trying to prioritize some projects over others in your line of business. There must be several competing dependencies that have to align in order to meet overall mission success. I wonder if so much priority is focused on the weapons division, that it leaves the non-weapons divisions in a less desirable, deferred state, frustrating teams in those divisions.

Matthew Hudson

Matthew Hudson

Oct 12, 2020 Oct 12 at 8:49pm

The strategic objective of my company, Schlumberger, is to provide a full end-to-end service on an oil rig or within the oil services industry by providing a single point for all services, thus driving down costs for various jobs such as logging, reservoir software, drill bits, high pressure well heads, and other areas when operators are contracting for multiple services.

Because of the global presence of the company, we are able to offer services on every continent including deep water. Schlumberger is always looking for competitive advantage, to achieve this footprint we will typically buy companies that fit a niche in our offerings, generally when the market is low and businesses are looking for capital.

By merging, purchasing companies, and joint ventures we continue to expand into multiple areas while attempting to save money through each venture and provide a superior service to our customer.

By focusing on a strategic goal, it drives you to focus on how the decision relates to the final desired outcome. If I sell ice cream, does it make sense to buy waffle cones or make my own?

Each decision should create value to the business such as a cost savings, speed to deliver new cones or given a patron a warm fuzzy feeling when they walk into the store so they return.

Logan Presnall

Logan Presnall

Oct 16, 2020 Oct 16 at 1:04pm

Matthew,

When merging companies, I'm sure there are some growing pains and while they meet a need, does that take away from the R&D at your company? Or are the companies that are being acquired in such a niche market that it wouldn't make since to invest the capital to develop the technology yourself.

Rosanna Popa Rangel

Rosanna Popa Rangel

Oct 17, 2020 Oct 17 at 2:52pm

Matthew,

Great job on the description of Schlumberger strategies. I feel that being such a big company, as it is, it's essential to always be looking for that competitive advantage as you mentioned. It is important to expend less and generate more, in the case of this type of company, because of the high stakes they're involved in.

At Koch industries, we are also continuously buying new companies for the same reason you mentioned, expanding to multiple areas and saving money in the long run.

Thanks for sharing,

Rosanna

John Mullins

John Mullins

Oct 24, 2020 Oct 24 at 10:34pm

Matthew,

Would you say the mergers or acquisitions have helped set Schlumberger up for the future in regards to emissions reductions? With the oil markets down has there been key driver for balance sheet improvements?

Marc Farias

Marc Farias

Oct 12, 2020 Oct 12 at 8:49pm

Lockheed Martin is a huge enterprise with many business areas. I will focus on the F-35 Sustainment Aeronautics line of business because that is what I am most familiar with. Our three core strategies are engineering for sustainment, maintaining a cognitive supply chain and supporting 5th generation sustainment capabilities. My specific organization, Optimized Solutions, strategy is to improve F-35 fleet sustainment performance by providing timely, optimized solutions and key product support integration favorably impacting aircraft availability, full mission capability, supportability and lifecycle cost. Our advantage is that we have direct ties to production and engineering under the same company versus having to sustain a platform developed by a different manufacturer. Early on in my job, I did not understand the importance of a healthy supply chain. I think the more I learn about supply requirements and contracts, the more I can use the knowledge in my decision making process.

Bill Osburn

Bill Osburn

Oct 17, 2020 Oct 17 at 8:53am

Marc,

That is cool that you are involved in the F-35 program. That is the most advanced fighter on the planet as far as I know.

A great supply chain is so important in our organizations. Without a great supply chain, there can be issues of not getting parts on time or getting defective or wrong parts. It is great that you work with a company that supplies the parts that are required. With working in government contracts, I have seen how that can affect operations. I worked for a company that made our simulators so it was easy to get parts and upgrades as they were required. When another company took over the contract, it got more difficult to get what was required to keep the simulators operational.

Taylor Anderson

Taylor Anderson

Oct 18, 2020 Oct 18 at 10:19pm

Marc,

I work for MFC instead of Aero, but have also noticed the importance of a good supply chain. It is imperative to the successful completion of products and for LM to meet its overall strategic objectives. We also produce many of our own parts withing LM and I agree it is a huge advantage to not going out and having to outsource those parts.

Kacie Fischer

Kacie Fischer

Oct 13, 2020 Oct 13 at 11:59am

Good Afternoon Class,

What are the strategic objectives of your company? Some examples of specific topics you may elaborate on are:

What is your organization's strategy?

I currently work in the electric power delivery market. It is quite robust and competitive. Texas is unique in the PUC (Public Utility Commission of Texas) requires a separation of generation and electrical distribution. It makes for a more competitive market thus forcing electric delivery companies to provide competitive rates to customers. This is regulated by ERCOT (Electric Reliability Council of Texas). If you've never lived outside of Texas, most states have one company that does it all: generation, electric delivery, and electrical customer interface. This leads to less reliable services and higher rates for customers. Oncor's strategy is to capitalize on growing demand in Texas. This also includes absorbing other company's infrastructure by buying them up.

What are the core competitive advantages of your organization?

Oncor is the largest electric delivery company in Texas. We service over a third of Texas through Transmission/Distribution services (see service map below). Like I've stated before, I am still new to the company and industry, but from what I understand, Oncor's competitive advantages include capitalizing on economic development (mostly in the Western/North Texas region), investing in more automated systems/advanced processing technology, and investing in local business partners to strengthen communities and stimulate local growth.

How may you incorporate the strategic goal in your decision-making process?

Professionally, my decisions already align with the strategic goal of the company. The decisions we make as operators are 100% to ensure safe, reliable operation of the electric grid. By performing operations within company guidelines and given operating instructions, we are ensuring reliable power to customers and preventing Oncor from being federally fined.

Kacie

References

Oncor's Economic Development Ethos Link (Links to an external site.)

service map w cities-1.jpg

Richard Pearson

Richard Pearson

Oct 15, 2020 Oct 15 at 7:52pm

Kacie,

As someone who lives in North Texas, I have a strong love/hate relationship with Oncor :P. On one hand, they provide my electricity, and from what I can tell do a good job, but I swear the electrical infrastructure in my neighborhood is awful and it seems the slightest storm may knock our power out. Making matters worse, it seems we are always last to get ours fixed too! (I only kid a little bit).

Along the same lines, who does Oncor see as their customer? Do they consider the "energy" companies like Direct Energy or similar to their primary customers or is it commercial and residential customers like me? Does Oncor have any strategies related to customer satisfaction or similar? I have always had this love/hate way with how electricity is done in Texas; sure there is competition among the energy companies like Direct Energy and such, but does Reliant have any competition with the way things are setup? Is there any benefit for Reliant improving customer satisfaction (whoever that may be) if there isn't a risk of them being replaced?

****Daniel's topic above provides some thoughts on this****

Edited by Richard Pearson on Oct 15 at 7:55pm

Kacie Fischer

Kacie Fischer

Oct 18, 2020 Oct 18 at 4:58pm

Richard,

I am terribly sad to hear about this love/hate relationship! I take pride in working for a company that values its commitment to customers above all else! With Oncor being primarily associated with Transmission/distribution delivery, it has quite a large customer base. This includes small residential customers and large customers like the International Airport and Texas Instruments, and a variety of other commercial customers.

With respect to customer satisfaction/storm response, you have to realize that storms are a definite possibility and most storms wreak havoc on electrical equipment. Oncor's main priority is to maintain grid reliability (this is a regulatory function) and reduce customer's outages to as close to zero as possible. When storms hit, Oncor employees assemble all over Texas to where they are needed, they bring in contractors and extra bodies to work as quickly and efficiently as possible to get the lights on. With that being said, not all customers are created equally. Our high priority customers pay top dollar to minimize electrical transients and keep the lights on. Unfortunately, outages are worked through based on priority not necessarily first come first serve, and you can imagine why. You may just be the last on the priority list, SORRY! Oncor is also continuously working to improve its equipment and upgrade as necessary. Your substation may be due to some upgrading if it seems to be out ALL the time, so there may be hope for you! We also have a specific time metric to meet to restore customer outages (within reason obviously) which affects your pay, so there are incentives to getting the lights back on.

I am also new to the industry, so I am not sure how to answer your reliant question. As far as I can tell, Oncor is a much more reliable electric delivery service, which is highly competitive. We have absorbed 2 other electric entities since I've been at the company (< 1 year).

Kacie

John Schaub

John Schaub

Oct 17, 2020 Oct 17 at 12:51pm

Kacie,

Interesting working environment you are in. As you mentioned Texas has a competitive marketplace for consumers in that they do have a choice in the "provider" or servicer. Every two years I reexamine my providers service contract and shop for better prices etc. A simple search within Google of "Shopping for electric rates in Texas" leads to a plethora of choice. Between Gexa, TXU, Frontline Utilities, 4 Change, etc.. we are nearly flooded with options as opposed to some states in which power generation and delivery is noncompetitive. Where I grew up (Deposit, NY) electricity was and still is controlled by NYSEG alone-no competition so the strategy is simple for them, do nothing.

With such great competition in Texas, what is your biggest hurdle to jump to keep customers happy and returning?

Edited by John Schaub on Oct 18 at 9:49am

Kacie Fischer

Kacie Fischer

Oct 18, 2020 Oct 18 at 7:38pm

John,

Thank you for your reply! This is a good question. I am in operations and really have little experience with the customer service side of the house. From what I understand, most of our profit comes from the Transmission/Distribution electric delivery (our transmission lines service the distribution service providers, that is why most electric bills you will see a separate charge from Oncor for electric delivery and then a charge for usage to be paid to whatever service provider you go through (such as Ambit or Reliant), the Choice of the service provider is the customer interface, this is who tracks your usage, NOT the transmission delivery (can't really choose because our infrastructure is the only one that feeds those service providers point of delivery). Our company home page really highlights our community involvement and ongoing mission of expansion. It is clear that Oncor values its customers and sets high standards for its employees to keep the lights on and do so with safety in mind.

Kacie

Christopher Huebel

Christopher Huebel

Oct 14, 2020 Oct 14 at 8:25am

1. Natgasoline focuses on sustainable and safe solutions based on leading technology and refinement. The core elements of our business strategy include: Continuous improvement in safety performance, employee engagement, product quality, and environmental and social responsibility.

In doing so, Natgasoline's vision is to become the safest and most reliable methanol producer in the world.

2. There are several core competitive advantages associated with my organization. The first is location. We are located on the Texas Gulf Coast with access to the Neches river. This allows for international and domestic shipments via water. Our main feedstocks are natural gas and raw water. Being that we are so close to the river (about 100 yards) we have a plentiful resource. We are also located conveniently near six natural gas interstate pipelines that provide access to our other feedstock, natural gas. We also have the advantage of being a brand new facility. We have built this facility from the ground up and have only been in production for roughly 2 years. During the construction of the facility, we used the most up to date technology in order to provide a safe and well refined operation for our employees. We are also located along Interstate10 allowing for domestic shipments of product and incoming supplies via the roadway.

