



# IRIS Guideline 11: Customer Perception

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# 1 Introduction

The aim of this guideline is to help companies:

- understand the requirements on customer perception;
- apply the requirements and
- use customer perception.

The details on:

- the technical requirements can be found in the ISO/TS 22163 “Railway applications – Quality management system – Business management system requirements for rail organizations: ISO 9001:2015 and particular requirements for application in the rail sector”.
- the certification process and the assessment methodology can be found in the IRIS Certification® Conformity assessment:2020.

The content of this guideline is a recommendation based on good practices and methods from rail sector experts and is not subject to be audited by any third-party audit as a mandatory requirement.

Customer feedback was used when developing this guideline. During the IRQB webinars, participants were asked to give feedback and address what they expect from this guideline. The feedback received was used as an input for writing the guideline.

Companies who want to achieve the Gold quality performance level are highly recommended to use the common approach mentioned in this guideline.

## **Why this guideline?**

As more and more customers are moving from second party audits to third party audits and relying on IRIS Certification, customer perception is a means to assure trust in the IRIS certification. Customers who do not audit their suppliers themselves anymore, want to have the possibility to give their feedback on the audited supplier as an input to the IRIS auditor.

This guideline gives advice to companies with a multitude of customers to set up a way of gathering customer feedback that complies with the IRIS Certification requirements. It also helps companies that are not familiar with the IRIS Certification to develop a common approach, which is accepted by the IRIS auditor. Moreover, it aims at guiding small and medium sized companies in their certification process.

If a supplier has only internal customers, the feedback of these internal customers can be used as well as the feedback given to these internal customers by their external customers.

## **Why is customer perception so important?**

Customer perception is a key element needed for growth within the IRIS Certification system. A clear example of this can be found in the use of customer perception for IRIS Silver and Gold quality performance levels.

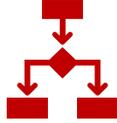
The main benefits of managing customer perception are:

- the creation of a common understanding between suppliers and customers on the customer needs;
- an increased trust of customers in a supplier;
- improvement of the performance if a supplier is challenged by its customers

Moreover, establishing a systematic approach to understand the needs and expectations of customers will improve the quality management system of the company.

To summarize, customer perception is important as it leads to improvement.

In this guideline you will find following symbols for better visualization.

		
<b>Process</b>	<b>Key performance indicator</b>	<b>Retained documented information</b>
Mandatory	Mandatory	Mandatory
Recommended	Recommended	Recommended

These symbols have the following meaning:

- Process – is the process recommended or mandatory?
- Key performance indicator – how to measure the process?
- Retained documented information – do you need to keep records?



For all processes and documented information, it is possible to combine these with already existing documents. A practical step is to first create separate documents and in a further step try to implement them in already existing ones.

## 2 Normative references

### ISO/TS 22163

“Railway applications – Quality management system – Business management system requirements for rail organizations: ISO 9001:2015 and particular requirements for application in the rail sector”

### IRIS Certification® Conformity assessment:2020

Rules for achieving and maintaining IRIS Certification® recognition

## 3 Terms and definitions

### 3.1 Abbreviations

FAI	First Article Inspection
FMEA	Failure Mode and Effects Analysis
KPI	Key Performance Indicator
NDT	Non-Destructive Testing
NPS	Net Promotor Score
QMS	Quality Management System
SQA	Supplier Quality Assurance

