Introduction From The President

"Our people are our greatest asset" – Anyone who has used that expression joins a long line of the famous and infamous who have, to a larger or lesser degree either, at best, believed it and behaved in a way that substantiates that view or, at worst, used it as a palliative to pave a path out of a tricky human resource corner
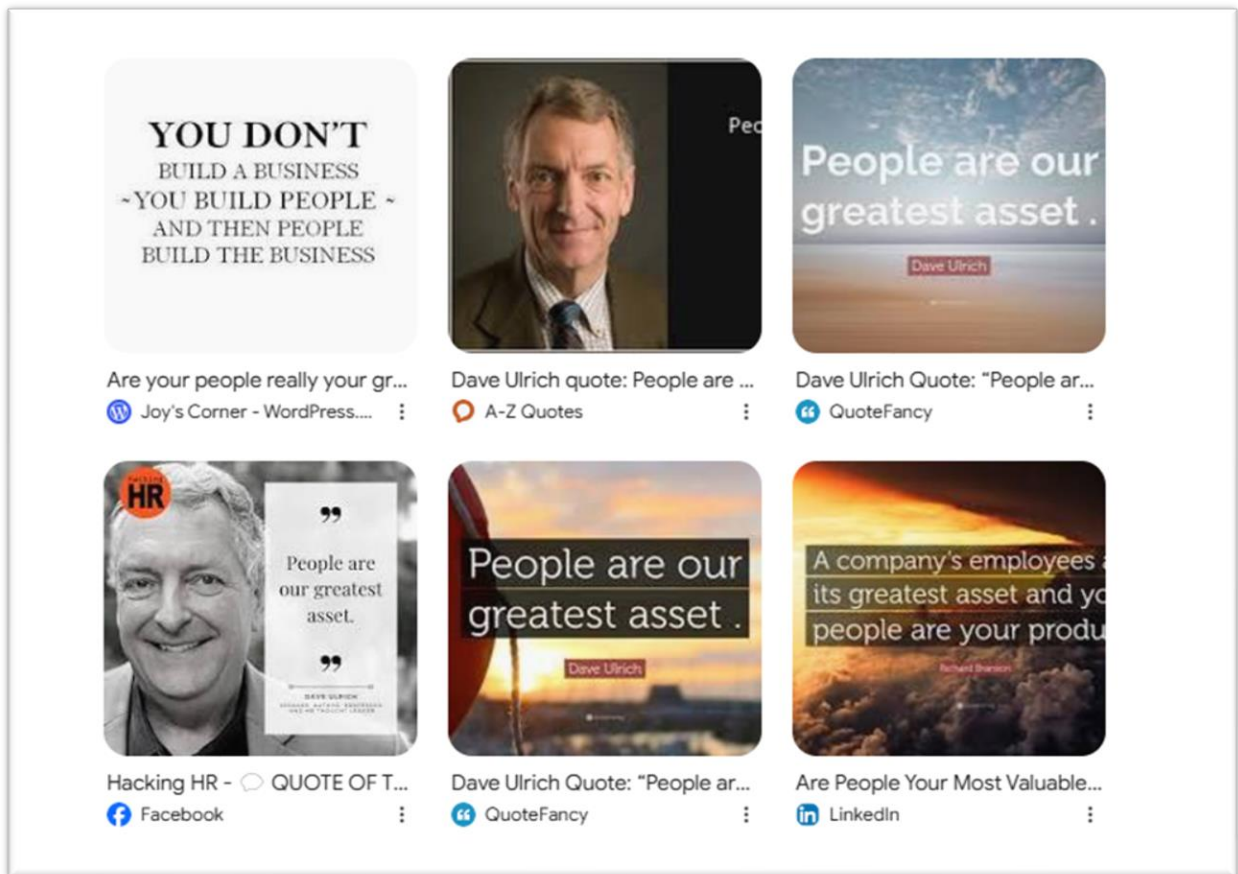
Which ever way it is stated the core truth is that an organisation's people firstly, should be at the very least AN asset (if it is not then it would surely be a liability) and secondly if they are an asset what other organisational assets could be their competition for the nomination of "the greatest" and do they stand up as real competitors?

Donald H Taylor discusses this point in his article commenting on a blog by Clive Shepherd *People are our greatest asset – you just can't say it*

You see, people generally are an organisation's most important asset, it's just you can't say so. Here's why….Clive says that people are important to their employers, but not as important as other key assets, for example:

1. the brand/reputation (Nike, Gucci, etc.);

2. fixed assets (property developers, landlords);

3. rights to natural resources (oil companies, etc.);

4. money (banks, etc.);

5. algorithms (Google, etc.);

6. secret recipes (KFC, Coke, etc.);

7. systems and processes (widespread);

8. its customer base/membership (MySpace)

9. patents (pharmaceutical companies, Blackboard – I wish).