3. One of the main ways to incorporate our strategic goal into our decision-making process is to put safety first. While pure methanol production is one of our top priorities at the refinery, doing so safely is the ultimate goal. Safety is involved in every decision we make and is always a top priority. If it can't be done safely, it won't be done and other solutions will have to be decided upon. We also involve our employees in our decision making process. This engagement with employees offers a different view rather than just budgets and charts. This gives the employees and opportunity to voice concerns and "lay eyes" upon possible issues that might arise. Most of our employee involved in this process have been at this plant since its initial birth. They know the ins and outs of the facility better than anyone on earth. We also take environmental and social responsibility into our decision making process. We take into

consideration the impacts on our local environment, especially because it is one of our main feedstocks. We are also located near several suburban areas. So we take into account the social aspect as well. In our decision making process, we always start with a few general questions. Is it safe? Is it socially and environmentally conscious? Do we have employee engagement? Does it change the process? These questions allow for us to continually incorporate our strategic goal into our decision-making process at all levels.

Amy Hollabaugh

Amy Hollabaugh

Oct 15, 2020 Oct 15 at 8:33pm

Christopher,

I find that most companies are now prioritizing safety of not only their own employees but also the surrounding communities that they serve. I am happy to see that safety is becoming the priority over the bottom line, I think this helps employees feel valued and encourages loyalty which then makes the company even more successful because they are being supported by their employees and the community surrounding them.

(1 like)

Rosanna Popa Rangel

Rosanna Popa Rangel

Oct 17, 2020 Oct 17 at 2:56pm

Chris,

As you may know, I identify with the safety first in the strategic goals. In my company, working as a Process Engineer, this is my department's main goal, from my point of view. Ensure that every design, every decision, and every equipment we buy will provide the safest service while it's running. We also take environmental and social responsibility into our decision-making. Since we design equipment with high NOx and SOx emissions, we need to comply with Federal and State regulations to ensure we're safe. Also, with our operators, we try to make sure that we need to put them in jeopardy, from analyzing noise levels of the valves we purchase, in a specific part of the process, to blowdowns and vents and the addition of silencers. All of this is close to home for me.

Thanks for sharing,

Rosanna

(1 like)

Kaleigh Philips

Kaleigh Philips

Oct 25, 2020 Oct 25 at 10:01pm

Howdy Christopher!

I mentioned this on another response, but the same is true here. Being in a safety organization I love seeing safety bring a priority for more and more companies. I truly believe that a company's commitment to safety results in an employee's commitment to the company. Between the focus on safety and giving employees a voice through the engagement you mention in the third question, it seems like your company should have a high employee retention rate!

Thanks for the great read.

Kaleigh

Richard Pearson

Richard Pearson

Oct 14, 2020 Oct 14 at 9:14pm

My company (American Airlines) provides its strategic objectives for the entire company on a yearly basis. Over the last 2 years, there have been 3 objectives have been expanded upon based on the previous year's results. It should be noted that a lot of this has been thrown out the window due to COVID, but these were our objectives heading into 2020.

The first strategic objective for the company is to "Build American Airlines to Thrive Forever". A lot of the focus on this objective is financial, but there are other focuses such as infrastructure and business agreements as well. Some of the action items associated with this objective include; generating \$X billion in free cash flow over the next 2 years (paying down debt and increasing liquidity), continuing airport development projects, deliver on our global competitiveness initiatives (gaining regulatory approval for joint venture opportunities and

such). As an engineer, one of my main goals is to reduce our operational costs. By helping to reduce our costs, I help the bottom line by potentially adding to those cashflow reserves.

Our second strategic objective is to “Create a World-Class Customer Experience”. This objective is focused on improving the experience of our passengers now and into the future. Some of the action items associated with this objective are producing operational excellence, growing our global network, and delivering an industry-leading customer experience. Though I may not have a lot of input on where our airline flies, I do have direct input on the operational excellence and customer experience. As an engineer at AA, I am responsible for ensuring a high level of reliability for the area I am responsible for. By improving the reliability of the component, I help ensure the operation runs on time improving our operation metrics and improving the customer experience (they get to their destination on time).

Our third, and probably hardest strategic objective, is to “Make Culture a Competitive Advantage”. Some of the action items associated with this objective are to create an environment that cares for our team members, enhance our culture of safety, become leaders in diversity, equity, and inclusion, and develop leaders who are trained and equipped to lead. At AA, the company has put safety as a number 1 priority, and it is engrained in each employee from the start. All employees are empowered to raise their hands if they believe there is an unsafe situation and there are many initiatives to improve on-the-job industries. In my role at AA, I help improve these by helping mentor co-op/intern students, help preach safety initiatives, work with our mechanics to create safe work environments and tasks and work with my team members to create collaborative environments (no work silos).

As I mentioned before, COVID has thrown a wrench in all of this, it will be very interesting to see how these objectives change going into next year.

Amy Hollabaugh

Amy Hollabaugh

Oct 15, 2020 Oct 15 at 8:45pm

Richard,

I think the entire airline industry is going to have a complete overhaul of how they do business. I wonder if this is going to lead to more innovative solutions to using re-circulated air or even a complete re-design of the aircraft. It seems to me that whenever an industry is faced with an

obstacle that's when innovation has time to bloom. It will be interesting in the next couple of years to see how COVID will affect so many industries and what comes out of it.

Richard Pearson

Richard Pearson

Oct 16, 2020 Oct 16 at 7:27am

Amy,

I completely agree. If you read any of the news, you will hear a lot about air travel not returning to previous levels until 2023+. While I tend to agree with this, I think the biggest change is going to be the composition of the customers flying at that time. Currently business travel makes up a large portion of revenue for MAJOR airlines. I think going forward that group is going to shrink due to companies realizing that virtual meetings can suffice at a fraction of the cost for what used to cost a flight, hotel, and more.

If you look at the headlines the last 2 days, you will probably see that there was a report that showed that there is a 99.99% chance of not contracting the virus on an airplane. That report was done by United States Transportation Command and you can see a copy here (<https://www.ustranscom.mil/cmd/docs/TRANSCOM%20Report%20Final.pdf> (Links to an external site.)). I think the test is pretty good, but I am a little skeptical as it focused primarily on AEROSOL dispersion.

The report does have this interesting tidbit related to air exchange time to remove contaminants. The table below is from the report and indicates that a widebody aircraft will exchange all the air approximately 32+ times an hour, this is higher than your standard hospital operating room or isolation unit. I would expect these number to potentially be smaller for smaller aircraft, but I can't say for sure.

Capture.JPG

[Figure 28] David S., Sean K., Joshua S., Blake S., Ryan S., Peter S., Braden S., Steven D., Vicki H., Danielle R., Kevin C., Gabriel L., Wayne B., Mike M., Maximilian C., Russell A. (2020)

TRANSCOM/AMC Commercial Aircraft Cabin Aerosol Dispersion Tests.
<https://www.ustranscom.mil/cmd/docs/TRANSCOM%20Report%20Final.pdf>

Edited by Richard Pearson on Oct 16 at 7:28am

Rosanna Popa Rangel

Rosanna Popa Rangel

Oct 17, 2020 Oct 17 at 3:03pm

Richard,

I can only imagine the competitive environment and customer services high standards of AA is at its core. AA is an airline that has been in the transportation market since always, in my life, since I can remember. One of the things that always stuck with me, since I traveled for the first time in, can you guess it? American Airlines, was the fact that my mom always mentioned that it was the safest, fastest, and more reliable airline. As an avid traveler and client of AA, I can say that customer satisfaction is one of this airline's main strengths.

Competitiveness in airlines are usually closely related with pricing, but if you, as a client, can afford a broader price range, what you really want to obtain out of the experience is the assurance that you'll be at your destination on time, that the pilots are well-trained people, that the flight attendants are nice and polite, that there are no delays that could jeopardize a connection flight. In general, this will make the experience as a whole.

I might have extended a little bit here, but thanks for sharing,

Rosanna

Richard Pearson

Richard Pearson

Oct 19, 2020 Oct 19 at 6:32pm

Rosanna,

I'm glad your mom has such a great opinion of AA! Honestly, you can ask 20 people their opinions on any airline and you will get 20 different responses. Each airline provides something a little different than the other, but a lot of opinions are built on their location in the US and where they prefer to travel. It is actually a lot like our simulation in that sometimes it is just impossible to please everyone at any time!

Travis Metz

Travis Metz

Oct 18, 2020 Oct 18 at 7:36pm

Richard,

My work requires that I fly regularly from Houston to Seattle (or elsewhere on the west coast), and in light of differing COVID restrictions in place with different states, I am wondering if there will be additional mergers of airlines or downsizing of older equipment in the fleet in favor of having more capital available to weather this storm. Do you foresee AA using this hiccup to forge ahead and come out ahead of the competition with the addition of a new hub or an upgraded fleet? I think it will be interesting to see how the airline industry evolves as we continue to move forward in uncertain times.

Richard Pearson

Richard Pearson

Oct 19, 2020 Oct 19 at 6:28pm

Travis,

Every airline has been focused on reducing operational costs as much as possible. A large part of that is retiring older fleets. In normal circumstances, even though an older airplane is less efficient than some of the newer models, the plane is paid off and there is a balancing act of using a fully paid off asset versus a leased or mortgaged asset even if it is more expensive to operate. With COVID, airlines have been accelerating fleet retirements at a crazy rate.

Prior to COVID, AA operated 8 different fleet families (737, A320, 777, etc) with a total of 14 sub fleets. While we aren't 100% sure what things will look like post-COVID, there is a good chance AA comes out of it with a total of 4 different fleet families and a total of 9 sub fleets (these are the lowest possible numbers, decisions haven't been made on the A330-200 fleet as of yet). This simplification does a few things for us. Removing fleet families allows you to reduce pilots, lower part inventories, and rid yourself of potential leases/mortgages. This helps simplify the operation and lower costs across the board.

While the industry has taken a hit so far, I PERSONALLY believe that the worse is to come. A lot of experts are predicting bankruptcy, in particular AA, but it is going to be hard to see that happening. A year ago consolidation would not be possible due to various laws about maintaining competition, but as this thing drags on you may start to see some consolidation among some of the smaller carriers (Alaska/Jetblue), but hard to say for sure.

Joseph Ramirez

Joseph Ramirez

Oct 14, 2020 Oct 14 at 10:45pm

My organization, Instron a manufacturer of material testing machines, currently follows a differentiation approach. We focus on staying competitive by always trying to innovate and staying ahead in the latest technology in material testing. This requires a constant focus in product development and a full understanding of our customers' needs, while also ensuring our products are of the highest quality. These attributes have helped my company to build a strong reputation in the material testing industry.

My company really has a couple unique advantages against some of its competition. We offer specialty software for our machines and we offer a calibration/maintenance service that is more detailed than any competitor could provide for our machine. We also use a bundle pricing method by adding warranty, maintenance, and extra accessories so this adds extra value to the customers while adding more profit to my company. When customers buy our product, they are investing their time and knowledge in learning how to operate our machine and the software. This results in switching costs for our customer's to be high if they were to look into other testing machine manufacturers, due to training and learning operation of a new machine. Overall, it is our technology, reputation, and service that currently gives us an advantage over the competition.