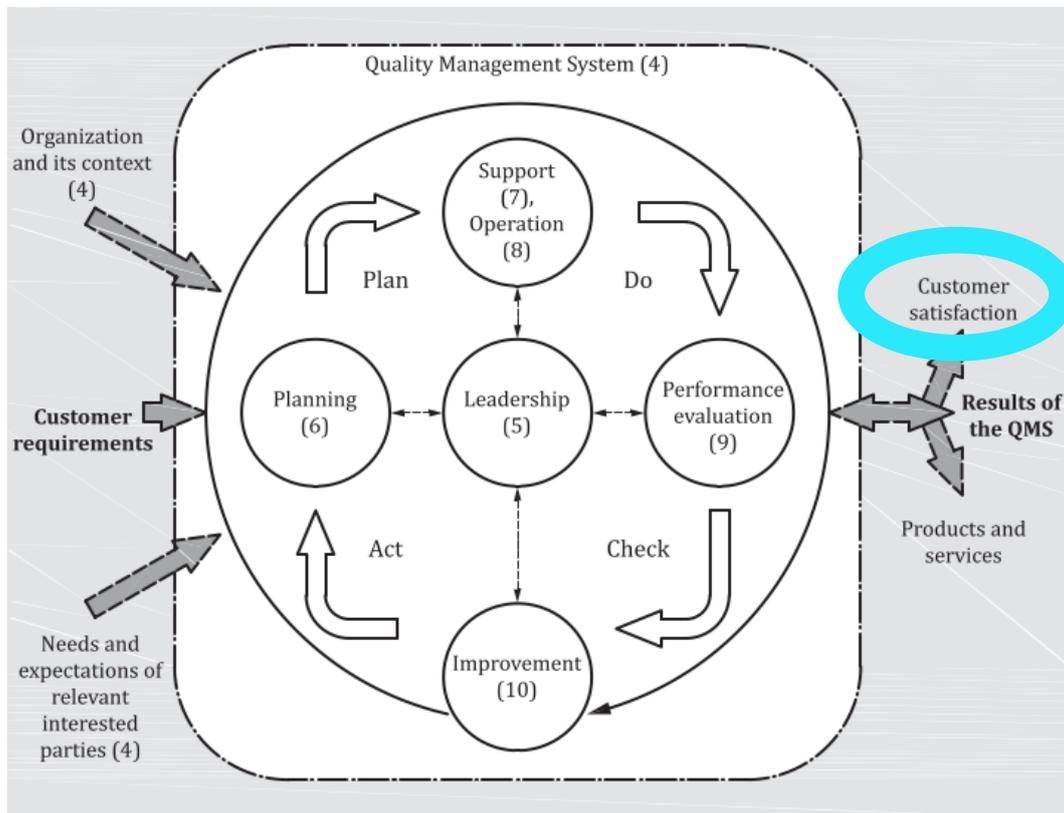
## 4 Definition of customer perception

In ISO 9001 “customer satisfaction” is part of the process model.

### ISO 9001:2015, Quality management systems — Requirements

#### 0.3.2 Plan-Do-Check-Act cycle

The PDCA cycle can be applied to all processes and to the quality management system as a whole. Figure 2 illustrates how [Clauses 4 to 10](#) can be grouped in relation to the PDCA cycle.



NOTE Numbers in brackets refer to the clauses in this International Standard.

**Figure 2 — Representation of the structure of this International Standard in the PDCA cycle**

If a supplier wants to improve the satisfaction of its customers, it is key to find out and monitor what the actual perception of its customers is.



Customer **satisfaction** is achieved by meeting customer requirements.

Customer **perception** is how a customer looks at a supplier.

For IRIS Certification, a more evolved concept of customer perception is taken into account. It is considered by an IRIS auditor during each audit.

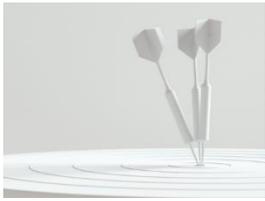


An organisation has to have enough data in order to say that the customer satisfaction is good and that the organisation has performed in a good way to optimize the customer perception. Good data is of key importance here. Data can be derived from information that is available for the organisation.

## 5 How is customer perception integrated into IRIS Certification?

The IRIS Certification scoring methodology is composed of three pillars:

- enablers evaluation;
- process performance evaluation;
- customer perception evaluation.

		
<b>Enablers evaluation</b>	<b>Process performance evaluation</b>	<b>Customer perception evaluation</b>
<ul style="list-style-type: none"> <li>• Assessment sheet</li> <li>• Maturity levels</li> </ul>	<ul style="list-style-type: none"> <li>• Turtle diagrams</li> <li>• Matrix for process performance evaluation</li> </ul>	<ul style="list-style-type: none"> <li>• Stakeholder analysis, Customer feedback, KPIs</li> <li>• Mini assessment sheet</li> <li>• Matrix</li> </ul>

Within the customer perception evaluation there are three aspects taken into account:

- Stakeholder analysis
- Customer feedback
- KPIs on customer perception

These aspects have different weighting factors with the customer feedback being the most important:

<b>Evaluation part</b>	<b>ISO/TS 22163 requirement</b>	<b>Method to be used</b>	<b>Weighting Factor</b>
Stakeholder analysis	4.1, 4.2, 6.4	5 open questions	1.5
Customer feedback	5.1.2, 8.2.1.1, 9.1.2, 9.1.2.1	5 open questions	2.5
KPIs <ul style="list-style-type: none"> <li>- Customer satisfaction</li> <li>- Customer on-time delivery</li> <li>- Nonconformities raised by the customer</li> </ul>	9.1.1.1 g) – i)	KPI evaluation matrix	2

Following ISO/TS 22163 areas are considered for customer perception performance evaluation:

- Understanding the organization and its context (clause 4.1);
- Understanding the needs and expectations of interested parties (clause 4.2);
- Customer focus (clause 5.1.2);
- Business planning (clause 6.4);
- Customer communication - Supplemental (clause 8.2.1.1);
- Customer satisfaction - Supplemental (clause 9.1.2.1);
- Management review (clause 9.3);
- Process reviews: in line with customer expectations (clause 9.4);
- Monitoring, measurement, analysis and evaluation (clause 9.1.1.1);
- Customer satisfaction (clause 9.1.2)

## IRIS Certification Quality Performance Levels

### Bronze:

All applicable items in the assessment sheet must be scored with the defined maturity level in order to be awarded with the IRIS Certification Bronze quality performance level. No further requirements regarding customer perception need to be fulfilled.