He adds: Now, clearly if any of these organisations was to lose all its employees at once, it would be in a hell of a mess; but without their most valuable asset they'd be worthless.

Wrong.

For a few of these organisations this is true, but certainly not all of them. Yes, for those with large physical assets (property, oil, money) people may not be their greatest asset, but for Nike? Lose the brand, you lose some income. Lose the people, you have no income at all. He may, legitimately, mean that on Nike's books, the intangible value attached to its brand exceeds the cost of its personnel. That's true, but the cost of personnel is not the same as their value. While there is no agreed monetary measure for this, there are plenty of different ways of accounting for Human Capital (I count four: Accounting, Operational, Academic and Policy measures).

Furthermore, while Nike has a brand value, that value does not – unlike physical assets – exist independent of Nike's employees. Intangible assets are usually divided into three types (see Sveiby and Stewart for more on this):

• Human Capital

• Social Capital / Customer Capital

• Organisational Capital/ Structural Capital

These, in addition to an organisation's physical assets, make up its value. Since the mid eighties the quoted values of listed companies have substanially exceeded their book value (that is, the sum of their physical and financial assets), and the gap between the two is increasing, thanks to the increasing value of these companies' intangible assets.

How valuable are these intangible assets without the human capital to put them to work?

In some cases, the assets have a re-sale value. They are transferable. This is true of most patents. It is also true, to an extent, of secret recipes (but one should not disregard the know-how required to extract best value from these recipes). What about systems and processes? Opinion is split on this, but there is certainly a very strong case to be made that without an organisation's Human Capital such Organisational Capital is useless

In other words, I don't believe this claim that while people are important, they are not as important as other assets. It may be true for a few organisations holding massive physical assets but it cannot be true for organisations such as software houses which have huge value within their people and very little elsewhere. And in intermediate cases, I do not believe there is a strong case for assuming that other assets maintain their value without the employees to put them to work.

Clive's case has at least two things going for it, though. It is logical, and it is clearly stated.

The same cannot be said for most other arguments against "our people are our greatest asset". Let's look at three. The most common argument against the phrase runs like this:

1) Executives say 'people are our greatest asset'.

2) Hypocritically, they do not treat people as if this is true.

3) Therefore the phrase itself is wrong.

Spelt out like this, it's clear that the fault lies with the bosses for trying to hoodwink their employees, but cloud it with a few fine words and the logic is lost. Human Resources Magazine provides a good example, though, of how easy people find it to shoot the messenger.

A second argument is a truism dressed up as wisdom: "ah yes, people may be our greatest asset, but the wrong person can also be our greatest liability'. Yes – and? That's about as smart as saying "Yes, you can have a bank account, but as well as being in credit, you can also have an overdraft." Gosh. I'll put my euros under the mattress then.

The third argument against 'people are our greatest asset' hinges on the use of the word 'asset', and with this I have some sympathy, on each of its levels. On the emotional level, nobody likes to be thought of as an asset, an object of production, owned by the organisation to be deployed or discarded as the market or whim dictates

https://donaldhtaylor.wordpress.com/2007/03/20/

So the conclusion from that appears to support the view that people, as assets or otherwise are at least necessary for an organisation to function thereby harking back to the old economist definition of the factors of production being land, labour, capital and entrepreneur*.*

Some time ago Harvard Business Review came up with a headline that on the surface appeared to run against the grain of this view

People Are Not Your Greatest Asset *by Anthony J. Bradley and Mark P. McDonald*

Many of us in business have heard the popular aphorism, "People are your greatest asset." Some of us may even believe it. But is this sentiment reflected in our corporate cultures and the way our leaders lead? For the most part, no — and there's a reason for that.

People are not your greatest asset. Even great people are not your greatest asset. In fact, great people can be your greatest liability. If Enron wasn't enough evidence of this, the 2008 financial crisis has now given us plenty more. What about Lehman Brothers, AIG and Countrywide? Arguably, these companies employed some of the smartest business people not only in the room but in the world, and yet those same folks took their firms to ruin (or near it) and came close to causing a collapse of the U.S. economy.

So if it's not people, what is your greatest asset?

It's how you empower your people. Think about it. What is the primary purpose of a business organization? To assemble a group of people, who previously may have had no association, and empower them to accomplish productive work toward the organization's objectives. More effective empowerment typically equals more productive work. As leaders and managers, we are familiar with empowering people. We organize them into divisions, units, groups and teams. We provide goals and incentives to motivate them. And we enable them with authority, tools, resources and processes.