Edited by Joseph Ramirez on Oct 14 at 10:47pm

Brandi Greenberg

Brandi Greenberg

Oct 15, 2020 Oct 15 at 9:42am

Joseph,

My company also follows the differentiation approach, but I feel like they rely heavily on the employees and show that it hires the best of the best, which is our advantage over others. The experience of the employees, the lesson learned from those employees, and our group's diversity. In your write up, you mention the technology, reputation, and service. Could employees be added to that list as well? That specialty software for the machines and the calibration/maintenance service must require people with the knowledge that you cannot just get from anyone, correct?

Joseph Ramirez

Joseph Ramirez

Oct 17, 2020 Oct 17 at 5:55pm

Brandi,

Employees are definitely added to that list. We are face to face with the customer and the relationship that we build with them can lead to a long lasting commitment to our company by the customer. Our customers actually get to know the field employees on a personal level at times due to the calibration and service visits and this has a major influence on our customers wanting to continue doing business with us. Also, some of our customers have tried third-party services for our machines but they usually end up back with us because of our extensive knowledge and customer service.

Logan Presnall

Logan Presnall

Oct 16, 2020 Oct 16 at 12:43pm

Joseph,

Great insight, in my organization we are constantly developing new products and services that meet our customer demands as well. With specialty software and equipment, is your company constantly improving on one product or is there constant development of new products? We are always having to come up with new solutions to different problems due to customer requirements and I was wondering if you were having to deal with the same.

-Logan

Joseph Ramirez

Joseph Ramirez

Oct 17, 2020 Oct 17 at 6pm

Logan,

I would say we do a good amount of both. We continue to improve our current products by making changes to the machines that maybe make it more efficient or improve safety but we also try to develop new products to stay ahead of our competition. Customer requirements do change, so we have to stay consistent with them. If the customer needs maybe added safety then we will try to improve our current product with an added safety feature. If the customer needs a new type of technology to add to their testing then we will try to develop a new product.

Jeremy Meehleib

Jeremy Meehleib

Oct 16, 2020 Oct 16 at 12:49pm

Joseph,

The integration of switching cost into company strategy is something that is so prevalent in our society now that it almost goes unnoticed, at least in the consumer market. I'm curious what

the analysis is of the actual price threshold is before the inability to switch to other market options is a disadvantage?

I have been in businesses that have been merged with other companies and, over time, a previous company's engineering initiatives to standardize or even specialize make "standardization" of equipment in the newly formed company all but impossible. Equipment can only be used in a particular geographic area because they are incompatible with equipment in other areas. If moved, the entire fleet must make the journey along with the operators that know how to run the equipment. You can just run down a rabbit hole. Too many of these moves could cripple a company with maintenance inventory costs.

Anyway, from a sellers point of view, taking advantage of switching cost is ingenious. It even works with low cost items. I believe Gillette razors is often the item referenced for simplicity. The single double edge safety razor blade is the money maker and still made today. You have to have market penetration for it to be a valid option I would imagine though.

Thank you.

Jeremy Meehleib

Brandi Greenberg

Brandi Greenberg

Oct 15, 2020 Oct 15 at 7:52am

What is your organization's strategy?

My organization's strategy is to give the United States Armed Service members an edge through technology while growing our revenue and profits every year.

What are the core competitive advantages of your organization?

My organization has a profound technical legacy, and veterans make up more than 40% of our employee-base. We link discovery and action to support military readiness at the point of need. Our unique agile engineering methodology aids rapid solutions across the Department of

Defense, Live, Virtual, & Constructive training, cybersecurity, digital and wireless network architecture, software development, modeling & simulation, and more. With a diverse set of expertise and capabilities, uncommon insights, we deliver unparalleled solutions through this broad experience.

How may you incorporate the strategic goal in your decision-making process?

My project has to align with the overall organization's strategy by supporting the DoD and the US Armed Services while developing a technological edge over the competition. I am continually looking for ways to provide the support my customer requires, looking for ways to improve what we already do, be more efficient, and broaden my contract base support by growing the engineering services we provide.

Bill Osburn

Bill Osburn

Oct 17, 2020 Oct 17 at 9:05am

Brandi,

I see that a lot of us are involved with government contracts in some way. I like that 40% of your workforce are veterans, especially since they know how the armed forces work and what they require. A civilian off the street is sometimes hard to train in aspects of military and government operations.

Your company has its hands in a lot of pots it looks like. Experience is a great asset to have when engineering new solutions. Always having an edge over the competition is key to success in an organization. Organizations just have to figure out where they can compete to get that competitive advantage. Sometimes it is with experience, sometimes it is offering the lowest cost, and sometimes it is just with great service.

I like your statement about improving what you already do. A lot of companies just continue with the status quo and end up in a bind when an issue comes up because they were not forward-thinking.

Brandi Greenberg

Brandi Greenberg

Oct 17, 2020 Oct 17 at 9:34am

Good Morning Bill,

The company I work for started as a Non-Profit, providing engineering services to DoD, and the group I work for bought itself from the non-profit and turned it into a for-profit company about 15 years ago. We have always been pro-military and pro-veteran. At one time, we were 70% veteran, but it has slowly changed over the years. Most of the long term employees and senior management are retired or prior service. It helps with the types of contracts we go after and the support we provide. Having that military background to draw from gives us a competitive edge over some other bidders.

We have contracts with every branch of the armed services providing engineering services, with wide ranges for "problems" to solve. It is exciting and fulfilling when you get an answer that someone else could not solve. We do a lot of thinking outside the box, which helps when you have a workforce from many different backgrounds.

To me, if you are not learning something every day, it is a wasted day. We are gaining knowledge and trying to improve on what we do for our customers. I have a "lessons learned" meeting once a month, and all my employees are encouraged to add to the spreadsheet when they learn something, and then we go over it as a group. I think it helps the younger engineers to see that everyone makes mistakes, and if we learn from that mistake, we are failing forward!

John Schaub

John Schaub

Oct 17, 2020 Oct 17 at 12:37pm

Brandi,

Fact! Your "agile engineering methodology aids rapid solutions across the Department of Defense". Many of the discoveries from your company leads to innovative products and services that defense corporations deliver to the warfighter. LM, Boeing, etc.. all play a role in

providing new and innovative products and services. It is this healthy competitive relationship we have that enables expansion in science.

Would your company find themselves a strategic leader through differentiation?

Brandi Greenberg

Brandi Greenberg

Oct 17, 2020 Oct 17 at 1:39pm

John,

I would say our differentiation is through our unique people. Our people have varied backgrounds which are mostly hard sciences, and work experiences. With 40% or more coming from the military we can offer engineering services that are unique to most other companies.

(1 like)

Kassie Mobley

Kassie Mobley

Oct 18, 2020 Oct 18 at 11:04pm

Brandi,

Thank you for the post and the insight on the work that you do. Your organization is unique in its employee base as well as the advantages you listed. It sounds as though that your given strategic advantage are such that it could be difficult to make any changes given that you have such a strong advantage. Is this something that you confront when wanting to implement change? If so, how do you handle that?

Brandi Greenberg

Brandi Greenberg

Oct 19, 2020 Oct 19 at 3:51pm

Kassie,

I see our changes and advancement in the way we conduct business and make better solutions. Most of my company is all for that. They want our advantage over others to get stronger all the time. In the last three years, we have begun training neuro networks with artificial intelligence to gain a strategic edge over our competitors. Our senior management was ready and willing to support those changes. If the changes are requirements for new equipment, better or faster machines, different testing equipment, they cause more headaches for senior management. If I have the answers to all the questions in the first round of meetings, I have a better chance of getting what I want. I try to think of all the things my managers would ask, how much it costs, the ROI, how this change makes us better, the downsides, etc.

Carolyn Perez

Carolyn Perez

Oct 15, 2020 Oct 15 at 2:02pm

What is your organization's strategy?

My company's strategy is to solve complex challenges, advance scientific discovery, and deliver innovative solutions to help our customers keep people safe. My company strives to be the supporting customers' missions, strengthening security, and advancing scientific discovery. I think we focus on understanding and identifying the customer's needs so that the company can offer an appealing product and still charge a premium value for our products. LM emphasizes the value added elements of leading edge technology into the products we develop for our customers help keep us in the differentiation strategy.

What are the core competitive advantages of your organization?

Some of the competitive advantages of my organization are brand recognition, technical and management capabilities, the ability to develop and implement complex integrated systems, new technology, the relationship LM has with it's very long list of suppliers as well as the

relationship with the United States Government. Producing fighter jets, laser weapons systems, airships, and drone capabilities are all advantages that then our customers look to us in order to see what they as a country can accomplish

How may you incorporate the strategic goal in your decision-making process?

I think one of the main ways to incorporate the strategic goal into my decision-making process is to always remember who we work for and who we serve. I think that line is used frequently at Lockheed to encourage employees to stay committed and work harder in order to achieve contractual and company stretch goals that are set for each group and function. Another way is keeping our workforce diverse. We hire incredibly intelligent people from all walks of life that I think helps us not only maintain a competitive advantage, but helps us in our decision making as well. Keeping the customer as the main priority and looking and working with a diverse workforce is what, I think differentiates us from others.

Edited by Carolyn Perez on Oct 15 at 2:10pm

Richard Pearson

Richard Pearson

Oct 15, 2020 Oct 15 at 8:05pm

Carolyn,

The strategy you listed is more or less what I would have expected from LM. LM is solving a lot of complex problems and I would say is on the leading edge of technology. Does LM have any strategies related to their people? I would imagine being on the cutting edge of technology and solving these complex issues would require the company to invest in their people in some manner, whether that is training, schooling, etc.

Jeremy Meehleib

Jeremy Meehleib

Oct 16, 2020 Oct 16 at 1:15pm

Carolyn.

Thank you for your post.

The combination of "advancing scientific discovery" and "identifying customer's needs", for a company like LM, has got to involve a mix of high level Yin and Yang dynamic idea sharing with the customer and art.

Companies working on "bleeding" edge high impact technological advances are challenged by not only advancing toward a customer need but discovering material properties and technologies that may actually completely change the characterization of opportunities eventually available to the customer.

Having a customer dependent upon you for ACTUAL discovery, is quite a marketing advantage.

Thank you,

Jeremy Meehleib

Logan Presnall

Logan Presnall

Oct 16, 2020 Oct 16 at 12:21pm

My organization's strategy tends to be first-movers. we provide top of line technology, with key features that our customers have asked for. This can be a challenge because we are always having to create new ways to meet the demands of our customers, while still meeting our contract milestones.

The competitive advantage that my organization uses is differentiation. We are always striving to put out the best, most technically advanced products we can prior to any of our competitors. This leads to us getting a number of contracts that we would otherwise lose out on, sometimes we hit more issues than were foreseen with this approach, but in the end, we deliver a product that leads the industry.

I incorporate the strategic goal in my decision-making process, by ensuring that all my projects align with my company's business goals and values. We have to stay in lock step with the organization so that we can continue to deliver high quality products to our customers.

