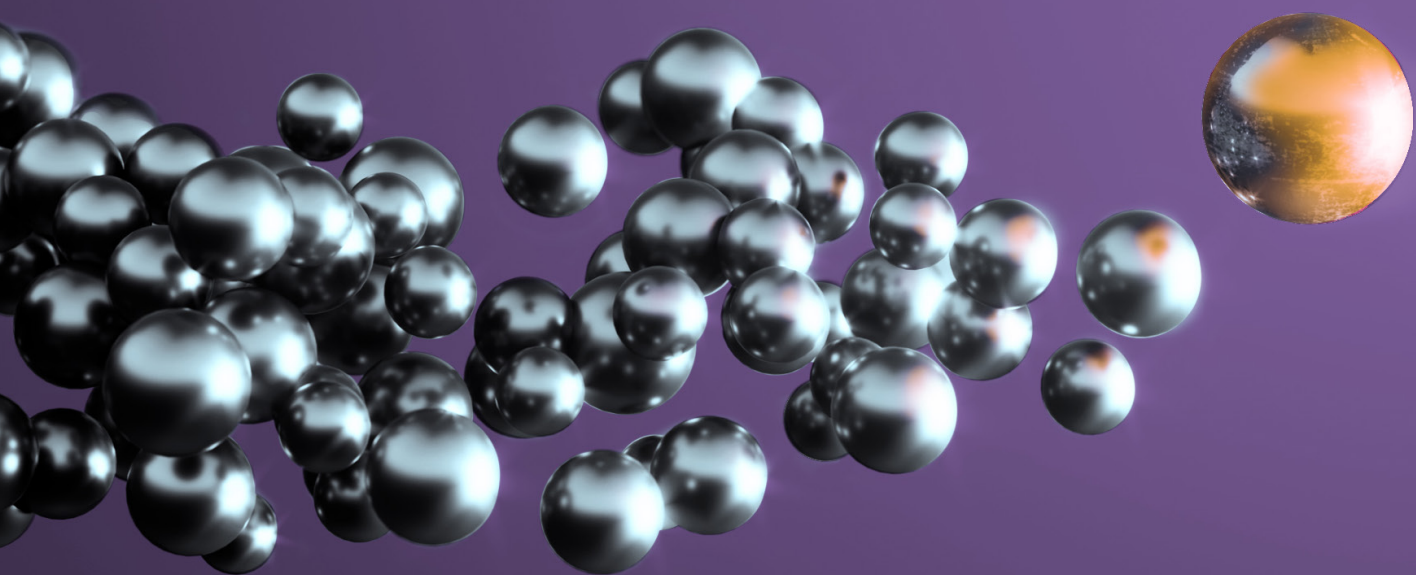


BEST IN CLASS

Steering Growth through
Better Experiences

By Susan Quinn and Tami Berry



Every high performing business is vying for that enviable spot where you stand out from the competition for “simply” doing it better. What separates the best from the rest? What traits make the difference?



The heart hooks the mind.

With over three decades of advising B2B firms, our consultative approach has focused on guiding the experiences a company creates at every touchpoint—because they *all* matter. By capturing the intangibles and creating an emotional connection with clients and prospects, you open up minds that ultimately open up more doors for future growth.

Our consulting practice monitors nine traits that all high performing companies exhibit, which are based on our own research, as well as other third party sources.¹ When done consistently, these companies not only outperform their peers, in many cases they become designated as best in class.

- 1. Define clear guiding principles***
- 2. Optimize the employee experience***
- 3. Exceed client expectations***
- 4. Focus intensely on quality***
- 5. Adapt to change***
- 6. Monitor a data rich dashboard***
- 7. View the ecosystem holistically***
- 8. Avoid complexity***
- 9. Learn and improve continuously***

¹ Anderson, Mary Ann, et al. Operations Management, Wiley, 2013.

While we have seen these nine traits remain tried and true, regardless of the economic cycle or latest fads, we know that historically, massive disruption can alter the landscape. It is also a time that spurs some of the greatest innovation that can lead to a shift in our long-held beliefs.

The global pandemic is a perfect example of how profoundly the world can change. Every day brought up new conversations around work—what does the employee experience look like now, where should work take place (home, in-office or hybrid), how do we lead across multiple communities, and how do we maintain and measure processes and productivity in the now “new normal.”

Recent studies have found that 89% of employees are seeking a higher purpose.² In fact, as attrition rates rose to record highs of 33% during the pandemic, research indicates the main cause for leaving a job, or even the workplace in general, was related to employees’ desire to have a more purposeful experience that aligned with their personal values.

To understand how this disruption was impacting business leaders’ views on what it takes to be a high performing company today, we partnered with a third-party research firm to survey top B2B executives around two core concepts:






- 1. Were the tried and true traits of high performing companies still important in the midst of massive disruption?**
- 2. How do leaders define the notion of being best in class as it relates to standing out in the marketplace, attracting and retaining top talent, and providing products and services to their client base?**



² Dhingra, Naina, et al. “Help Your Employees Find Purpose—Or Watch Them Leave.” *McKinsey*, 5 Apr. 2021, www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/help-your-employees-find-purpose-or-watch-them-leave. Accessed 5 May 2021.

