

September 17, 2001

TO: Dottie Kingsley
FROM: Howard W. Bell, Jr.
RE: Best Practices Proposal for PAD

Based on discussions of my September 10th memorandum to you we have reached agreement on key elements of a Best Practices approach for the Program Analysis Division. This approach is built around companies with best practices in customer relations. As we have discussed, each of the companies with best practices in customer relations understands their market environment. We also discussed the fact that these companies build customer profiles that contain detailed information about their customers' wants, needs, and expectations. Among the organizations cited in the Best Practices book entitled Building Your Business with Customer-Focused Solutions¹ are the Lexus Division of Toyota Motor Corporation, Federal Express, and American Express.

We agreed that understanding a market environment requires gathering information about customers, suppliers, competitors, and other entities or forces that may impact an organization. This information gathering includes information on other industries and relevant aspects of society to include the government.² In addition, this analysis needs to profile the key players in the marketplace by specifying their relative size and growth rates, evaluating their strengths and weaknesses, and studying key events and alliances in their value chains.³ At the conclusion of this analysis, an organization should be able to answer a fairly detailed list of questions about:⁴

- 1) Its market position today;
- 2) The market trends for the future; and
- 3) What strategic positions can be developed and exploited.

To identify relevant questions and make recommendations based on analyzes, best practices organizations rely on a team approach to gathering, analyzing, and utilizing information. They also use processes for engaging in analyses that involve:⁵

1. An assessment that identifies information needs, ranks them, suggests possible targets and solutions, and uses the assessment results to develop a roadmap that clarifies the mandate for the analysis group.

¹ Best Practices: Building Your Business with Customer-Focused Solutions, Arthur Andersen (Robert Hiebeler, Thomas B. Kelly, and Charles Kettelman), Simon & Schuster, copyright 1998.

¹ Ibid. pages 50 and 51.

² Best Practices. pages 50 and 51.

³ Best Practices, page 52.

⁴ Gross, Margaret, "Competitive Intelligence: A Librarian's empirical Approach (Technology Information) (Tutorial)" *Searcher*, September 2000, http://www.findarticles.com/m0DPC/8_8/65575483/p1/article.jhtml, page 6.

⁵ Gross, Margaret, page 2.

2. Identifying a clear objective for the endeavor since a scattershot approach is usually ineffectual.
3. Summarizing the actions to be taken once the objective has been identified.
4. Engaging in the research and information gathering.
5. Analyzing the data yielded for relevance, impact, and future decisions.

We concluded that PAD should act as a catalyst and leader in assisting the Channels and Enterprise units at SFA to: 1) identify and rank information needs; 2) identify the questions to be answered; and 3) gather the relevant data. We also concluded that each Channel and Enterprise unit would have a role in gathering and in some cases analyzing the data necessary to answer key questions about SFA's market environment. Under this model, the unique role of PAD will be twofold:

- 1) Gather data and conduct analyses that cut across Channel and Enterprise lines.
- 2) Ensure that information and analysis results are widely available throughout SFA.

An initial set of data gathering and analysis projects that: 1) cut across Channel and Enterprise lines; 2) appear to have clear objectives that the Channels and Enterprise units can support; and 3) will assist SFA to better understand its market environment are:

- 1) Applicant income changes over time.
- 2) Steps that can be taken to reduce fraud, waste, and abuse.

Since most of the information that will be collected and used by PAD exists in the private offices or within the heads of current SFA employees, we concluded that PAD should work with the CIO's office to use technology to create a "resource-sharing climate" and that an intranet is a way to accomplish this.⁶ This intranet will serve as a technical platform for the circulation of information and will tie to databases. To handle the publishing of certain data to the intranet, especially when copyright is an issue, URLs can be linked to data sites ensuring the availability of the same information to multiple users.

Hence, through an intranet, PAD can make information from both internal and external sources available within a seamlessly integrated environment. From the database PAD can also generate periodic summaries for presentation to management. In addition, PAD can, through conferencing software, engage in collaborative brainstorming through the creation of numerous conference boards that can, when required, be designated as private and therefore restricted to a limited number of persons.

⁶ Gross, Margaret, page 7.