Joseph Ramirez

Joseph Ramirez

Oct 17, 2020 Oct 17 at 6:12pm

Logan,

This all sounds familiar when I compare your organization to mine. We put out high quality and advanced testing machines but this results in a pretty expensive product compared to our competitors. We also lose out on contracts due to customers maybe going the cheaper route, but we add more customers than we lose due to our high-end product and the customers we target. Our reputation has gained us very loyal customers and continues to help us against competitors.

Troy Philips

Troy Philips

Oct 25, 2020 Oct 25 at 10:25pm

Logan,

I sounds like a pretty cool place to work. The opportunity to create cutting edge tech for customers seems challenging but also very rewarding at the same time. While my company sells "out of the box" software, we do lead the market when it comes to pushing for new technology. Thanks for sharing!

John Schaub

John Schaub

Oct 16, 2020 Oct 16 at 3:31pm

What is your organization's strategy?

LM Aeronautics Sustainment: At Lockheed Martin, The Flight Line is the Center of Gravity™ – it's where we are delivering integrated sustainment capabilities to ensure our customers' aircraft are mission ready anytime and anywhere. Because minutes matter, Lockheed Martin's 24/7 operations centers and sustainment engineers partner closely with the customer to solve new challenges and meet the needs of the flight line.

F-35 Sustainment Modifications Upgrades and Overhauls (MUO) Ops Strategy

Vision: An elite Team of professionals respected across the company, our industry, Pos, Services & International Partners' for our servant-leadership, expertise, transparency & teamwork in planning, integrating and supporting world-class execution of Depot aircraft and component restorations, modernization operations.

Mission: Provide World-Class sustainment operations (Modifications, Upgrades and Overhaul) products and services to drive "Best-in-Industry" outcomes and results. To be clear: Our focus is on the "fixer" and ensuring their beliefs and experiences on our platforms match the operators who fly them.

What are the core competitive advantages of your organization?

Our core competitive advantage is differentiation through innovative fifth generation and beyond fighter aircraft development, and more importantly, sustainment. While we hold our core competitive advantages as proprietary information; I can state that our division utilizes a diverse skill set to provide leadership a cost effective product to the end user via five sets:

Right Methods (tactics): Disciplined data-driven ops mgt process (PDCA)

Right Resource: Numbers; willing & able; skilled; experienced; available; engaged

Right Machine & Material (environ): Right plan, supportability, budgets, facilities, equipment, materials, execution

Right Participative Behaviors: Safe...secure...culture of problem-solving and creativity balanced with compliance ... a place people like to come to work ... inclusive, dignity, courtesy, professionalism and respect

Right Measures (controls): Forward looking ... current ... integrated ... synchronized

= Right Outputs & Outcomes (Cost Effective Readiness)

How may you incorporate the strategic goal in your decision-making process?

Decision making will play a monumental role in all the five items from question 2. Narrowing our focus to item three, (3. Right Machine & Material (environ): Right plan, supportability, budgets, facilities, equipment, materials, execution). We can clearly see how an analytical decision process can play a key role in budget creation and cost baseline calculation. This is

not to mean we will create the cheapest solution and execute in the cheapest way, it would mean utilize the analytic data driven process to better utilize the precious financial resources we have. Decision making should be driven by data, not gut feeling.

Edited by John Schaub on Oct 16 at 3:35pm

Jacquelyn Lopez-Barlow

Jacquelyn Lopez-Barlow

Oct 18, 2020 Oct 18 at 4:18pm

John,

You mention that decision making will include all five advantages to make sure specifically that the right machine and material are used. What data do you collect to help make decisions? I see both qualitative and quantitative areas that information could be used to provide input for decision making but I am interested in your approach.

Jacquelyn Lopez-Barlow

Jacquelyn Lopez-Barlow

Oct 17, 2020 Oct 17 at 12:31am

There are several strategic objectives that LANL has to meet our mission. LANL's mission strategy is to solve national security challenges through scientific excellence for:

Deterrence and Stockpile Stewardship

Protecting Against Nuclear Threats

Emerging Threats and Opportunities

Energy Security Solutions

LANL objectives are grouped into four categories- Nuclear Security, Mission Operations, Community Relations, and Focused Science, Technology, and Engineering. Our core competitive advantage is that we are the only national laboratory with specific expertise, and we can perform specialized scope. We also have established partnerships with other organizations in our industry that we can leverage expertise to meet our customer's needs.

As a program manager, part of my responsibility is to meet LANL's objectives in addition to my customers. Any decision I make will affect how we meet objectives, impact strategic execution, and how my program adds value. I incorporate strategic goals during our annual planning cycles when we are establishing a high priority project, updating production plans, and implementing risk mitigation plans. There are instances where I have had to decide to adjust program priorities and strategies to realign with LANL's goals. Any modifications to our goals are driven by directional changes from our existing customers (product demand or schedule changes), unexpected events (COVID), supply changes, new information, and the emergence of new customers. Shifts to objectives do reflect Porter's Five Forces and it is more evident in some areas compared to others. LANL provides support to various industries, with some relationships more mature than others. Fluctuations are felt more in the less mature partnerships, but these areas are set up to be an advantage. We can use those organizations to determine the feasibility of future endeavors.

Joe Williams

Joe Williams

Oct 17, 2020 Oct 17 at 5:35am

Hey Jacquelyn, were you aware of the Company's strategic objective prior to being hired by the company? Being the only national laboratory with specific expertise, and the specialized scope, do you find that your peers and/or subordinates are constantly targeted by other companies and/or headhunting firms?

Being a program manager I can see where your focus in on your customers. How much time do you feel on a weekly basis you in particular are speaking with the customers? Several years ago I really started to put an emphasis on not only my time spent at work, but at home as well. I quickly adapted the thought process of asking "how does this add value" when making a decision.

Jacquelyn Lopez-Barlow

Jacquelyn Lopez-Barlow

Oct 18, 2020 Oct 18 at 2:44pm

Joseph,

I was aware of LANL's more visible objectives because I grew up in Northern New Mexico, and I had many relatives work there. It was not until I started my internship that I learned about more opportunities and focus areas. As an example, I did not know how much R&D LANL does in the medical industry for AIDs and cancer research. Our industry is unique as there are only a handful of other National Laboratories and contractors that support our missions. As with any company, LANL's objectives have changed as other Lab's objectives have changed, and DOE has updated mission assignments-- what do our customers need, and what are the priorities. For several years we did not bring in a lot of personnel who were external to our industry until we identified that we were about to realize an attrition risk due to a high number of expected retirements. At that point, we started opening up external job ads and attending college fairs. What was interesting about the college fairs, we met a lot of smart people who did not know that LANL was a place or what the Manhattan Project was. After learning this, the hiring staff adjusted their strategy to attract early career applicants. The top three reasons people leave LANL in my area are 1) too many requirements and regulations, 2) not enough R&D opportunities, and 3) they prefer to live closer to a big city. We struggle to attract critical positions, such as induction engineers because their skill set garners better benefits and bonuses in private industries rather than what government contracts can provide.

The amount of time I speak with my customers depends on what quarter we are in and what phase of a project we are executing. On average, I communicate with DOE multiple times a week, NASA at least monthly, and my Laboratory counterparts bi-weekly. Before COVID, I was traveling a lot (~2 weeks a month) because the face to face time is very important for what we do. Splitting my time between work and home is never balanced, and each week looks different. I try to set boundaries to let people at work know what is important to me, and when it becomes too much. The value I get with talking to my customers and traveling is building strong relationships, trust, and being able to influence decisions made at the federal level that could impact LANL and ultimately, my program.

Jonathan Weiss

Jonathan Weiss

Oct 17, 2020 Oct 17 at 6:32am

The company I work for is a large naval architecture/marine engineering firm. Over the decades, the majority of work that the company has undertaken was government contracts for the Navy and Coast Guard. Recently, we have been expanding our horizons to allow for more diversity. This has come in the form of designing and engineering high-performance recreational and commercial vessels, along with entering the oil and gas industry.

The company's goal is to grow exponentially over the next few years, making an effort to hire the best people in the industry and generating more profit. From my point of view, the

company is succeeding. I receive alerts every week for new hires, and it does appear that we are hiring some very qualified people along with opening offices in new locations.

Our core advantages are having highly qualified people and access to cutting-edge software to allow us to professionally and efficiently do our jobs. The company believes in complete professionalism and high-quality work. By maintaining these standards, the company has been able to maintain its competitiveness.

Mariano Paoli

Mariano Paoli

Oct 17, 2020 Oct 17 at 10:03pm

Jonathan,

It seems like your company is doing quite well since they are looking to grow exponentially. As far as expanding to the oil and gas industry, what is their plan/competitive advantage to get in such a tough market, and how do you think they will fare? Do you think the current economic climate in oil and gas will end up changing your company's objective?

Bill Osburn

Bill Osburn

Oct 17, 2020 Oct 17 at 8:41am

TCMT 612

Module 5 Discussion

Bill Osburn

What are the strategic objectives of your company?

Some examples of specific topics you may elaborate on are:

What is your organization's strategy?

Delaware Resource Group provides services for aircrew training. They have hands in all aspects of aircrew training. They are committed to providing outstanding aircrew training and logistics services for the government as a defense contractor. Their strategy is to win a government contracts by being the lowest bidder and the best option to win these contracts. They hire the best people available and do their best to keep costs as low as possible. They are fairly new to the industry in relation to some other big names out there, such as Lockheed Martin or Boeing. Their strategy is to win as many contracts as possible. Locally our strategy is to keep the simulators operational for training and to assure we can support all other simulator sites by assuring they have parts, finding parts to replace obsolete parts and equipment, assuring simulators are configured properly for training, documentation is correct, quality is upheld, and provide engineering services.

What are the core competitive advantages of your organization?

I think a competitive advantage that our organization has is the pride that people take in their jobs. This allows the company to do more with less. As a simulator technician, we always take pride in keeping the simulators operational for training at a rate of 100% if possible. They are required to be up 95% of the time. Even if our resources are cut down, we always find a way to get the job done.

How may you incorporate the strategic goal in your decision-making process?

Daily we have the strategic goal of keeping the simulators operational. A decision is made on a regular basis to transfer parts to other sites or get parts from other sites to repair a simulator or replace a part just used so that we are always ready to have the simulator available for training. Sometimes we must take a part from another simulator that may not be in use at the time and repair the simulator required at the time. Sometimes we move the crew to another simulator while we do maintenance on the broken simulator. That may not be a major decision in some eyes but if we take a loss due to a maintenance concern, it resonates all the way to the corporate office and within the contracting office with the government, To many of those and DRG does not get as many contracts.

Sarah Terrill

Sarah Terrill

Oct 17, 2020 Oct 17 at 8:47pm

How successful has this strategy been? How sustainable is this strategy? How does the company compensate the workers/technicians to ensure they don't burn out? I know that many government contractors fall victim to under-bidding which puts their profit margin (and long-term viability) at risk. I know that many government contracts I've worked with made it far just by having knowledgeable and effective employees who could ensure the success of the contract.