### Silver:

Customer perception is introduced as a threshold to be awarded with the IRIS Certification Silver quality performance level. For reaching the Silver quality performance level, an organisation shall provide the data package to the lead auditor at least 60 days prior the audit.

This data package needs to contain detailed information regarding the customer perception including:

- list of the organization's main/relevant customers and their feedback
- customer complaint status
- warranty claim statistics

A company seeking certification shall to score at least 75% in customer perception. In addition, the scores for the enabler evaluation of min. 70% and the process performance evaluation of min. 80% need to be fulfilled.

### Gold:

Improved customer perception is introduced as a threshold for the Gold quality performance level. The Gold quality performance level can be achieved by a clear evidence of optimized external customer perception performance.

The preparation for the Gold quality performance level already starts during the closing meeting of the assessment in which the audited company reaches the Silver quality performance level. If the company is seeking a Gold quality performance level during their next assessment, they need to identify four main customers who will be contacted for direct customer feedback. Two of these main customers can be chosen by the audited organization and two additional external customers are selected by the lead auditor. When striving for the Gold level, the data package that needs to be provided 60 days prior the audit also needs to contain the direct customer feedback of these four external customers.

During the assessment the following minimum scores must be achieved to be eligible for a Gold quality performance level: Enabler evaluation: 80%; Customer Perception Evaluation: 85% and Process performance evaluation: 90%.

## 6 How to manage customer perception

### 6.1 Stakeholder analysis

		
<b>Process</b>	<b>Key performance indicator</b>	<b>Retained documented information</b>
--	--	Mandatory

<b>What?</b>	<b>Identification of all relevant stakeholders</b>
<b>Who?</b>	E.g.: <ul style="list-style-type: none"> <li>• Customers: Sales department</li> <li>• Suppliers: Procurement department</li> <li>• etc.</li> </ul>
<b>Needed/Resource</b>	E.g.: <ul style="list-style-type: none"> <li>• List of suppliers,</li> <li>• List of customers,</li> <li>• Criteria to define the relevance,</li> <li>• etc.</li> </ul>
<b>Start</b>	First step
<b>Finish</b>	Before management review
<b>Frequency</b>	For each management review
<b>Output</b>	List of relevant stakeholders and their impact -> Use the output in the management review and business planning

Examples of:

- relevant stakeholders
- how to determine the relevance of stakeholders
- templates

can be found from Annex 1.

### 6.2 Customer feedback

		
<b>Process</b>	<b>Key performance indicator</b>	<b>Retained documented information</b>
--	--	Mandatory
<b>What?</b>	<b>Gather information from your customers (internal/external)</b>	
<b>Who?</b>	E.g. Sales department, quality department, marketing department, project management	
<b>Needed/Resource</b>	The customer feedback can include: <ul style="list-style-type: none"> <li>• Customer survey</li> <li>• Standard feedback via electronical forms</li> <li>• Customer feedback on delivered products &amp; services</li> </ul>	

	<ul style="list-style-type: none"> <li>• Debriefing with customers from the sales phase</li> <li>• Results from customer audits</li> <li>• Evaluation reports provided by the customer</li> <li>• Market share analysis</li> <li>• Compliments &amp; awards</li> <li>• Reference letters</li> <li>• Warranty claims and complaints</li> <li>• Complaint statistics</li> <li>• Input from customer visits</li> <li>• Expectations and chances from customers</li> <li>• Comments on social media</li> </ul> <p>There is no need to use all of the above items and they can be tailored to the needs of the organization.</p>
<b>Start</b>	After the stakeholder analysis
<b>Finish</b>	Before management review
<b>Frequency</b>	Continuously with a summary before each management review
<b>Output</b>	<ul style="list-style-type: none"> <li>• Summary of all customer feedbacks (as an input for the management review)</li> <li>• Analysis of all customer feedbacks (as an input for the management review)</li> <li>• Action plan (as an output from the management review)</li> </ul>

A customer survey can include questions about:

- Responsiveness: questions about timely and correct answers, understanding the customers' needs, contract negotiation in a professional manner, etc.
- Effectiveness: questions about the quality of the products delivered and respect of milestones, meeting of product specifications, expectations regarding RAMS, etc.
- Technology: questions about a technical and cost evaluation of the delivered products, ease use of products, quality of products' documentation, etc.
- Collaboration: questions about the contact persons' approach, the adopted procedures for dealing with complaints, manner for dealing with complaints, etc.
- Benchmark: questions aiming to understand, which is the company customer's perception compared to its best competitors (comparison on the topics listed above).
- Overall evaluation: ask which is customer's general impression about the company as a supplier and ask to provide a classification, based on relevance, of the four sections above (give a "weight" to each topic)
- Suggestions for improvement: ask customer to suggest actions of improvement.

