

Tracey – wiersema triple axis (operational excellence)

[Business](#), [Management](#)



Treacy and Wiersema assert that companies achieve leadership positions by narrowing, not broadening their business focus. Treacy and Wiersema identify three "value-disciplines" that can serve as the basis for strategy: operational excellence, customer intimacy, and product leadership. As with driving forces, only one of these value disciplines can serve as the basis for strategy. Treacy and Wiersema's three value disciplines are briefly defined below: Operational Excellence: Strategy is predicated on the production and delivery of products and services.

The objective is to lead the industry in terms of price and convenience.

Customer Intimacy: Strategy is predicated on tailoring and shaping products and services to fit an increasingly fine definition of the customer. The objective is long-term customer loyalty and long-term customer profitability.

Product Leadership: Strategy is predicated on producing a continuous stream of state-of-the-art products and services. The objective is the quick commercialization of new ideas. Dr. Franklin C. Lewis set up Energy Services Providers Inc. in October 2002, obtaining approvals from the New York Public Service Commission, the New York Independent System Operator, and various New York utilities. By April 2003 he started serving customers, from an office in his home on a quiet hill in Vermont. In 2005 ESPI became the largest electricity supplier in the National Grid territory in New York, with more accounts than any competitor, and by November 2007 the business became so big Lewis decided to move to premises in Williamstown, in the northwestern tip of Massachusetts.

Some electricity suppliers attract new customers by offering amazing deals for three months, but require the customer to sign a contract for a year or

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two or more. ESPI does not have any contracts or cancellation fees. They just say, " try us and see. " Every company likes to advertise its customer service, but few live up to their promises. In the deregulated electricity market, however, ESPI has found that superior customer service is a sure way to differentiate itself. Many supply companies tend to do a churn and burn. They put telemarketers on to call a territory, get as many customers as they can, then go to the next territory. They don't care whether those customers are saving money or not. " The ESPI business model is all about educating customers to save money on their electricity bills, which is a great incentive for new customers, and once they begin to realize the benefits, they tend to stay. Since deregulation, customers have been changing electricity suppliers almost as fast as their socks, but ESPI can boast of customers who have remained loyal since 2003.

Another service offered is help with grant applications to NYSERDA, the New York State Energy Research and Development Authority, which offers grants to businesses for projects that will reduce their usage of electricity, whether by installing energy-efficient lighting or a new refrigeration unit. ESPI has experts who know exactly which form to fill out, how to do it, and they can walk you through it. ESPI dwells upon superb operations and execution. It is provided by their reasonable quality at very low cost. They have a task-oriented vision towards personnel which helps them excel amongst their competitors.