Bill Osburn

Bill Osburn

Oct 18, 2020 Oct 18 at 11:07am

Hi Sarah,

The strategy seems to work well for the company. They keep getting awarded contracts. I am not sure how sustainable it is, but they seem to have figured out that if it is not in the contract specifications, then they go to the government for more money. We are compensated well and fortunately, we can keep up with the workload, although the workforce is getting older and I suspect quite a few retirements in the next few years.

Ronnie Hurst

Ronnie Hurst

Oct 17, 2020 Oct 17 at 11:48am

What is your organization's strategy?

During a recent investor's call, our organization went over the following main strategies for 2020 that the company is prioritizing. The last two quarterly calls have obviously been quite different than normal due to the challenges from a global pandemic. As such, the company's strategy has shifted as well and really can be organized into four main points.

1 Covid Crisis Management Evolving policies, protocols and guidelines are a huge focus in order to keep our employees, customers and suppliers safe. This includes large pivots in IT infrastructure, increased diligence in sanitation and role tailoring to allow our employees to function while maintaining social distancing.

2 Business Continuity We are still here to support our customers and we have taken measures to make sure that our products and services are more available than ever. Our manufacturing centers have been adapted with barriers, sanitizing stations and shift changes to minimize contact between employees while keeping our manufacturing capabilities available to our customers. We are actively managing the backlog and our supply chains to ensure there are no disruptions to lead times.

3 Downturn Execution Cash management, cost reduction and market revaluation are major focuses to keep our organization healthy. This includes shifting manufacturing capability across divisions to support active markets.

4 Positioning for the Future We are remaining committed to our year 3 transformation plan and continue to prioritize internal investments to realize needed changes.

What are the core competitive advantages of your organization?

My company has a healthy blend of competitive advantages that come from differentiation strategies and segment specialization. We have a large, optimized manufacturing footprint local to our densest customer base. Our investments in this area have heavily outweighed our competition. We are a heavily focused service organization with dedicated teams that monitor and execute our programs. We continue to evolve and innovate these programs, outpacing our rivals, and making it difficult and expensive to switch. This allows us to build a very high fence around our install base.

How may you incorporate the strategic goal in your decision-making process?

Having a great understanding of a company's business objectives and strategy, allows you to make more effective and analytical decisions. This is accomplished by using a tool such as a portfolio management system that allows you to align the organization's business objectives with decisions. This tool allows decision-makers to apply a weighting system to objectives which can be matrixed into a scoring system. The necessary information and criteria is consolidated and in turn provides transparency to decision-makers.

Sarah Terrill

Sarah Terrill

Oct 17, 2020 Oct 17 at 8:36pm

Do you find it easier in your role to align your tasks with the company's strategy? I know that some of the objectives and strategies at my work are so broad it's almost as if we didn't have any. I like how your company has incorporated a portfolio management system to help with a statistical weighting of decision choices.

Ronnie Hurst

Ronnie Hurst

Oct 25, 2020 Oct 25 at 11:41pm

Sarah - I'm not sure I find it easy necessarily but it seems like it is always hit or miss. Sometimes I think company mission statements and objectives can be very broad. This is usually interpreted down to mid-level managers in a lot of different ways. Fortunately my managers up the chain are very tactical and do a decent job of breaking those broad goals into more clearly defined team and platform goals.

Rosanna Popa Rangel

Rosanna Popa Rangel

Oct 17, 2020 Oct 17 at 2:47pm

What are the strategic objectives of your company? Some examples of specific topics you may elaborate on are:

What is your organization's strategy?

Optimized Process Designs is a private owned company, established in 1980 and bought by Koch Industries in 1997.

Koch Industries created a group called Koch Engineered Solutions which conveys companies in the Refinery industry, heat transfer, EPC, separation, robotics, etc.

The strategy of KES is to create innovative solutions for our clients while staying competitive.

From Jim Hannan, CEO of Koch – Enterprises:

“ We want to be the preferred partner among customers, employees, suppliers, communities and other important constituencies. To do this, we aim to use fewer resources than our competitors while providing products and services that people value over their alternatives. This isn’t always easy—but we’d rather invest in our long-term growth rather than make a series of short-sighted decisions that ultimately benefit no one.”

What are the core competitive advantages of your organization?

Koch wants to maximize the potential of each of its companies.

At OPD, we pride in the relationships with our clients, offering a high standard of Process Engineering and Project Management. With a Engineering-Procurement-Construction approach, when we establish schedules for projects, we do the Engineering along with the Procurement and starting phases of Construction. Therefore, giving us a competitive advantage in the schedule, which translates to less money expend in labor and non-labor costs, and satisfaction of our clients.

We have a close relationship with our biggest clients, a relation that has grown throughout the years. That, along with the quality of our service, and the relationships we have with our vendors, gives us a financial advantage when it comes to bidding for projects.

Market-Based Management is the business philosophy and framework developed by Charles Koch that we apply to innovate, improve and transform ourselves in order to create greater value. Our MBM® Guiding Principles define who we are as an organization. We live by them daily, as they are essential to the creation of virtuous cycles of mutual benefit.

We offer Consulting and Fabrication services tailored to each of our clients to meet their needs and requirements.

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How may you incorporate the strategic goal in your decision-making process?

The decision process can be implemented in different ways.

These are the Good implementation practices:

Link decisions to strategy at high-level

Codify the linkage between decision objectives and business unit goals

Define clear, measurable evaluation metrics.

Digitalize the management system to collect project data

Implement discipline decision-making process

Appoint a senior manager responsible for collecting performance data, analyzing executing quality, and communicating the results.

Have a structured process to periodically evaluate the business strategy, portfolio metrics, and project objectives.

What we do:

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Sources:

<https://www.opdepc.com/> (Links to an external site.)

<https://www.kochind.com/about/business-philosophy> (Links to an external site.)

<https://www.kochind.com/companies/koch-engineered-solutions> (Links to an external site.)

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Megan Wallace

Megan Wallace

Oct 18, 2020 Oct 18 at 3:22pm

Rosanna,

First off, I love the graphics - I'm a very visual person and often get bogged down in a wall of text, but your infographic made it really easy for me to understand the key points your company strives to maintain. Focusing on long-term growth over short-term gain is an important point in most industries, so to be an option on the market that is willing to invest that kind of time must be helpful.

Rosanna Popa Rangel

Rosanna Popa Rangel

Oct 18, 2020 Oct 18 at 3:47pm

Megan,

Thank you for your kind words.

I'm a really visual person as well, and it's easier in this case since we have those infographics in every office and every conference room. We're a small company that is starting to dip their toes into deeper waters, bigger projects and different from what we've been doing lately.

Most recently we had a KES manager, from Wichita, Kansas, moved to Katy and start working as a Business Development Manager at OPD. Koch Engineered Solutions definitely sees an opportunity in our EPC company and we are working towards becoming the preferred EPC company for gas plants, fractionation and petrochemicals in Texas.

Thanks,

Rosanna

John Mullins

John Mullins

Oct 17, 2020 Oct 17 at 3:34pm

What are the strategic objectives of your company? Some examples of specific topics you may elaborate on are:

What is your organization's strategy?

Vistra Corps business strategy is to lead the electric energy with the safest, cleanest, most reliable, and affordable energy. This mission started several years back while in bankruptcy the company hired Curt Morgan to lead them to become an industry leader. The company was called Texas Utilities or TXU when heading into bankruptcy and after Curt was hired, he changed the name to Vistra Energy. The TXU name was rebranded as the retail division for Texas of Vistra Energy and the power generation was named Luminant. Once out of bankruptcy the company acquired 3 gas plants in Texas from Duke Energy and retired 3 Coal plants to start a portfolio transition from a Coal Power Generation to Natural Gas Generation. The next move was to expand outside of Texas to become the largest power generator in the US by acquiring Dynegy. The brand name Dynegy was kept as the retail name in the northeast as TXU would not resonate with customers in the North and the generation facilities were rebranded as Luminant. Now the company has a presence in all major regions in the US from Texas, California, Ohio, Illinois, Pennsylvania, New York, Massachusetts, Connecticut, Maine, Virginia, West Virginia, and New Jersey producing more than 39,000 Megawatts. Several more retail companies were purchased so that every state where power was being produced had a retail division. Now what? The company is transitioning to cleaner energy by shutting down coal facilities over the next 5-10 years and building solar farms and investing in battery storage.

What are the core competitive advantages of your organization?

Due to the company's size and presence across the US one of the competitive advantages is the procurement division. The company has moved a portion of its purchasing department to India reducing the cost of labor which accounts for the second highest factor of the budget behind fuel cost. Next was to use the company's size to leverage key accounts to control cost and reduce the markup that contractors have. Alliances partnerships with GE, Siemens, Fluor, BrandSafway, and Ameco reduced portions of the companies cost by an estimated \$80 million. Procurement also negotiated contracts with all the coal, natural gas, water, chemicals, etc. that are used for producing electricity reducing additional costs.

How may you incorporate the strategic goal in your decision-making process?

Instead of just focusing on the product and producing a profit, there are other variables that can be adjusted to maximize efficiency reducing cost and preparing for the future.

Grant Shirley

Grant Shirley

Oct 18, 2020 Oct 18 at 5:02pm

Hey John,

Vistra Corps has a great mission statement and succinct strategy. The procurement division being outsourced to India sounds like a definite competitive advantage in keeping costs down and trickling that into a lower price strategy allowing for cost leadership in your segment. It sounds like negotiations and partnerships are also key strategic foundations for sustainment. Thanks for sharing. It's interesting to see other industries strategies and competitive advantages.

Timothy Koontz

Timothy Koontz

Oct 17, 2020 Oct 17 at 5:52pm

Howdy Leaders.

What is your organization's strategy?

Diamond Offshore's Mission Statement is: "With respect for the lives we touch and the impact we make, we believe we are responsibly unlocking energy. Diamond Offshore delivers fresh perspectives to anticipating and solving complex deepwater challenges." This mission statement eludes to the Company's strategy, which is to support and improve the infrastructure to better support the customer with their mission that will ultimately lead the financial gains for the Company. The Company has adopted the Lean methodology to streamline operations and the infrastructure to be as efficient and to create maximum profits with minimum resources. The Company has focused on diversification from its competitors. Diversification allows for higher day rates with fewer assets that will increase the Company's profit margin.

What are the core competitive advantages of your organization?

The core competitive advantages of the Company is its infrastructure and its willingness to work with the customer. The infrastructure consists of the systems that support operations such as procedures and the management of those procedures. The Company's forward-

thinking allows its employees to devise unique solutions to solve complicated problems created from the struggling offshore drilling market.

How may you incorporate the strategic goal in your decision-making process?

I have incorporated the Company's strategic goal into my decision-making process when dealing with work issues and opportunities for improvement. The Lean methodology allows me to methodically evaluate problems and devise workable solutions that are efficient and ultimately reflect the Company's goal. The Company's goal of constant improvement allows for meaningful work on the infrastructure that ultimately leads to success for the Company and its stakeholders.

Kacie Fischer

Kacie Fischer

Oct 18, 2020 Oct 18 at 4:45pm

Tim,

As far as Diamond's competitive advantage of infrastructure, why do you think they've maintained as the industry leader? Do you think it's a prime mover aspect or do you think their leading edge in the industry coupled with excellent customer service just prevents new market entrants? It also sounds like innovation is highly valued there. Is there a specific example you could provide for the "unique solutions" used in the past?