Then define some range scoring definitions for each section and for the overall evaluation in order to identify the level of customer's satisfaction.

Examples of customer surveys can be found from Annex 2.



The stakeholder analysis identifies the most relevant customers and can be used to prioritize the collection of customer feedback.

### 6.3 KPI

		
<b>Process</b>	<b>Key performance indicator</b>	<b>Retained documented information</b>
--	Mandatory	Mandatory

<b>What?</b>	<p>Required KPIs are defined in the IRIS Certification Conformity assessment:2020:</p> <ol style="list-style-type: none"> <li>1. Customer satisfaction</li> <li>2. Customer on-time delivery</li> <li>3. Nonconformities raised by the customer</li> </ol> <p>See IRIS Guideline 1: KPIs for more explanation on KPI; Appendix 1</p>
<b>Who?</b>	<p>KPI Customer satisfaction: Sales department, marketing department, quality department, several levels of management,</p> <p>KPI Customer on-time delivery: Logistics department, manufacturing and/or maintenance department, project management, operations management, R&amp;D department, supply chain management,</p> <p>KPI Nonconformities raised by the customer: Complaint/defect management, quality department, sales department, customer service,</p>
<b>Needed/Resource</b>	<p>KPI Customer satisfaction: Data from:</p> <ul style="list-style-type: none"> <li>• Customer survey</li> <li>• Results from customer audits</li> <li>• Evaluation reports provided by the customer</li> <li>• Market share analysis</li> <li>• Compliments &amp; awards</li> <li>• Complaint statistics</li> <li>• Feedback from customer visits</li> <li>• Etc.</li> </ul> <p>KPI Customer on-time delivery: Data from:</p> <ul style="list-style-type: none"> <li>• Customer feedback on delivered products &amp; services</li> <li>• Evaluation reports provided by the customer</li> <li>• Complaint statistics</li> <li>• Etc.</li> </ul> <p>KPI Nonconformities raised by the customer: Data from:</p> <ul style="list-style-type: none"> <li>• Results from customer audits</li> <li>• Evaluation reports provided by the customer</li> <li>• Warranty claims and complaints</li> <li>• Complaint statistics</li> <li>• Etc.</li> </ul>

<b>Start</b>	<p>KPI Customer satisfaction: Periodically and after the customer survey was performed</p> <p>KPI Customer on-time delivery: Periodically on a strategic level (e.g. on a monthly basis) and continuously on an operational level (e.g. on a daily basis)</p> <p>KPI Nonconformities raised by the customer Periodically on a strategic level (e.g. on a monthly basis) and continuously on an operational level (e.g. on a daily basis)</p>
<b>Finish</b>	Before management review
<b>Frequency</b>	Continuously with a summary before each management review
<b>Output</b>	KPI report

Examples of possible KPI definitions can be found from the IRIS Guideline 1: KPIs; Appendix 1.

## 7 What are the criteria for a good customer perception process?

What is expected first of all?

- Realistic data; meaning transparency of the methods/process and the validity of the data: do a cross check with your customer!
- Data from corrective processes such as faults found at final inspection
- Data from preventive processes such as quality gates in project management, use of preventive measures such as FMEA or FRACAS

Further is expected that not only quantitatively data is understood and processed, but also the qualitative information that is expressed by the customer. The latter provides the information of the needs and expectations and the way of thinking of the customer.

If, for example, a specific problem is brought up by a customer, it is required to understand the underlying need of the customer by addressing the problem. Customer feedback and customer satisfaction goes beyond the measures that are taken to solve brought up problems.

Useful information can also be found from other activities such as design reviews. The design reviews may give a deep understanding of the expectations and the needs of the customers. It is a very useful way to share the expectations from the customer and should translated into requirements for the products.

Listening to the customer is of key importance. This may be a valuable source of customer perception, if processed in the organisation and used for reviews.

## 8 Roles and responsibilities

This chapter mentions possible roles that can be involved in the customer perception process. As a minimum, an organization needs the top management on the one side and the ambassador of the customer on the other side. This ambassador expresses the voice of the customer and challenges the top management. Often this is the role of the quality manager. In small organizations this role can be taken up by the sales manager.