Social media ushers in new ways to enhance your greatest asset, because it is about empowering people to collaborate at unprecedented scale. With powerful implementations of social media, we motivate people to form communities around a meaningful and common purpose . We enable them with new technology, seed content, and guidance on desired participation. The aim is to facilitate "mass collaboration" and its accompanying behaviors.

For our book on the social organization, we studied hundreds of social media implementations and identified a set of key mass collaboration behaviors. Understanding them is critical to successfully engaging and empowering people.

Collective Intelligence

Collective intelligence is the meaningful assembly of relatively small and incremental community contributions into a larger and coherent accumulation of knowledge. Collective intelligence is not new, but the mass collaboration enabled by social media provides it at scales never before possible. Even the most modest individual contributions can be tremendously valuable when meaningfully combined at scale. Wikipedia, YouTube and Flickr are all social Web examples of collective intelligence. Each Wikipedia article by itself is relatively insignificant, but a million articles collected and linked together is highly powerful.

Expertise Location

Expertise location involves seeking and finding specific expertise in the masses of people and the often-staggering amount of available content. One view of expertise location is almost the opposite of collective intelligence. It is "selective intelligence," where the goal is not to collect numerous small contributions from many, but to find just what is needed. Crowdsourcing is a well-known example of expertise location.

Emergent Structures

Emergent structures are structures such as processes, content categorization, organizational networks and hidden virtual teams that are unknown or unplanned prior to social interactions, but that form naturally as activity progresses. The goal of emergent structures is to gain a better understanding of the true "nature of things" to more effectively organize, guide or interact with a community or its efforts. Social media, applied with transparency, can surface these structures.

Interest Cultivation

Interest cultivation is the forming of communities around a shared interest, with the goal of indirectly deriving enterprise value. Social media facilitates the mass sharing of interests like never before. Enterprises often pursue interest cultivation with the aim of engaging customers to enhance product/service utilization and enjoyment, improve delivery and indirectly spur sales.

https://x.com/went1955/status/1004981756255244289

So What do employees feel like the greatest asset?

In their editorial of Nov 2024 Customer Experience Magazine reports

"64% of employees feel disengaged at work"

According to a new report by Cognexo, as many as 64% of employees feel disengaged at work. The survey shows that out of 2,000 office-based employees across England and Wales, 45% feel undervalued, and 31% express concerns over limited career growth. Managerial support is a huge issue, with 52% of employees reporting inadequate resources and guidance from their line managers. In addition, 54% were dissatisfied with their onboarding experience, while 82% said their professional development needs remain unmet—a problem most pronounced among Gen Z (63%) and employees aged 55+ (57%) Moreover, the survey highlighted a gap between job expectations and reality, with 41% of Gen Z employees feeling their roles did not align with their initial expectations. Also, 35% of this group reported confusion about daily tasks, showing a need for more transparent communication and structure.

While 41% of employees said they would recommend their workplace, 35% indicated they would not. Those in the retail, catering, and healthcare sectors were the least likely to advocate for their employers. Despite 65% expressing confidence in senior leadership, nearly a quarter (24%) described their workplaces as disorganised, and 13% labelled the culture as toxic.

"What is clear from this research is that organisations need to cultivate environments where investment into employee development and inclusivity are woven into the fabric of day-to-day operations and where open communication is encouraged at all levels," said Dan Buckley, CEO of Cognexo.

Mental health support offered a brighter spot, with 67% feeling supported, but gaps remain—33% said their workplace lacks investment in mental well-being. Older employees and those in retail, catering, and healthcare were especially critical of this area.

To improve employee engagement, 52% called for better communication and feedback from managers, while 29% prioritized regular, constructive feedback. Furthermore, 54% sought greater efforts in diversity and inclusion, with gender, ethnicity, and neurodiversity cited as areas needing urgent attention.

[64% of employees feel disengaged at work, survey reveals - Customer Experience Magazine](https://x.com/went1955/status/1004981756255244289)

https://x.com/went1955/status/1004981756255244289

Flash Coordination

Flash coordination involves rapidly organizing the activities of a large number of people through fast and short mass-messaging, often spread virally. By effectively employing flash coordination, enterprises can more quickly marshal a powerful and sophisticated response to an important occurrence. We are now seeing the emergence of a new set of business sense-and-respond systems inspired by social-media-enabled flash coordination.

Relationship Leverage

Relationship leverage is the practice of effectively managing and deriving value from a prodigious number of relationships. Relationship leverage strives to maximize the strength of numerous weak ties and the power of unbalanced relationships. Facebook is all about relationship leverage. We can keep numerous people up to date on what we are doing and thinking with minimal effort. We only need to respond to those who choose to interact around something we exposed. We may sacrifice intimacy for scale, but that is the trade-off with relationship leverage.