Kacie

Sarah Terrill

Sarah Terrill

Oct 17, 2020 Oct 17 at 8:05pm

What is your organization's strategy? The Los Alamos National Laboratory (LANL) is a Department of Energy scientific laboratory. Per the official website: "We focus on integrating research and development solutions to achieve the maximum impact on strategic national security priorities. In addition, through our partnerships across government agencies, laboratories, universities, and industry, we deliver the best possible science and technology results for the nation." There is a strategy to be financially responsible to the public due to the use of government funds.

What are the core competitive advantages of your organization? Scientific excellence and the attraction of great scientific minds. LANL is the senior scientific laboratory in the DOE complex and has a long history of scientific leadership. This reputation attracts key scientists, and the goal is to maintain that reputation.

How may you incorporate the strategic goal in your decision-making process? In my position, I focus on the improvement of engineering procedures to ensure the projects and the facilities at LANL are handled in the most efficient and successful ways. Through successful projects, the laboratory can ensure they have the most up-to-date systems and equipment to ensure the programs handled at the laboratory are successful.

Mariano Paoli

Mariano Paoli

Oct 17, 2020 Oct 17 at 10:30pm

Sarah,

It seems like LANL has been able to maintain its scientific excellence reputation. Do you think that being a first-mover (first NNSA lab) has given LANL an advantage over SNL and LLNL? Also, as far as competition goes, do you foresee the possibility of a private newcomer disrupting the nuclear industry similar to what Elon Musk has done with SpaceX and the aerospace industry?

Jacquelyn Lopez-Barlow

Jacquelyn Lopez-Barlow

Oct 18, 2020 Oct 18 at 3:17pm

Mariano,

Sarah may have a different perspective but for my area (Nuclear Manufacturing). All the National Laboratories must work together to accomplish the various mission objectives that have been assigned to us and we each utilize our strengths. LANL and LLNL are the most competitive amongst the labs because we were set up to do similar scopes of work. The strategic competition was established on purpose to ensure no site could take advantage of the contracts or slow innovation during the cold war. There is a lot of integration that happens across the sites as directed by our customer requirements. The biggest advantage LANL has that private companies do not are how we contract to the various agencies in accordance with established laws and treaties. There are efforts to work with private companies to optimize missions and realize opportunities that we as National Laboratories cannot. Private companies such as Apple and SpaceX have a lot of available capital that can be invested with less red tape than a government agency can. LANL already partners with several private companies to execute our needs, as an example, I work with Space X, ULA, and Blue Origin to plan future missions and to identify launch safety requirements.

Mariano Paoli

Mariano Paoli

Oct 17, 2020 Oct 17 at 9:46pm

My company provides instrumentation and electrical (I&E) solutions to process plants. More specifically, the engineering department mostly focuses on the automation and controls of such facilities. The brands and types of control systems used vary from client to client, plant to plant, and even unit to unit. To separate ourselves from the system suppliers, my company is what the industry calls a system integrator, i.e., a system-independent company that provides automation solutions across different platforms. The company gets its value from a differentiation strategy. System suppliers typically only work on their platforms, provide standardized (out of the box) solutions, and lower their costs by outsourcing the work to other countries. My company focuses on the value it can provide to its customers. It offers custom solutions across multiple systems and focuses on face-to-face customer interaction. To support the organization's strategy, my company invests in training and hiring engineers with knowledge on various platforms; thus, giving our clients the value of dealing with one company instead of multiple. As a technical lead, decisions such as expanding my control system knowledge, providing training to other employees, focusing on customer support, and offering made-to-order solutions will help the company achieve its strategic goals.

Edited by Mariano Paoli on Oct 17 at 10:14pm

Joseph Ramirez

Joseph Ramirez

Oct 18, 2020 Oct 18 at 12:28pm

Mariano,

This sounds like a great differentiation strategy by your company and a good way for them to provide more value than its competitors. Customers will always want to deal with one company compared to multiple because it is more efficient. It is great that your company does this while also investing in its engineers because this in return adds more value to the customers. It is one thing to offer a great product but when you add great service, it only helps to gain and retain customers.

Edited by Joseph Ramirez on Oct 19 at 9:16pm

Kassie Mobley

Kassie Mobley

Oct 18, 2020 Oct 18 at 2:11pm

The business unit I work under is Asset Integrity. In recent years there have been changes made to the group's strategy. The new strategic priorities have initiatives that correlate to the priorities. This is similar to how the Business Objectives and Portfolio Objectives aligned in Topic 103 discussion of Module 5.

The organizational strategy is people, process, technology, integrity operations, safe analytics and communication. In the table below are broader explanations. In my group these new initiatives have resulted in the following changes

Budgets are done within Asset Integrity rather than with regions

Change in SOP responsibility (some have left our group and some are newly our responsibility)

The people in our group were already centralized. However, one did leave the group for another business unit since the work overseen by this individual was allocated to a different business unit as a result of the new strategic priorities.

We have taken a deeper dive into quantitative analysis and are reviewing older data with new processes.

Technology: we have used newer technology but it is still too new for regulators to accept reports so until more data and research are completed, we will continue to use the most advanced technology approved by regulators for work that needs regulatory approval. If there is an issue that needs further analysis we use other tools if it makes sense for with the given issue at hand.

Strategic Priority

Actions/Initiatives

People

Restructure groups for a centralized, efficient work force focused on critical thinking. This will facilitate a new organization with new capabilities and a new focus.

Process

One integrity group across the company with consistent performance measurement systems, continuous improvement with meaningful KPIs.

Technology

Advance current technology with focusing on enhancement data quality and processes, utilize industry leading technology as well as investing in advanced technology such as Artificial Intelligence.

Integrity Operations

Focus on prevention and monitoring of assets, adopt a new health monitoring strategy and annually review long range plans for integrity.

Safe Analytics

Commit to consistent comprehensive statistical uncertainty quantification through quantitative risk assessments as well as well documented safety cases for all assets.

Communication

Communicate strategic objectives and steps taken to accomplish those objectives to all employees by various, multi-dimensional channels of communication including but not limited to: Business Unit Meetings, work group meetings, One on One with people leader, podcasts, newsletter, lunch and learns and email.

Grant Shirley

Grant Shirley

Oct 18, 2020 Oct 18 at 4:58pm

Hi Kassie,

I like how you broke out the organization's strategic priorities through people, process, technology, integrity operations, safe analytics, and communication. This does a great job of showing strategic direction and priority for each segment of the department. It would be interesting to know if the business is a first or fast mover in regards to go-to market strategy. Thanks for sharing!

Megan Wallace

Megan Wallace

Oct 18, 2020 Oct 18 at 3:11pm

While my company is very small, we're still doing what we can to be competitive in the Managed Services industry, both in the B/CS area and beyond. We have a strong existing customer base, but are still looking to expand, so we've got a few steps planned in order to improve our position in the market. The main course we're taking is to apply for a DIR contract at the state level (Department of Information Resources). This will allow us to work with state agencies, such as Texas A&M, allowing us to grow our potential customer base and move us up the MSP chain in the area.

Our company mantra is "Bridging the Gap Between Technology and Business," so our main focus is to take as much of the IT work off our customers' plates as we can. In order to maintain our status, we strive to provide the best, most prompt service possible to each customer, regardless of how large or small their contract may be. This promotes a positive opinion of us from our customers, and increases the chances that they'll recommend our services to other entities as well.

Kacie Fischer

Kacie Fischer

Oct 18, 2020 Oct 18 at 4:39pm

Megan,

What is your role in the company and are there any decisions you make on a daily basis, or in general, to meet your companies goals? Would you consider "taking as much of the IT work off

your customers" to be your competitive advantage compared to that of your competitors, or is it something else?

Kacie

Taylor Anderson

Taylor Anderson

Oct 18, 2020 Oct 18 at 10:14pm

Megan,

When trying to gain a new client and focusing on which IT work your company can do for them, how is it decided on which pieces your company takes and which pieces will remain on the business?

More or less curious if your company has specific IT work that you specialize in and try to expand to new customers with those needs or if your company expands into new markets when gaining new customers.

Taylor

Grant Shirley

Grant Shirley

Oct 18, 2020 Oct 18 at 4:55pm

My organization's strategy is segment specialization, particularly in additive manufacturing and the aerospace industry. My parent company's strategy was the first mover within additive

manufacturing, creating the 3D printing technologies Fused Deposition Modeling (FDM) and Polyjet. The company is also unique in that it is also strategizing to be a fast mover for subsequent 3D printing technologies such as Stereolithography and MultiJet Fusion. The core competitive advantages of my organization lie in our pioneering, long-term market leadership in additive manufacturing, as well as high quality 3D printers and engineering grade thermoplastics. The company held the original patents for FDM and Polyjet techs but those have since expired. Now the organization must rely on its market leadership, quality, cost, and reputation to sustain. It's important that I incorporate the strategic goals of the organization into my decision-making process through upholding our reputation and quality in all aspects. As Quality Manager, all of my decisions should be to ensure the company's product quality and delivery times meet or exceed the customer's expectations to support our reputation in the market.

Ronnie Hurst

Ronnie Hurst

Oct 25, 2020 Oct 25 at 11:46pm

Grant -

It is near to hear of a company who has chained several fast-mover strategies together to create competitive advantages. Does your company rely on staying on the bleeding edge of technology to survive? Have they demonstrated the ability to also be a fast-follower in any spaces?

Damian Dalcour

Damian Dalcour

Oct 18, 2020 Oct 18 at 6:05pm

What are the strategic objectives of your company?

Strategic objectives are long-term and should be aligned with the organization's vision and mission. My company's strategic goals are one of the fundamental building blocks of their strategic plan. They have a high-leverage organizational strategy that all

members of the organization can benefit from. My employer has strategic objectives, but I will expand on two areas for the purpose of this assignment.

Business integrity is crucial to the success of a company. To attract better customers and employees, high ethical standards must be in place while reducing pressure from government regulators. According to Dr. Mackay, "Lockheed Martin's business success depends on our commitment to integrity. We do more than just comply with laws and regulations. We aim to do what is right every day."

Lockheed has a strategic plan that fosters an inclusive and innovative workforce. This enhances the organizations' competitive advantage and contributes to their high-performance. Lockheed believes in talent development, workplace wellness and safety, and inclusion and diversity. As a corporation, they are committed to defining a culture that does business ethically. It is their desire to make the world better by focusing on resources and research while developing their employers' skills. They understand this is what makes the corporation better as a whole

Robert Carrano

Robert Carrano

Oct 18, 2020 Oct 18 at 6:48pm

Damian,

There is no doubt that Lockheed Martin is successful when it comes to their objective. I think their business integrity is shown by their presence of multiple focuses while being located what seems worldwide. They have similar goals and beliefs of the Air Force, such as pushing for talent development, safety & wellness, and most certainly inclusion & diversity. I say both strive for excellence while promoting integrity first. It's no mystery why Lockheed Martin and the USAF are successful and similar, they work close together on many projects and share many of the same beliefs.