Process roles	Impact
<b>Top management</b>	Decision making, define policy
<b>Ambassador of the customer:</b> <b>This can be:</b> <ul style="list-style-type: none"> <li>• <b>Quality management</b></li> <li>• <b>Sales / Key Account management</b></li> <li>• <b>Project management</b></li> <li>• <b>Customer service</b></li> </ul>	Interface to customer
<b>Other possible roles:</b> <ul style="list-style-type: none"> <li>• <b>Product / Market / Defect management</b></li> <li>• <b>Procurement / Supplier performance management</b></li> </ul>	Interface to product quality Interface to supplier, supplier evaluation

## 8.1 Top Management

The top management usually receives contributions/proposals from the customer satisfaction process owner in order to take decisions improving customer satisfaction. In particular, the top management, on the basis of the data received, defines and implements high-level improvement actions that have an impact on the overall corporate strategy from a commercial and operational point of view (production, design, purchases, etc.). Top management is responsible for verifying the effectiveness of the implemented high-level actions. If the actions do not give the expected results, the top management can interface with one or more roles among those involved in the CS (customer satisfaction) process in relation to the nature of the problem encountered (production or design for product problems, project management for contractual problems, etc.). The top management periodically analyses the CS indicators during the management reviews to verify the effectiveness of the process.

## 8.2 Ambassador of the customer

An ambassador of the customer has two tasks:

- perform primary function (sales, quality management etc.);
- express the voice of the customer.

There can be more than only one ambassador of the customer within the organization.

Each ambassador is in contact with the customer, within the framework of his responsibilities, such as in:

- collecting feedback from the customer regarding the level of satisfaction;
- collecting complaints, suggestions, perceived criticalities, as well as acknowledgments and appreciations from the customer;
- undertaking improvement actions;
- reporting criticalities to a higher organizational level;
- sharing good practices recognized by the client;
- keeping the customer informed about actions/initiatives related to their complaints and effectiveness.

Large companies can appoint a customer satisfaction process owner. In smaller companies this role could be taken up by one of the above-mentioned company roles.

Customer satisfaction process owner is responsible for collecting contributions and proposals from other roles involved in the process, whether they are directly linked to a project or not.

This process owner analyses different sources of data relating to different aspects subject to evaluation by customers (product performance, price and technology competitiveness, level of collaboration, skills, etc.). Moreover, this role is also expressing the customer's point of view.

The summary of the data and a critical evaluation of it is reported to the top management for evaluation in order to facilitate the high-level decision-making process.

### 8.3 Other roles

Other roles within a company can also have an impact on customer perception, e.g. product management and supplier management.

#### **Product / Market / Defect management**

Product/market/defect management analyses different sources of data relating to product quality and its possible impacts on customer satisfaction.

The summary of this data and a critical evaluation of it is reported to the top management for evaluation in order to facilitate the high-level decision-making process.

It is also important that this information is shared with engineering, other production lines, R&D etc. for improving the quality performance.

#### **Procurement / Supplier performance management**

Procurement/supplier performance management is of particular importance where the end product that is delivered to the customer is made from supplied products.

They analyse different sources of data relating to supplier quality and their possible impacts on customer satisfaction.

The summary of this data and a critical evaluation of it is reported to the top management for evaluation in order to facilitate the high-level decision-making process.

## 9 How to use customer perception?

Collecting data on customer perception is only the first step. It is even more important to consider the collected data as a substantial input to improve:

- products and services;
- processes;
- synergies with customer and suppliers;
- the supply chain or the value chain of the companies.

Moreover it can be used:

- in the development of new products and services;
- in preventive measures (example in development of FMEA's);
- in corrective actions;

- in a complaint handling system;
- on different levels (e.g. long term strategic decision-making)



This is an iterative process to continually improve the customer perception and satisfaction.

## 9.1 In Strategic Management

Customer perception can be used in long term strategic decision-making for:

- choice of technology;
- digitalisation, by taking into account the IT solutions of your customers;
- choice of digital supply chain, by creating joined or common work spaces (block chain technology);
- information on future needs;
- trends in the market;
- new or different functionalities;
- establishing a dialog with the customer and building a commercial relationship.

This can be applied in different moments of the strategic decision making:

- at the start by using the voice of the group of customers and their needs;
- by defining together with your customer milestones in development or quality gates to reduce costs.

## 9.2 In Senior management

Senior management can use customer perception to define, align and adapt the process KPIs, E.g. during the process reviews.



Invite your customer to process reviews!

Customer perception can be used by senior management to define action plans to improve customer satisfaction.