Nest Steps

Examine these behaviors in the context of your business goals, major collaboration challenges, core business practices, etc., to determine where and how mass collaboration might empower your people to deliver strategic value to your organization and enhance what is truly your greatest asset.

https://hbr.org/2011/12/people-are-not-your-greatest

People are your most valuable asset. Only people can be made to appreciate in value.

Stephen R. Covey

Another viewpoint on the "greatest asset" vibe comes from "Leading Green" with their sustainability perspective in their article

"Tired of the statement 'people are our greatest asset' fronted by a rather scary visual that is hopefully not a photo of their HR director! The article does however raise the issue of the importance of employee quality in relation to customer service quality

When I see the statement 'people are our greatest asset' in CSR reports, on websites and in marketing statements. I am always tempted to dig deeper. It pays to look for positive proof that the statement can be backed up. In many cases disappointment often results! This phrase has become a modern-day HR & business cliché. Any CEO's tempted to use it should ensure that they have satisfied themselves that:

> *The organisation has put a bit more thought behind the phrase, and*

> *They personally have an understanding of organisational reality at shop floor or operational level.*

Our People are not Our Greatest Asset

Lets start with the Devil's Advocate counterpoint that sets out several reasons why People are NOT your Greatest Asset. The could range from: Only leaders and high performing employees are assets, all others are liabilities that need management

> *Employees are 'temporary labour units' and not a physical asset that can be a tangible item on a financial balance sheet; to your workforce is not your greatest asset because polls indicate that up to 85% are disengaged from the organization!*

Personally, I take great issue with the first point. We all know that individual leaders and entire leadership groups can be your greatest liability in organisations. Bear in mind the Swissair groupthink scenario as a cautionary tale

Swissair became so powerful and financially stable that it was given the stock market nickname "the Flying Bank." In time, the Board and its senior managers came to believe themselves not only invulnerable to the marketplace, to make bad decisions, but also morally superior to other airlines. There are many other warnings from history on the asset value of leaders and individual employees – reflect on Enron, Lehman Brothers, AIG and Countrywide!

My recommendation is to leave the safety of the C-suite. Go downstairs and spend time engaging with all tiers of the workforce. Not only to answer any questions but to evaluate for yourself whether your people are your greatest asset. Listen to what they are saying about the business and remain in listening mode. A previous CEO (Dr Ian Sword) inspired me to adopt this management practice a long time ago. It can be extremely tough but also rewarding.

Why?

If only 20% of a workforce feel 'engaged' with the organisation and its leadership, what is happening? Your people can be your Greatest Asset, but only if your leadership and management processes let them!

What listening can tell you (if people are your greatest assets):

Employees are at the sharp and pointy part of your company's interfaces – the first point of contact with customers and are 'living the dream' of what your customers are thinking. Richard Branson is a great figurehead leader but just ask Virgin media customers what they think of the group's customer service arrangements. These staff will have the ground-floor information on what, and how, your customers are thinking about the organisation. This allows them to:

> *identify customer trends;*
> *define and anticipate customer needs;*
> *resolve major problems before they escalate upwards;*
> *develop a view of what and when an organisation should pay attention to an issue;*
> *which customers are disengaging from the products and services on offer*
> *provide a wealth of information on organisational and product improvements*
> *based on their customer feedback*

A Leadership myth

It may come as a shock to leaders surrounded by attentive managers, but across many business value lines it is the employees that are the ones doing the work. They have the feet-on-the-ground perspective, knowledge and organisational understanding of how well your enterprise is working together or how efficiently it is getting the work done. This enables them to:

> *Identify inefficiency;*
> *Try to avoid trouble spots or show stoppers;*
> *Provide a wealth of information and insights into optimizing operational processes;*
> *Be innovative in the development of new ideas;*
> *Recognize cross-functional blockers as well as teamwork opportunities;*
> *Offer insights into customer communications and information sharing;*

Highlight or promote areas that working well; and
Diagnose when things are not working well and will let you know it without the
shield of management speak!

Yes, the last point can be a brutal dissection of what a manager has come to believe is the corporate worldview. Just try sitting down with a group of Glaswegian trench diggers for an hour as they demolish an organisation's health and safety culture and the gap between leadership reality and perception. It was brutal to be on the receiving end of that session but ultimately rewarding in what it revealed. There are few routes to find out what is really going on in the daily life of an organization without asking colleagues for that information and listening for information (not just opinions). If your people are your greatest asset they will tell you!