Robert Carrano

Robert Carrano

Oct 18, 2020 Oct 18 at 6:19pm

It is the objective of the United States Air Force to maintain global vigilance along with reach and power.

This is achieved by focusing on six key capabilities that give us the competitive advantage over other enemy forces. They are:

Air & Space Superiority

Global Presence

Rapid Global Mobility

Precision Engagement

Information Superiority

Agile Combat Support

While I currently serve as the Unit Deployment Manager (UDM) for my squadron and also work as network & system administrator, I directly support many of the capabilities mentioned above. My role as the UDM is to ensure that Airmen are trained and medically ready so they can perform anywhere around the world in which they may be called. As a network & system administrator I am tasked to establish and maintain networks which enable and allow for secure communication among joint forces so they may operate via land, sea, air, space and cyberspace.

Tyler Gilbreath

Tyler Gilbreath

Oct 18, 2020 Oct 18 at 9:34pm

Robert,

Is there another country that is used as a point of reference to how they manage their air force? Or would you say the U.S. is leading the way on management and deployment of an air force when needed? I don't know much about our military compared to other countries so I am curious what the leading indicators are for the United States Air Force knowing it is dominant in a certain area over another country.

Tyler

Jay Hembree

Jay Hembree

Oct 18, 2020 Oct 18 at 6:43pm

What is your organization's strategy?

Most of the Lockheed Martin Aeronautics F-35 business is with the U.S. DoD and foreign military sales. We have annual goals of reducing actual cost through innovation and continuous improvement, increasing sales volume while lowering price per aircraft from \$110m in 2016 to \$80M by 2021 (achieved a year early), and increase ROS from 8.9% in 2016 to 11.5% in 2021 (10.3% in 2020).

What is the core competitive advantages of your organization?

Economies of Scale is one of the largest. The U.S. Military primarily buys from Lockheed or Boeing military. The expansion into foreign sales during the past several decades with legacy aircraft sales opened the door for the F-35 to have 12 partner nations and another 9 agreeing to purchase the aircraft as foreign sales. It would be very difficult for another company to buy in at this point. Even larger companies (NGC, General Dynamics, etc.) have not been able to win large contracts in the last 10-15 years.

How may you incorporate the strategic goal in your decision-making process?

In our decision-making process we look at organization (6S), reductions in scrap and rework, Hours reductions, overhead cost reductions, direct charging costs, affordability projects, and continuous improvement initiatives. A few years ago, we would spend anything necessary to complete a project on time, and we have changed to a cost and schedule balance. Schedule is still paramount, but the 20% reduction in payment per aircraft has increased the attention to cost initiatives and the need for cost to be a larger consideration when making decisions.

Ken Wagner

Ken Wagner

Oct 18, 2020 Oct 18 at 9:26pm

For this industry I can imagine breaking into it would be nearly impossible. When you have a product that performs as well as the F-35, the government, which purchases large quantities, will not risk the possibility of a better product from a relatively unknown company. So as long as Boeing and Lockheed do not mess up then they get to have that privilege. When it comes to continually upgrading and innovating, where does the motivation come from? Is it primarily to stay ahead of any potential competitors, government need, or just to continue making better products?

Travis Metz

Travis Metz

Oct 18, 2020 Oct 18 at 7:05pm

My company's strategy revolves around employing a diverse fleet with complementary capabilities to push a hard, bottom-line driven mentality. This strategy allows the company to remain more profitable than much of the competition, although it does hide a dark side – the vessel operation and maintenance budgets are severely scrutinized, and as such, a much heavier toll is exacted on the fleet, much of which is notably old (we still have one vessel in river service from 1945).

The competitive advantages realized by my company are its presence on all three coasts as well as Alaska, and the multifaceted fleet. The fleet's capabilities range from ship assist and escort in major ports, ship bunkering operations (refueling), and transportation of clean petroleum products between refinery terminals and distribution facilities.

The strategic goal of maintaining and expanding revenue is something to consider with any major business decision, but the view of that goal should remain balanced rather than hard lined one way. My company unfortunately also keeps that strategic goal as the end game, and they do not hesitate to run the equipment as hard as possible and provide only the most minimal maintenance periods to keep the equipment running. With that, the strategic end goal of generating revenue must be something that is actively worked towards, but it would be more effective to do so with a more comprehensive, well-rounded approach that can be sustained more easily over the long term.

Tanner Welch

Tanner Welch

Oct 18, 2020 Oct 18 at 8:21pm

Travis,

As someone also exposed to vessel maintenance management scrutiny, I can thoroughly relate. What constitutes vessel retirement in your industry? For the vessel in service since 1945, what keeps her attractive to clients over the competition?

Travis Metz

Travis Metz

Oct 24, 2020 Oct 24 at 6:52pm

Tanner,

Having been in a few different areas of maritime, the across-the-board mentality is when the operational and maintenance costs outweigh the revenue from keeping a vessel in service is typically when the plug is pulled. The vessel from 1945 is more or less relegated to a floating bunkhouse, it's not fit for any kind of operational service in even the best of conditions.

Mitchel Garrish

Mitchel Garrish

Oct 18, 2020 Oct 18 at 8:27pm

Travis,

A proper maintenance strategy is something that seems to be challenging to implement in our industries. Over the years, my company has attempted to implement new strategies to prevent equipment downtime from under maintenance while limiting over maintenance. We have currently implemented a real-time monitoring system that will eventually assist us in implementing a condition-based maintenance strategy instead of a time-based.

Travis Metz

Travis Metz

Oct 24, 2020 Oct 24 at 7:07pm

Mitchel,

Condition-based maintenance is great, but oftentimes I have seen condition-based translate into failure-based repairs, and there are some maintenances that genuinely do need to be done on a schedule, whether it's on a known life cycle or happens to be OEM spec to maintain a particular operating environment or equipment warranty. Condition monitoring is fantastic, provided that the company is willing to spend for the equipment to be installed for such modern conveniences. Is your monitoring system passive or active (i.e. does it store the data stream on a server or hard drive, or is there a human continuously watching numbers)? Also, is this something that your company is doing in-house or do you have a 3rd party service setup to be the watchdog?

Tyler Gilbreath

Tyler Gilbreath

Oct 18, 2020 Oct 18 at 9:29pm

Travis, how often does your company replace ships in its fleet? Do they way the benefits of newer, more efficient ships against the cost of continual repairs of older ships like the one you mentioned?

I have worked for a company that will squeeze every penny from its equipment before finally replacing the equipment. It was extremely stressful and hard to keep the equipment in good operating standards.

Tyler

Travis Metz

Travis Metz

Oct 25, 2020 Oct 25 at 1:32pm

Tyler,

Replacing a vessel is unicorn-level rarity and only appears after every other cheaper option has been tried, and even then, chartering out from another company leads the pack. The newer vessels in the company are not necessarily huge upgrades to the older ones, as they were built with no oversight and generally underbuilt for their scope of service. I'm currently experiencing major penny squeezing, and it's a nightmare trying to get parts to keep even the new stuff running.

Mitchel Garrish

Mitchel Garrish

Oct 18, 2020 Oct 18 at 7:38pm

Is survival and business strategy? My industry has been struggling to stay afloat for years during this oil downturn. My company has cut costs, renegotiated contracts with suppliers, reduced headcount, and protected their cash. My company is "younger, smarter, stronger," as they would say, meaning we have the newest fleet with calculated investment in efficiency driving technology. Touting the newest fleet is a strategy to overtake our competitors in a highly competitive market. When making decisions, I need to consider the impact of every dollar spent and whether it is vital to the operation at hand. Additionally, thorough planning is now essential to reducing costs and maintaining a tight budget.

Tanner Welch

Tanner Welch

Oct 18, 2020 Oct 18 at 8:25pm

Mitchel,

Do you have any examples of the efficiency driving technology you mentioned?

With the majority of the deepwater offshore drilling fleet being the same age now, has your company introduced any new strategies to strengthen your competitive advantage?

Tanner Welch

Tanner Welch

Oct 18, 2020 Oct 18 at 8:17pm

What are the strategic objectives of your company? Some examples of specific topics you may elaborate on are:

What is your organization's strategy?

In a recent presentation at the Pareto Energy Conference, the CEO of Noble provided the following key areas of focus moving forward post bankruptcy:

Noble's "Core Values": honesty and integrity, safety, environmental stewardship, respect, and performance

Deepen Customer Relationships

Invest in our people

Grow in concert with customer needs

Drive operational efficiency

What are the core competitive advantages of your organization?

In a marketplace that offers very little differentiation in terms of product, as most competitors possess the same equipment, Noble has enjoyed a competitive advantage through the following:

A diverse and modern fleet

Noble is active in both shallow and deep water drilling

Strong customer relations

Noble's average fleet utilization has out performed the market by 25% from 2014 - 2020 (<https://investors.noblecorp.com/static-files/35cdecc6-9458-450f-8959-9f742fdde995> (Links to an external site.))

History, Brand, and Culture

Noble was founded in 1921 and has grown to be one of the world's most predominant offshore drilling contractors. Noble has implemented a people first focus since its inception which has led to strong employee loyalty.

How may you incorporate the strategic goal in your decision-making process?

My personal decision making helps drive the strategic goal of increased operational efficiency. By making clearer, more thoughtful decisions, I can have positive effects on the overall balance sheet of the company through decreasing non-productive operational time.

Tim Parker

Tim Parker

Oct 18, 2020 Oct 18 at 9:17pm

The quip about average fleet utilization out performing the market by 25% is definitely a boon to the organization. The question becomes, how did Noble get to be able to do this feat?

What initiatives are with your company that helps Noble outperform? You state that it's pretty much the same equipment and differentiation with products itself. So the relationships and effective use of resources seems like that is how you differentiate yourself.

Ken Wagner

Ken Wagner

Oct 18, 2020 Oct 18 at 9:22pm

Those are definitely great missions, there are many companies in various industries that I have stuck with over the years even if their prices are slightly higher. Most of that comes down to strong customer relations as well as the history and culture of the company. Even when companies get so large to serve millions of people, them making me feel like a valued customer is what keeps me coming. While your company is in a different industry, relations are always more important than other things.

Ken Wagner

Ken Wagner

Oct 18, 2020 Oct 18 at 8:41pm

The organization that I work for is the Nuclear Regulatory Commission. The mission of the NRC is to license and regulates the civilian use of radioactive material to protect public health and safety, promote the common defense and security, and protect the environment. The most visible job of the NRC is to regulate and inspect civilian nuclear power plants. We obviously live in a time where the operation of nuclear power plants makes people nervous. So the NRC creates guidelines and operational regulations to ensure that the power plants are operated safely. This goes to also safe storage of radioactive material. The core competitive advantage of my organization is that we are the only one and a government agency. The nuclear power plants of the military are maintained and regulated by Naval Reactors. My job is to work in cybersecurity within the organization. Due to all of the sensitive information that we have about all of the power plants, the systems need to be maintained so that foreign or domestic actors do not get that information which could cause harm to our national security. However in

my decision making, I do not really think about that. My goal is to make sure the systems are the most secure so that no information can be taken.