E.g. when customer related KPIs are not met, actions are defined to achieve the targets.

## 9.3 In Operational management

For a small or medium-sized company, customer perception may be used in joined quality testing activities.

E.g. the customer may have expert knowledge in NDT (non-destructive testing) that the supplier does not have. Use their resources and knowledge in organising an NDT testing.

Customer perception may be used to prioritise the performance of the operational activities that are the most important for the customer. The customer may in general be pleased with the delivery performance but in specific situations the impact of not meeting the delivery date may be of great concern to the customer.

E.g. the delivery of bogies or high voltage equipment, which immediately leads to immobilisation of the train fleet. Whereas not meeting delivery performance of hygiene equipment does not immediately result in a immobilisation of the train fleet.

## 9.4 In training

Customer perception may be used in training staff in intercultural communication.

E.g. a large customer from country A may have a different culture of communication than a small technical company in country B. Customer in country A may expect regular updates where a typical customer in country B only wants to be informed just immediately before delivery.

How can operational management use customer perception? Customer perception may be used to understand the risk assessment process for your customers. This may be different for different customers.

## 9.5 In requirements management

If a customer sends an organisation a component with a defect, failure or fault, in general the customer wants the product returned according to its specification. For specific components, however, the customer wants to understand the root cause of the fault for its risk management. Understanding which components the customer may want to look into, is part of understanding the needs of your customer. The customer may express the need to share the root cause. Customer perception can be used to understand what information is used in the customer's risk assessment. E.g. The customer needs to know in detail the root cause of a component failure leading to an environmental hazard as there may be a risk for high fines by the national safety authorities. Check those needs to understand the impact of failure or fault for the customer.

## 9.6 To create awareness within the company

By organising customer days, customer perception can be used to create awareness of the customer needs. The associates of the organisation are made aware by talking to customers about their needs and expectations.

## 9.7 In internal audits

This is also described in appendix A3 of the Assessment Rules.

During internal audits, the customer perception data is used as part of the management review process.

# 10 Why is customer perception so important?

As already described in the introduction, the proper management of customer perception can lead to improvement.

Why should you use customer perception? You can use it to understand the needs of your customers and improve your business results.

What are the benefits of using the outputs of the customer perception evaluation:

- keep and increase market share and stay in business;
- adopt a behaviour that aligns with the context of business environment;
- focus on improvement plans that add value to customers;
- contribute to transparency, trust and better cooperation with customers;
- inspire fun in the working environment, it motivates and leads to better products and services;

- to better understand the supplier-customer relation and to align the operational activities accordingly. This is also applicable to intercompany supplier-customer relations where one department is the supplier of another department. Using internal customer perception improves the supplier-customer operational activities especially in large companies.

Why do you need customer perception:

- because you as a top manager need it to give direction to your organisation
- you as senior manager translate this to processes
- you as operational manager need customer perception to make working packages for your associates that add value to your customer.

Awareness of customer perception may lead to understanding that for a customer it is not always about doing everything right but may also mean a swift correction of faults when the situation occurs. Sometimes doing less is more effective than doing more activities. Customer perception helps in setting priorities for an organisation.

Awareness is the first stage of planning activities. It is a precondition to make plans for the future. For example: changes in customer perception may lead to innovation initiatives, budget and development plans.

## Annex 1: Stakeholder analysis - examples

### Examples of relevant stakeholders

Stakeholder	Criteria of relevance
<b>Customer (internal/external)</b>	e.g.: Yearly revenue, Number of projects Etc.
<b>Supplier</b>	e.g.: Yearly spend, Impact on production processes, Suppliers of safety critical products Etc.
<b>Authorities</b>	e.g.: Notification bodies, National safety authorities or their representatives, Building permit authorities, National investigation bodies Etc.
<b>Partners</b>	e.g.: Number of joint ventures

### Examples of how to determine their relevance

The relevance is defined by the organization:

- by the impact a stakeholder has on the organization  
Examples of questions to define the impact:
  - If the stakeholder is not satisfied can it block the continuation?
  - Can a stakeholder block a utility?
  - Does the stakeholder have important knowledge (e.g. IP, specifications etc.) that the organization is dependent on?
  - Can the stakeholder have a very substantial impact on the cash flow of the organization?
  - Can the stakeholder have a very substantial impact on the image of the organization?
  - Can the stakeholder have a very substantial impact on the operational activities of the organization (e.g. safety audits, first article inspections etc.)?
- by the impact that the organization and its products and services have on the stakeholder  
Examples of questions to define the impact:
  - Consider cultural differences
  - Do the products and services of the organization have an impact on the safety of the stakeholder?



Tip: Challenge top management to define sharp questions and criteria to define the impact of the stakeholder.