"What if, and I know this sounds kooky, we communicated with the employees."

https://www.shutterstock.com/search/employee-communication-cartoon

That article discussed in part the health and well being of employees. This is not only a key issue concerning production or delivery of an organisation's products and services but also a fundamental factor impacting productivity. The cost of these two factors in USA and Europe is estimated to exceed $500 billion. Such waste is generated not only by physical sickness but also by the psychological effect on employees not being employed in a climate that that makes them feel like their organisations greatest asset.

Johan Cronje of Integro Learning in South Africa explains the situation in his December 2024 article

Psychological Safety Matters More than Anything Else

Psychological Safety Matters More than Anything Else It's not the individual but the team that is the driver of sustained and long-term success in management and business. The 'healthier' the people and their relationships, the better the chances for success. The absence of illness does not suggest you are healthy; the same applies for a team. There is often the assumption that everything is fine with us in the team. Be careful, assumption is the mother of all cock-ups!

Conclusive evidence of numerous empirical studies to date confirmed that team leaders who create psychological safety and hold their team members accountable for excellence are the highest performers. Google with its 51,000 employees initiated an exhaustive research project recently, in and outside of Google, on what makes the 'perfect team'? To their surprise, they learned that psychological safety, more than anything else, was the most critical trait making a team work well and successful.

"Psychological Safety"; Psychological safety breeds 'healthy' people and 'healthy' relationships. It is a sense of confidence that the team will listen and not embarrass, reject or punish someone for speaking up. It is a team climate characterized by high interpersonal trust and mutual respect in which people are comfortable being themselves. A place that is safe for saying what you feel and want to say – taking the interpersonal risk for sharing unconditionally what's on your mind.

"The As If" Syndrome; Unfortunately psychological safety in groups is more the exception than the rule. What is more the rule is what is called the 'As If' syndrome. That is, people act 'As If' they mean what they say and say what they mean. The motivational cause is fear, a need to be accepted and corporate obedience. Grown-ups behaving like children in the face of authority, not like adults at all. They act as if being adult to play it safe. In fact playing a psychological game that always has a negative ending.

"The Workplace Mask"; At Google people are now taught not to put on a "work face" when they get to the office. No one wants to leave part of their personality and inner life at home. But to be fully present at work, to feel "psychologically safe", we must know that we can be free enough, sometimes, to share the things that scare us without fear of recrimination. Your words & your music, body language, tone of voice must correlate. We must be able to talk about what is messy or sad, to have hard conversations with colleagues who are problematic. We can't be focused just on efficiency. Work is much more than everyday labour getting the job done.

"Personality Differences"; Understanding how we differ and how to treat each other differently is essential to build trust, the corner stone of psychological safety. The DISC personality model is very useful. Behaviours that create psychological safety generate emotional conversations which are so necessary. These conversational turn-taking with empathy are part of the same unwritten rules we often turn to, as individuals, when we need to establish a bond. And those human bonds matter as much at work as anywhere else. In fact, they sometimes matter more. We all seek safety in our relationships that are important to us to express our thoughts, feelings, fears and hopes, naturally. The question is, do you enable team members to do that?

"Team Norms"; The best way to maintain psychological safety is with behavioural norms. Norms are behaviour patterns, "ways of acting", standards, unwritten rules that govern how we function when we are together. Norms can be unspoken or openly acknowledged, and their influence is profound. Team members may behave in certain ways as individuals – they may scoff at authority or prefer working independently – but when they gather, the group's norms typically override individual tendencies and encourage deference to the team. In fact, norms are behavioural contracts members enter into with each other and can only be changed with team consensus. They are managed and maintained with peer pressure within the team, an ongoing process. Norms are a social reality of any group of people. Make sure they help not hinder performance. Sources: Intégro Learning, Team Specialist Coach, Johan Cronjé; Harvard Business School professor; Amy Edmondson; Google Project Aristotle;

- Sources: Intégro Learning, Team Specialist Coach, Johan Cronjé; Harvard Business School professor; Amy Edmondson; Google Project Aristotle;

So where to begin to manage the issue of developing employees to both feel and actually be the organisations greatest asset. One way is to use a management model that explores the current environment with an holistic overview and generates actionable data from both a leadership and all employee point of view.

One such model is the icxi.com VECTOR model

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This model is used as the platform for

The International Employee Happiness and Wellbeing Standard IEHWS2023

The International Employee Happiness and Wellbeing Framework IEHWM2023

The International Employee Happiness and Wellbeing Navigator IEHWN2025

using criteria that drive a positive employee experience and wellbeing within an organisation. (see icxi.com for full details)

1.   Values Led Leadership

Whether formalised or not it is the sum and priority of the values that the leaders of the organisation share that is the foundation for the organisations culture. The degree to which employees identify with engage and support the culture defines the way the organisation behaves.

