

Establishing Market Leadership Through Organizational Effectiveness

Situation

Although this Midwestern fleet leasing company had long held the position of industry leader in the emergency leased vehicle market, it found that it was losing clients to competitors who offered faster turnaround or that clients were using multiple vendors rather than retaining the firm as sole vendor. Client complaints about efficiency and accuracy were increasing at an unacceptable level. Relationships with suppliers suffered because competitors offered more efficient and faster turnaround, thus reducing stock availability for the company's clients. The company retained Dechert-Hampe & Co. to establish and lead a cross-functional team to develop and implement solutions.

Solution

Significant, fundamental changes in operations and the products were made in these areas:

- Corporate Structure:
 - Re-organized the departments out of functional silos and into cross-functional account teams consisting of an account executive, a buyer, finance and IT staff. Teams are assigned accounts based on customized client needs and specialized team skills.
- Mechanics:
 - Re-engineered work flows and processes to improve efficiency and focus on value-added activities.
 - Re-engineered IT systems to support the philosophy and information needs of the account teams and clients.
 - Developed ongoing training and support programs for account teams.
 - Established performance measures and regular reporting and problem resolution procedures.
 - Developed a revolutionary new service to meet client needs
- Corporate Culture:
 - Established and communicated a new corporate philosophy to:
 - Proactively counsel and advise clients (rather than reactively respond to client requests)
 - Emphasize teamwork focused on meeting client needs and expectations (rather than individual efforts to complete specific parts of the process)
- Motivation:
 - Revised individual performance measures to encourage and reward compliance with the new philosophy
 - Established team rewards based on reaching performance measures

Results

Implementation of the solution resulted in better than expected results:

- Client Satisfaction:
 - Rated in the top 2 best performing companies in the industry
 - Rated “Most Improved in the Industry”
 - Client complaints totally eliminated upon program implementation
 - Service meets or exceeds all client expectations
- Turnaround time to client reduced from 11 to 8 days
- Turnaround time to suppliers reduced from 14 days to 1 day
- Time to bill client for service reduced from 48 days to 7days