Other links to be considered:

- Vendor ratings
- FAI reporting (First Article Inspections)
- Market analysis
- 2<sup>nd</sup> party audits
- Partners in the project
- SQA experience (Supplier Quality Assurance)
- Community (impacts on environment, health & safety)
- NSA National Safety Authorities – for homologation of the products
- Passenger experiences (and expectations)

### Examples of a stakeholder analysis

Example 1:

Stakeholder analysis				
Category	Name	Our impact on them	Their impact on us	Expectations from this stakeholder
Customer	XYZ	5	1	99 % OTD

Example 2:

Interest Parties	Type (internal/ external)	Reason for interest	Basic needs and expectations	Form of information
<i>Employees</i>	<i>Internal</i>	<i>Maintaining their positions</i>	<i>Good work conditions</i>	<i>Staff meetings</i>

Example 3:

INFORMATION ON INTERESTED PARTIES		INFORMATION ON NECESSITIES		INFORMATION ON EXPECTATIONS			OBSERVATIONS/ CLARIFICATIONS	STATUS	
No.	Name	Description of the Necessity	OK?	Actions plan/ Risk treatment	Description of the Expectation	EVALUATION			Summary Action Plan (if the priority is >4, set action)
						Probability	Impact on Talgo	Priority of the Expectation	
						4 (High) 2 (Average Low)	5 (Very High) 4 (High)	4,5 3	Action! -
						3 (Average high) 4 (Average high) 5 (Average high) 6 (High)	4 (High) 5 (High) 6 (High)	3,5	-

Level	Category	occurrence probability	Expectation level of the interested party	Reputational impact	Financial Impact on EBITDA
0	Zero	0 %	The interested party has no expectation of its occurrence	Have no impact.	Impact calculated based on the EBITDA figure as indicated in the presentation of the Company's results dated February 27, 2018 (thousands of euros)
1	Low	<15%	The interested party has a low confidence that it happens	Occurrence of an isolated event that does not transcend the society / market.	<2.5% (2.5%-5%)
2	Average low	15% - 40%	The interested party has some hope that it will happen	Occurrence of an event that transcends isolated interest groups or that appears in local media.	2,090 - 4,180 (5%-7.5%)
3	Average high	40% - 65%	The interested part expects it will be put into practice	Occurrence of an event that transcends interest groups or that appears on the inside pages of relevant national media.	4,180 - 6,270 (7.5%-10%)
4	High	65% - 90%	The interested part has confidence that it will be put into practice	Occurrence of an event that transcends interest groups or that appears on the inside pages of relevant national media.	4,180 - 8,360
5	Very High	> 90%	The interested part has complete certainty that it will be put into practice	Loss of the reputation for various actions or events that affect the image of Talgo and that appear on the front pages of relevant national media.	≥ 8,360
<b>Impact on the operations</b>					
			Have no impact.	Discontinuity of internal processes for a short period.	Discontinuity that affects the relations with third parties (suppliers, regulator, citizens, etc.) but not the service provided by Talgo.
				Discontinuity of internal and external processes without affecting the provision of services to third parties.	Prolonged interruption in the delivery of services affecting third parties.

# Annex 2: Examples of customer surveys

## Example 1 : IRIS Certification Questionnaire

One possibility for conducting a customer survey is by using the direct customer feedback questionnaire provided by the IRIS Management Centre:




QUESTIONNAIRE		Direct Customer Feedback	
<b>Date</b>		<b>Place</b>	
<b>Customer Information</b>		<b>Organization Information</b>	
<b>Customer name</b>		<b>Organization name</b>	
<b>Customer representative</b>		<b>Organization site (country)</b>	
<b>Customer representative position</b>		<b>Organization site (city)</b>	
<b>ON TIME DELIVERY</b>			
On a scale from 1 to 5, where 1 is "not true at all" and 5 is "completely true", how do you evaluate your supplier on the following statement:			
<b>The Organization Provides its products and services on time</b>		Score: <input style="width: 50px;" type="text" value="1-5"/>	
Please add details on how the rating has been made:			
Please add details on which projects / products / services / systems the rating has been made:			
<b>QUALITY PERFORMANCE</b>			
On a scale from 1 to 5, where 1 is "not true at all" and 5 is "completely true", how do you evaluate your supplier on the following statement:			
<b>The Organization delivers high quality products and services</b>		Score: <input style="width: 50px;" type="text" value="1-5"/>	
Please add details on how the rating has been made:			
Please add details on which projects / products / services / systems the rating has been made:			

## Example 2: Customer Survey light

A more elaborate survey can include questions relating to the following main sections:

- **Responsiveness:** questions about timely and correct answers, understanding the customer's needs, contract negotiation in a professional manner, etc.
- **Effectiveness:** questions about the quality of the products delivered and the respect for milestones, meeting of product specifications, expectations regarding RAMS, etc.
- **Technology:** questions about a technical and cost evaluation of the delivered products, ease of use of products, quality of products documentation, etc.
- **Collaboration:** questions about the contact persons' approach, the adopted procedures for dealing with complaints, manner for dealing with complaints, etc.