This has always been an area of key importance to every organisation and is to forecast to gain even greater importance in the future. In most parts of the world employees have long had the right to expect their employees to respect the applicable employment and labour legislation and to conduct the organisation in a socially acceptable and responsible manner. As the future evolves, organisational performance and standards in both the social and ethical arenas, driven largely by the new generations who have not only a stronger will and opinion on matters of national and international standards of organisational behaviour they are far less likely to even apply for employment with organisations that have a poor ethical or leadership record in any area, whether that be an environmental, social, racial, gender or religious bias. It is increasingly the best talent that is leading such attitude and behaviour so employers with a poor record or reputation may be divorcing themselves from the most effective talent pool. Such new generations are not only potential employees they are also actual customers and increasingly use the power of social media to negatively influence others both as employees and customers. Clear values led leadership is a foundation element for the creating and sustaining a positive employee experience.

2. Environmental Climate
The physical and emotional conditions in which the employee operates.

Many organisations, by the very nature of their business must operate in both difficult and dangerous conditions and every individual and team must take their own piece of responsibility in such organisations. Other organisations may have less challenging daily situations to address but all organisations must make the operational environment safe for themselves, their colleagues, and their customers.

The emotional climate is equally important in every organisation because emotion is the driver of both happiness and despair, and it is a well-researched fact that employees at the happiness end of the scale are more motivated, engaged, and responsive to the needs of their customers than those needs of their customers than those who feel suppressed needs of their customers than those who feel suppressed and unappreciated. This element became further complicated when the Covid pandemic forced a major switch to home working in many sectors. The challenge to organisations now goes beyond the Working from Home convenience preferred by many employees to the issue of how a positive, safe, engaging environment may be managed operationally, legally, and safely on both an emotional and physical level among what may be a widely dispersed remotely operating work force.

3. **Career Control**

The degree to which the employee feels they have influence over their personal development. Some employees have very high levels of personal ambition and see advancement up the organisation as their goal, others care less for management responsibility in preference for the development of personal expertise as specialists in their preferred key skills areas. Others may have less drive and ambition and are both prepared and happy to remain in similar work for large parts of their lives.

There are also of course multiple shades of grey between those with vertical aspirations, those with horizontal aims and those with other ideas. The common factor to all shades is that they like to feel that they are not somehow suppressed or trapped in any role or position but that they have the opportunity and the degree of control they need to pursue their ambitions to whatever level they choose, and such opportunity is not constrained on grounds of race, gender, religion, culture, or any diversity issue.

4. Teamwork Led Supervision

How the employee feels about the way they are managed and how effectively they can work with colleagues. Teamwork in this context refers not only to small local teams but in the sense of the whole organisation being one team. At the local level there is a great deal of evidence to support the fact that the reason why employees are either demotivated or leave an organisation is due to their relationship with their supervisor or manager. The range of reasons is wide and varied but revolve most commonly around interpersonal behaviour, poor communication and lack of respect and recognition.

At the organisational level there is also a great deal of evidence showing that not only employees, but customers leave the organisation when the whole piece does not function as a team This is another area that is gaining importance because of the attitudes and opinions of the new generations who, whether employees or customers are less willing to accept service failure resulting from bad leadership and poor team management.

5. **Organisational Effectiveness**

The way the employee feels about the competence of the organisation generally and the way in which it is fulfilling its customer propositions. Generally, it is no secret to its employees when an organisation or some part of it Is not operating effectively and specifically when it fails continuously to meet its customers' needs and expectations. In addition, this can contribute to employees not having a clear sense of purpose about how, and to what end, their work contribution supports the operational performance and ambitions of the organisation. The knock-on effect is that employees can become frustrated, disillusioned, and disengaged and have a higher propensity to leave the organisation, taking their skills and knowledge with them. This malaise is observable at all levels of an organisation, investors, disillusioned directors, managers, and key suppliers are as likely to leave as well as employees further down the corporate ladder if they feel the organisation is not being led or managed effectively.

6. Reward and Recognition

How the employee feels about the compensation and recognition they receive. Hertzberg has adequately demonstrated that reward and recognition goes well beyond just money. The financial compensation must be competitive to both attract and retain personnel and is probably the base decision platform that motivates an individual to move from one organisation to another. However, looking ahead at the new generations that will be the workforce of tomorrow the recognition elements will play an increasingly important role in engaging employees in the kind of work experience that will keep them engaged, motivated, productive, and loyal. The application of serious formal and informal recognition and positive reinforcement is a very powerful motivational force that is effective at every level from entry level employees and at every level up to and including the organisation and its brand.

