

emotionalcompetitiveness

MATRIX of social value

Managing the value of corporate proposal

Methodology of application

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+ Board design

■ Why manage the value of the proposal?

The context of social value defines the decisions of people.

Under a context of favorable valuation the more likely that people can choose a specific product or a particular organization. Therefore, the possibility of an organization to be chosen, that their products are purchased or that a civil organization has participation in their projects do not depend exclusively on an industrial, methodological or technical design. By contrast, the permanence depends on how people perceive and appreciate what the organization offers. The product may have a technically perfect design but if the valuation context is unfavorable (for misconceptions, negative attitudes, or frustrating previous experiences); the chances of permanence of this proposal will be reduced.

+ Levels of intervention in the context

The matrix of social value is a model to analysis the circumstances of decision in different stakeholders in order to:

- 1 Provide value to the proposal through a conceptual context of positive significance.
- 2 Innovate in interventions articulating product attributes to the circumstances of decision (perceptions and experiences) in different stakeholders.
- 3 Manage communication strategically according with the characteristics of the linkages in the diversity of social sectors.

Intervening on the circumstances of decision in different stakeholders means addressing corporate processes in order to generate favorable perceptions and experiences. In this framework, organizations can intervene in the circumstances of decision through the following processes: a) Managing the value proposition according to the interests of different stakeholders, b) Managing the presence core business in the community, c) Managing the quality of their relationships.

Board structure

The three dimensions of the board and the three levels of impact



The matrix of social value has a structure with five areas of analysis which include different categories of stakeholders around a central axis that represents the proposal. This design is based on groups of strategic value to the life of the proposal.

The five groups of stakeholders are represented by

INVESTORS: This is the group that provides the economical or political support to the proposal or project. This contribution may be financial or institutional (political decisions) in the case of civil or government institutions.

REFERENTS: This is the group of opinion makers who have social influence that may affect the social valuation of the proposal. They may be individuals, other industry organizations, government agencies, community leaders, etc.

TARGET: This is the direct beneficiaries group of the proposal or project. They can be consumers, families, citizens, mothers, etc.

CONTEXT: This group consists of different institutions with secondary relation to the proposal but may influence in social value. For example: control organizations, government agencies, educational institutions, religious groups, environmentalists, etc.

STAFF: This is the group of officials involved in the processes. From commitment and valuation of this group depends on the development of the proposal.

Apply the model

Manage the value of the proposal

To apply this model, each organization must define the stakeholders in each category (people, organizations, institutions, government, etc.) The position of stakeholders is defined according to the impact of their decisions on the proposal or project. For example the category "Investors" can contain: Managers, Shareholders, Government Officials, Business Partners, Suppliers, etc. The "Referents" may be defined by: Unions, Schools, Communicators, legislators, professionals, NPOs, etc. This process of identification and location of stakeholders should be developed in all five categories.

Once defined the set of stakeholders that integrate each sector, work on the following factors:

Objective decision. This is the definition of the organization wants to obtain from each stakeholder. The objective decision, define the goals to be achieved in relations with each stakeholder.

Conditions of decisions. This is the definition of "promise" that the organization does to each stakeholder. The characteristics of the promise define the value of the proposal.

Strengths. These are different and unique characteristics that differentiate the proposal from others.

Weaknesses. These are the threats that may affect the development of the proposal. These vulnerabilities can be: physical (other products or projects) or symbolic (other brands, other organizations, image), behavioral (habits, culture, etc.) and affective (attitude, reputation).

+ The Formula of Value

The design of "value" for a proposal involves four components:

- 1 Basic Dimension** are the elements that shape and support the proposal (physical, human, technical).
- 2 Differential Setting** are the symbolic attributes that give meaning and significance to the set of basic elements.
- 3 Promise** is a commitment that defines the organization to its stakeholders about the possibilities of the proposal.
- 4 Concept** is the definition of the proposal (product, service, project) arising from the integration of the basic elements most significant environment to fulfill the promise.