**Overall evaluation:** ask which is customer's general impression about the company as a supplier and ask to provide a classification, based on the relevance of the four sections above (give a "weight" to each topic)

- **Benchmark:** questions aiming to understand, which is the company customer's perception compared to its best competitors (comparison on the topics listed above).
- **Suggestions to improve:** ask customer to suggest actions of improvement.

### Example 3: Advanced customer survey

Possible questions for a customer survey could be:

- What do you associate with our company?
- How satisfied are you with our companies' performance in general?
- How do you rate each of the following attributes of our company?
- How do you rate the performance of our company with regards to...?
- Which are the four most important attributes a company like ours should provide?
- What do you associate with other competitors?
- How do you rate our competitor in comparison to our company?
- All things considered, how satisfied are you with these competitors?
- Which of the following digital offers are important to you?
- How likely is it that you will recommend our company to a business colleague?
- How do you envision our company in the future?
- Do you have any other comments or advice for our company? Is there anything we should know?
- How do you rate the image of our company?
- How do you rate the adaptation of our company to the present and future?
- Your feedback and suggestions are very important for us as they help us in our continuous improvement process. Please indicate the aspects that you are satisfied with and those that could be improved.

### Example 4: Net Promoter Score

The NPS is an indicator that measures the proportion of "promoters" of a product, brand or service, compared to "detractors". The number can range from -100 (all are detractors) to +100 (all are promoters). The NPS is based on a single question to be asked to those who have used the service/product: "How likely is it that you would recommend this product/service to other subjects?"

The responses provided by customers are classified as follows:

- 0-6 = Detractors: dissatisfied customers who could damage the brand through negative word of mouth.
- 7-8 = Passive: satisfied but indifferent customers, who do not generate word of mouth of any kind and do not advise or advise against the company and therefore considered "neutral" in the calculation of the NPS.
- 9-10 = Promoters: happy customers who will buy back the product and recommend it to other people.

**NPS Questions**

**Recommendation:**  
 “How likely is it that you recommend Siemens to a colleague or a business partner?”

Extremely likely Extremely unlikely

10
9
8
7
6
5
4
3
2
1

Promoters   
 Passives   
 Detractors

% - % = Net Promoter Score (NPS)

**Improvement:**  
 “Where could we improve?”

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The Net Promoter Score is calculated by subtracting the percentage of detractors from the percentage of promoters obtained and multiplying this result by 100. The result is therefore not expressed in percentage points, but as an absolute number, with a minimum value of -100 and a value maximum equal to + 100.

The formula is:  $NPS = (\% \text{ Promoters} - \% \text{ Detractors}) \times 100$

**Example:**

Detractors						Passives		Promoters	
1	2	3	4	5	6	7	8	9	10
<b>Net Promoter Score</b>			=	<b>% Promoters</b>			-	<b>% Detractors</b>	

100 Customers were asked:

Rating 1 to 6: 24 Customers = 24% -> Detractors

Rating 7 to 8: 37 Customers = 37% -> Passives

Rating 9 to 10: 49 Customers = 49% -> Promoters

Net Promoter Score = % Promoters - % Detractors = 49% - 37% = 12

Depending on the response, the following question should be included to the customer satisfaction survey: "Why?"

In this way, it should be possible to identify reference customers and improvement opportunities. It can be said that responses to the "why" question provide more important information than the score itself.

### Advantages

- The NPS method may allow to predict customer loyalty (as evidenced by repurchase and referral) to a product, service, brand, or company.
- If combined with a “close the loop”, it is possible to actively intervene to learn more from customers who have provided feedback and also to change a negative perception often converting a ‘detractor’ into a ‘promoter’.
- The score can be used to motivate an organization to become more focused on improving products and services.
- If the NPS evaluation is done periodically it can be used to observe trends.

### Disadvantages

- The score of “passive” subjects is not considered even if they can be considered satisfied customers. So if, paradoxically, we had many scores from "passive", no score from “promoters” and only one score from "detractors", our overall score would be negative and would not describe the real situation;
- The used scale from 0 to 10 could be a problem in some countries/cultures where typical evaluation scales may be different or where people are not culturally inclined to award top scores. A coloured scale could help the customers in understanding the scale.

A single item question could be less reliable and more volatile than a composite index.