The AIM

The elements of the VECTOR model together with the integral all employee surveys provide organisations with the capability to gain a deeper insight into the factors that carry IMPORTANCE to employees and to measure the PERFORMANCE of the organisation in delivering the key factors and thereby create an environment that is both engaging and productive for the organisation and its customers.

SME Focus

It is not only major organisations that need to pay attention to their employee environment. The majority of organisations globally are SME's, currently estimated at over 350million up from 200million in 2000 . They supply 90% of employment and contribute 50% of global GDP (United Nations) So important employers.

The icxi.com Standards (Internationally independently certificated by Bsi) Navigators and Frameworks are to be joined in January 2025 by a new AI driven International Employee Happiness and Wellbeing Navigator –IEHWN2025 designed specifically for the global SME market.


Growth of SME's in the World
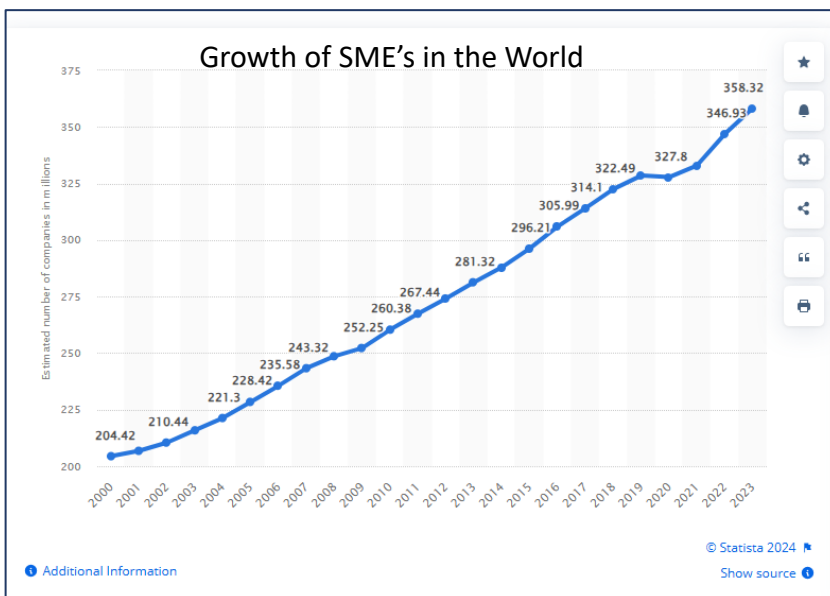
It is also useful to recognise that employees have another key role in the local and global economies of the world that is the role of "Customer"

Therefore the environment in which they operate as employees will, whether consciously or subconsciously influence their view on their experience perceptions as customers and vice versa. The growing awareness of the importance of managing the customer/employee perception. Perception is a tricky area as Bobby Duffy in his book "The Perils of Perception" explores at great length.