The Research

The results of our research show there are *three distinct attitudes* toward the concept of being best in class and the traits considered most important for a high performing company to model. We identify these segments as Satisfied, Simplifiers, and Aspiring, and they were almost evenly represented across survey respondents, with no statistically significant variation attributable to gender, age, years of experience, or size of their organization.

	 SATISFIED 35%	 SIMPLIFIERS 33%	 ASPIRING 32%
DESCRIPTION	Satisfied professionals are the most likely to say their organization is already one of the best in their industry.	Simplifiers dismiss the importance of a best in class designation, saying it has neither meaning nor value.	Aspiring professionals value designations such as best in class and consider them meaningful.
DEFINING ATTITUDES	They feel most companies focus on a well-defined employee experience to the degree they should, and say clients expect organizations like theirs to be driven by core values. These respondents are least likely to feel employee development should be an ongoing process and that the best companies adapt more quickly to marketplace changes and opportunities than other organizations do.	They feel the best organizations achieve success by having a simple, proven process for serving their customers and by focusing on a few key initiatives at a time. These respondents believe that for most companies the mission statement is not a top consideration when making decisions and that a brand is simply considered in a marketing context.	They are strongly aligned with the nine traits as indicators of being best in class. In general, these respondents also believe that most companies don't focus on employee experience and satisfaction as much as they should.
REPRESENTATIVE QUOTE	<i>“Best in class means you have strong leadership at the top and are excellent at driving continuous profits year-over-year. There’s also technology that is best in class and diversified lines of business.”</i>	<i>“The term best in class isn’t based on anything. It’s a marketing claim, and no one can define what it means.”</i>	<i>“An organization that is best in class means happy employees and customers driven by a healthy company culture that is lived out every day.”</i>

The data shows that 72% of respondents, regardless of segment, believe that a best in class reputation matters, yet if it's stated as a marketing claim, they're skeptical. When backed up with credentials it can help attract and retain the people and partners your business needs to grow.

A Better Experience = Higher Growth

We believe three essential experiences define a higher degree of success in today's business ecosystem: a strong brand experience driven by clearly defined guiding principles (your purpose, vision, mission, and values), creating a solid foundation to build an employee experience that will enable you to attract and retain talent, who will in turn provide a superior experience to clients.

The convergence of these three experiences is a key component to engaging what Jim Collins calls the flywheel effect that takes a company from good to great.³

As our research revealed, each type of leader places a different emphasis on where they should focus their efforts in pursuit of high performance:



Satisfied leaders believe a reputation for being best in class is demonstrated by a track record of strong revenue performance as an indicator of customer satisfaction. Sustained financial performance and high-visibility leadership are as much a part of their brand identity as core values. The employee experience is a secondary focus.



Simplifiers are laser focused on a few key initiatives to hone their internal processes. The brand and employee experiences are secondary considerations.



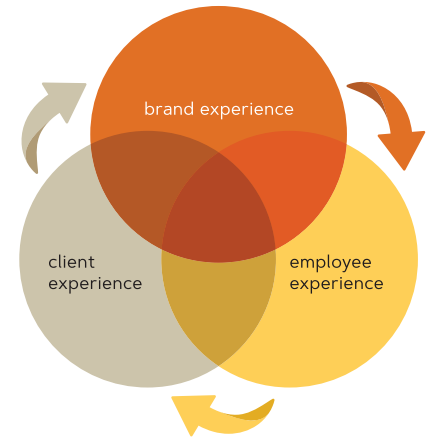
Aspiring leaders place a high value on the brand, employee, and client experience. They believe the guiding principles are foundational and serve as the North Star for where the company is and where it's going. In their minds the best companies continuously adapt and innovate to remain at the top.

The Age of Experience

All three mindsets have contributed to growth for high performing companies throughout the efficiency-focused Industrial Age and into the technology and data-focused Information Age. However, in today's Experience Age, we believe those with an Aspiring mindset have an advantage. The ability to attract and retain quality talent has been identified as a top challenge for all businesses and has never been more important.

To overcome this obstacle, the experience is no longer optional and must be both meaningful and measurable at every level of the journey. Those that are delivering the best experiences are standing out, they are winning the talent war and building loyal customer relationships for the short and long-term.

To learn more, visit circlesstudio.com/best-in-class/.



IDEA IN BRIEF

Best in class experiences possess real business value that can be measured and evaluated through a variety of metrics. For example, many businesses use the Net Promoter Score to measure customer satisfaction and loyalty. Recent research from Bain & Company indicates that fluctuations in this score can explain "roughly 20% to 60% of the variation in organic growth rates among competitors" in most industries.⁴

³ Collins, J. (2001). *Good to Great*. Random House Business Books.

⁴ Bain & Company. "How the Net Promoter Score Relates to Growth." Net Promoter System. <https://www.netpromotersystem.com/about/how-net-promoter-score-relates-to-growth>.

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