Tim Parker

Tim Parker

Oct 18, 2020 Oct 18 at 9:12pm

There is something interesting about the being a government agency, and you state that the NRC is the only one (a monopoly). What I'm curious though, is does this have negative effects on innovation and productivity?

So take the civilian nuclear plants for example. They would want innovation in how much fuel they use for power (efficiency and reduction in waste) and would need to get to a good price point and safety to be able to take more market share in power generation.

How does the NRC respond to balancing it's mission with the innovation coming from the plants it oversees?

Robert Carrano

Robert Carrano

Oct 18, 2020 Oct 18 at 9:15pm

Good Evening Ken,

The NRC is definitely essential, especially being the only organization and as you mentioned, being a government agency. It can be easy to lose sight of your purpose and the why for which you're performing your job. Not that you're dissatisfied or unhappy, but because you'd perform the way you do at any other company as well. With that being said, take note of why you're there. I find its good to remind my coworkers who get discouraged and need motivation. Sometimes they need a reminder of the bigger picture and how they play a part.

Respectfully,

Rob

Tim Parker

Tim Parker

Oct 18, 2020 Oct 18 at 9:02pm

What is your organization's strategy?

Hyster-Yale Group's core business is the manufacture of lift trucks. All operations are working to increase market share in the industries HYG serves. Current strategic focuses include: Creating more modular products that require significantly less engineering overhead to continue being able to match a forklift to exact customer needs. Develop a low-intensity product line to be able to start competing into the emerging markets in Asia. Electrify the internal combustion products that currently have no electric equivalent.

While focusing on the core lift truck business, operations focus is to increase digital sales and support initiatives with an eye onto industry strategy. The emerging technology group is focused on bringing new, transformative ideas into the core business such as remote sensing and telemetry, robotics and automation as well as new power solutions such as lithium ion and hydrogen fuel cells.

What are the core competitive advantages of your organization?

One of the biggest competitive advantages my organization has is that we are the only fork lift manufacturer that produces all ITA classes of forklifts. Our core market uses a differentiation strategy we focus on ease of use, operator ergonomics, low energy usage and productivity features.

We also have divisions and investments into new technologies such as hydrogen fuel cells, robotics and operational assist systems that we can compliment and integrate into the core lift truck business.

How may you incorporate the strategic goal in your decision-making process?

Knowing the larger scale strategies helps me determine which projects I need to queue up and work on. There are a lot of data science projects that can be done, in fact more than we

currently have personnel for. Keeping an eye on the strategic goals of the company ensures the work I'm doing has more value and exposure.

Harshvardhan Tirpude

Harshvardhan Tirpude

Oct 18, 2020 Oct 18 at 9:12pm

My current organization Hewlett Packard Enterprise or HPE is not only manufacturing the most servers in the world, but it also dominates the server market, wields power in the IT Services and Enterprise Infrastructure sectors. HPE's new strategy is to deliver IT-as-a-service, move to a subscription model, and be an optimization layer for multi-cloud deployments.

HPE has a competitive advantage in creating revenues because it enjoys a broad product portfolio, strong R&D, brand and procurement leverage, service and support offerings, and distribution channels

The company has adopted a combination of cost leadership, differentiation, and focus strategies to handle the competitive pressure.

Cost leadership strategy involves gaining a competitive advantage by lowering the cost. Cost leadership is the main generic strategy that HPE uses in various consumer markets.

Differentiation is another most used generic strategy to build a competitive advantage. HPE uses differentiation in combination with the cost leadership strategy to achieve growth objectives.

Focus is the third generic competitive strategy that encourages companies to concentrate their resources on expanding the narrowly targeted segments.

I can incorporate the strategic goal in my decision-making process by considering all the above-said strategies and goals and following the steps taught in the Portfolio Decision-making Process.

Jeremy Smith

Jeremy Smith

Oct 18, 2020 Oct 18 at 11:26pm

Harshvardhan,

Working for such a large organization that has been around for quite some time, it peaks my curiosity on how larger organizations are able to leverage many types of strategies simultaneously. How successfully do you think HPE incorporates these strategies? or do you think it is different for each business unit?

Kaleigh Philips

Kaleigh Philips

Oct 18, 2020 Oct 18 at 9:12pm

My organizations strategy is to “take energy forward” in a way that makes it safer, cleaner, and more efficient for people and the planet. There is also a focus on employee wellbeing and empowering people to be leaders in their own health at work, at home, and in their communities. I believe the core competitive advantages of my organization are that we are passionate about trying new things and revolutionizing the industry. I believe we look for innovative approaches to current industry issues, and then lead the charge in making a change that is better for our people and our planet. I think that each decision made should support innovation, cleaner and/or safer processes, and efficiency. Having this as part of the decision-making process directly ties the decision to our strategic goals.

Harshvardhan Tirpude

Harshvardhan Tirpude

Oct 18, 2020 Oct 18 at 10:14pm

Hi Kaleigh,

Which strategy do you organization follow - Cost Leadership or Differentiation Strategies? Are there any rival competitors? If yes how does your industry differentiate themselves?

Thanks,

Harshvardhan

Richard Pearson

Richard Pearson

Oct 24, 2020 Oct 24 at 11:07am

Kaleigh,

It is great to hear that your company seems to care about their employees and empowering them not only in the workplace but also in their communities. How does your company go about promoting this culture and helping their employees become leaders in and out of the workplace? While I am not aware of the size of your company, I know in my very large company (AA), it can be difficult to have this type of thinking outside of your small immediate group of employees.

Troy Philips

Troy Philips

Oct 18, 2020 Oct 18 at 9:14pm

My company's uses a differentiation strategy for the construction market. We can charge higher prices because of the market share and value added. Our corporate motto is to be the "one place", meaning we have built a software that allows contractors to use it during the estimating process from end to end. By doing this, we have positioned ourselves as a market leader because we allow them to use the same system throughout the bidding process while also giving organization wide visibility to bids. I think I naturally identify with our strategy of customer first. Making something that will make a user's job easier is our goal and having that clear goal makes decision making easier.

Ronnie Hurst

Ronnie Hurst

Oct 25, 2020 Oct 25 at 11:52pm

Troy -

I can see that the software tools you described would be very helpful to contractors. Was your company a fast-mover in this space? Meaning was this type of solution completely new to your customers? Or was it a fast-follower journey of taking something existing and improving the value it provides your customers?

Zachary Smith

Zachary Smith

Oct 18, 2020 Oct 18 at 9:35pm

I work at SNC-Lavalin which is a global engineering firm focused on providing engineering and project services to a variety of different industries. The strategic objectives, specific to my business unit, are:

Maximizing use of our High Value Engineering Center (HVEC)

Using our HVEC which is located in Mumbai, we've outsourced resources that allows us to offer the same services for a more competitive price to our clients.

Efficient conversion of work performed to billing to cash collection

Our projects are structured and staffed in a manner to keep close track of activities performed to initiate our billing process as quickly as possible. The more effective we are at monitoring and proving our work performance which in turn allows us to bill, the quicker we can collect the cash for the work we perform.

Transparent and accessible Key Performance Indicator (KPI) Data

Our projects/programs have very clear KPI objectives that are well communicated to everyone on the project and how they are an input to KPIs. This data is made available on a central data management dashboard (Microsoft Power BI) so our team and our clients have a good understanding of how we're performing on the project.

Jeremy Smith

Jeremy Smith

Oct 18, 2020 Oct 18 at 11:20pm

Zach,

The three strategic objectives you listed all seem to mention some form of optimization of profitability by creating a producer surplus. Therefore it looks like your firm relies pretty heavily on a cost leadership strategy in your business unit. How do you find the centrality around financial metrics impact you and your team? With these being primary, does this increase stress levels in order to maintain performance? I find the idea of cost leadership very interesting if your firm sits in an almost consultant capacity. What are your thoughts on this maybe providing a competitive advantage for your company?

Taylor Anderson

Taylor Anderson

Oct 18, 2020 Oct 18 at 10:07pm

What are the strategic objectives of your company? Some examples of specific topics you may elaborate on are:

What is your organization's strategy?

What are the core competitive advantages of your organization?

How may you incorporate the strategic goal in your decision-making process?

The strategic objectives of Lockheed Martin, specifically the Missiles and Fire Control Unit, is to retain current customers by increasing affordability and enter into new markets to attain new customers. There are many customers and products that LM has produced for many years and are the bread and butter of the business, but as years go on and new technologies are entered into the market, products eventually become obsolete. One of the goals of LM is to develop new products that are being requested in the market and compete with other companies to build a more affordable product that achieves the customer's goal. I would say the ultimate strategy for retaining the current loyal customers is to remain affordable. The programs are always implementing new affordability initiatives and trying to drive down the cost of the current product. The strategy for entering into new markets and gaining new customers is technology leadership. Many times gaining new customers and winning new contracts for new technologies is based on how fast can we develop the product successfully. While cost is a definite factor, speed, and being the first to successfully develop new technology is one of the largest factors. When making data-driven decisions, it's important to know which strategic goal we are working towards. Is it on an existing base program? or is it a development program that we are trying to win?

Harshvardhan Tirpude

Harshvardhan Tirpude

Oct 18, 2020 Oct 18 at 10:26pm

Hi Taylor,

Looks like your company follows a cost and technology leadership strategy. As your industry develops a new product, are you a first-mover or a follower? Is there any instance where the new product you launched failed and other followers took the advantage? Or your company was a follower and took a huge share from the market? Please share any experience.

-Thanks,

Harshvardhan

Jeremy Smith

Jeremy Smith

Oct 18, 2020 Oct 18 at 11:06pm

My company has actually just announced our new overall driving strategy last month. They call it "The Performance Strategy" and it is made up of three components: Strengthen the Core, Expand Go-to-Market, and Next Horizons of Growth.

Strengthen the core is in reference to putting people first through internal culture and customer centricity. This part of the strategy is obviously geared towards differentiation through performance and understanding customer needs.

The next part of the strategy, Expand Go-to-Market, includes investing in new technologies, powerful partnerships, and experimenting with alternative business models/market approaches. Here again, differentiation is being sought by creating barriers to entry and minimizing threats from substitutes in order to gain market share and create a first-mover competitive advantage.

Lastly, Next Horizons of Growth drives digitalization strategies, sustainability and new energy directives. For the O&G industry, this would be an attempt to further capitalize on first-mover advantages by accessing valuable resources that can block rivals. In the promo video, the slogan "First, Fast, Focused" is even used.

I find this new strategy very interesting considering our current module, as it directly corresponds with Porter's five forces model. It is abundantly evident that my company is following a differentiation strategy, as they are focusing on understanding and identifying customers' needs, so that the company can offer an appealing product and charge premium.

In being a lead project engineer, I can leverage these strategic goals to bolster one of the first projects go through our new partnership with the installation contractor to display alignment and be an example of this new overall strategy. In a practical sense, I can direct my interactions formal and informal to centralize around these three initiatives. For example, during a design review with a customer, I can facilitate how the products they are receiving focus on their needs. I also can leverage my past experience in alternative business models to help drive the company forward.