One of the key perils is that perception informs reality and it is that which in turn informs behaviour which indicates that better understanding the customer/employee perception is useful in promoting the happiness of the experience of the individual in either of these roles. To address this and other emerging issues in the ever evolving world of customer experience management the icxi.com 5 P.s Model has been updated to the 7 P's Model to clarify its Performance Measurement Scope and finesse its approach to the customer experience
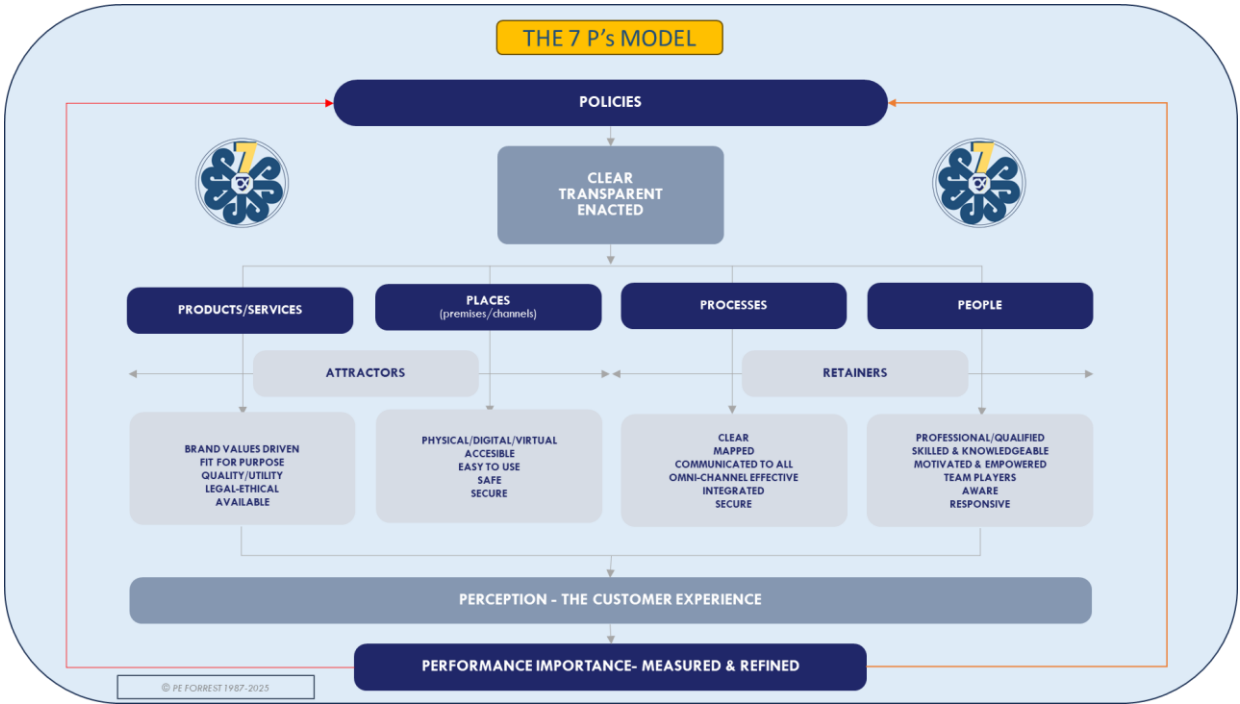
The 7 P's Strategic Management Model

POLICY should define the parameters and scope of the next four elements

PRODUCTS/SERVICES – PLACES – PROCESSES – PEOPLE

(the relative priority of these elements will be unique to each organisation)

PERCEPTION provides data on what the customers PERCEIVE as IMPORTANT from a POST DELIVERY position using a range of measurement scales decided by the organisation

The 7 P's is designed to provide direction at both an academic and an operational level

At an operational level it can be applied standalone by an organisation or used with a wide range of independently certificated international icxi.com Standards, Frameworks and Navigators.

Background

1. The model was initially developed by Philip Forrest and first published in 1987 as the 4 P's Model in his book *"Sold on Service"*

2. In collaboration with a multi sector customer service study at Brunel University headed by Professor Alan Dale in 1988 it was developed into the 5 P's Model'

3. Over the past 35 years the 5 P's model has been used successfully by organisations to manage and improve service quality and has been used as the platform for a range of international service quality standards independently certificated by the British Standards Institution Bsi and as the core of an MSc higher education degree in Customer Experience and Service Management.

4. The Model has always included performance measurement as an integral part of its improvement functionality.

It has undergone continuous assessment and redevelopment to maintain its relevance to the ever evolving service quality management environment including the growth in the service sector and the multi channel elements introduced by the internet

 5. Most recently it has added two new P's to address the emergent awareness of the imperative of the total customer experience, the increasing operational acceptance of the fact that the customer's perception of the experience is their reality and to re-emphasise that measuring the factors of the organisation's performance that have the highest importance to the customer should be the drivers of continuing improvement as a key competitive factor in a fast changing, increasingly AI influenced service quality environment.

The model is the platform for

The icxi. International Customer Experience Standard - ICXS 2022

The icxi. International Customer Experience Framework - ICXF 2023

The icxi. International Customer Experience Navigator - ICXN 2024

Full details from icxi.com

The Last Word

So, employees as an organisation's greatest asset, true or false? It is true that at the moment organisations cannot function without people and equally true that those people have the knowledge, coherence and competence required to be successful in the sector in which they operate and the leaders who say it, really men it and deliver the organisational investment and maintenance to deliver the "greatest asset" experience to employees

Perhaps the term "asset" is wrong, perhaps the expression could be *Our People ARE The Company*? Their role being to utilise the "other assets" in a way that optimises their customer's experiences.

Perhaps AI will be used to create organisations that do not need people. Perhaps in the technology sector AI will create its own organisations but for the foreseeable future as long as there is a need for miners, farmers and fishermen people will have a role to play!

So, it is the time of year for best wishes and hopes for a Happy Christmas to anyone to whom it has relevance and a healthy, successful and peaceful 2025 to everyone else.

> *"If you take care of your employees they will take care of your customers and your business will take care of itself."*
>
> **J W Marriott**

Recommended Reading

https://leading-green.com/2019/08/21/our-people-are-our-greatest-asset/
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