

How to Manage The End to End Customer Experience.

By David Winders



About the Author:

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Good People let down by bad business design.

Service Levels Agreements often fail to deliver good service as they rarely measure the end to end customer journey.

After having recently telephoned a well known building society for the first time to make a withdrawal from a new account, I rapidly came to the conclusion that this organisation was completely unaware of what customer experience it was projecting to the outside world.

The whole exercise for transferring some money from one account to another took twenty minutes. This involved three staff members, four call hand offs with identification and verification carried out every time a new staff member took over the call. The whole call process included many minutes of queuing on the phone, in-between each process and whilst listening to various regulatory recordings. In all about 30 seconds of added value was provided in a twenty minute call. In mitigation at least each staff member was professional and polite knew their process and what I needed; I didn't have to repeat myself too much, but it was still hard work.

Delightful people with excellent customer service skills, probably hitting their own targets in each piece of the process, but the organisation being completely unaware of my journey and my whole experience. Good people let down by bad business design. The sad thing is that the organisation concerned probably doesn't even realise it gives a poor customer experience and in all possibility thinks it provides a top class service.

The trouble is that, usually, only individuals who experience the whole process thread are the customers. Supervisors and managers tend to have accountability for one part of the chain and that small part is all they see. The service level agreements which are designed to provide a measured level of service at a budgeted cost, and by which individual teams are measured, fail in measuring real life customer experience as in most customer journeys the process is fragmented.

End to end for me is defined as a customer is picking up the phone to make the call right through to seeing the transfer of money into his account appear on his statement and everything in-between. This includes all recorded messages, menu options, call waiting, the calls themselves, the receipt and the clarity of any fulfilment literature. To the process operator the beginning of their process is when the call is taken and the end is when it is transferred to the next department; these are very different things. It is not just about phone calls, it is how statements are issued, letters received and processed, the accuracy of information and a myriad of other activity and outputs including web channels.

Measuring and evaluating a customer's journey through the organisation is not easy, as potentially each customer interaction may be slightly different, due to each customer having slightly different issues. As the customer's requirements unfold this results in different paths or threads being taken through the "spiders web" of processes and organisational structures that support this activity.

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Of course problems usually become magnified when the customer goes “off piste” so to speak, when the main routes usually taken by the majority are closed off, or diversions are in place due to a slightly different customer requirement. Customers are just such a nuisance are they not!

So what is the result of all this? Organisations who think they are doing well potentially failing their hard won customers without even knowing it. In reality a good experience hardly ever registers; but a bad one, even one that is not too bad but still a pain, results in poor recommendations presenting anecdotes to tell friends over dinner and a chain of bad PR. It is often said one dissatisfied customer tells ten others whereas a good or neutral experience rarely gets mentioned at all. Today with the advent of internet forums bad news travels at the speed of light!

Organisational structures don't help us in this situation either, frequently teams are structured around competencies and skills or regulatory requirements or division of duties, to ensure adequate control against fraud and financial crime.

The customer is the consumer of the value not a customer of the outsourcer.

End to End processes travel across these functional boundaries and with their respective measurement systems based on team or department performance; the overall customer experience just falls down in the cracks.

Organisations are not commonly structured around end to end process thinking being burdened with historically diffused accountability and “stove” piped approach based on functional structures.

Most service processes spend < 10% of the cycle time adding value and the rest of the time is either in waiting or activities not valued by the client.

On many occasions arguments persist between departments each blaming each other for poor performance; whether this arises earlier in the chain for not surfacing customer needs or information correctly, or later in the process for not following things through correctly. What all these protagonists fail to see is that self righteousness doesn't add a lot to the whole customer encounter.

Handing work off between teams creates large amounts of waste particularly in the overall time taken from when a customer starts the journey to when he feel it is concluded - the cycle time. The point here is that it is when the customer judges a satisfactory end to the process, not the operator or provider of the service that determines the conclusion.

It is frightening to see that in adding value most service processes spend < 10% of the cycle time adding value and the rest of the time is either in waiting or in activities not valued by the client. Many times a query case is closed and logged as completed as a component process concludes; but when the customer doesn't consider it completed let alone to satisfaction. Sometimes, amazingly, the agent even starts asking for a satisfaction survey when the customer still has an outstanding issue, this evidences that people just haven't got this customer journey concept at all, with zero empathy. This often seems to be amplified in outsourced arrangements where the outsourcer is often more interested in evidencing performance on a service level agreement with their client than providing the end user customer with an excellent encounter.

Team by team process improvement can result in failure of the overall customer experience.

Some business improvement approaches that focus on departmental efficiency as opposed to end to end efficiency can inadvertently build in poor end to end process management. This bottom up application of either lean or six-

sigma DMAIC throughout the organisation, team by team, can result in a “rubber balloon” effect where one initiative simply transfer issues in the value chain elsewhere and when another department is “improved” the wastes just are transferred on and sometimes even back to the department that was worked on earlier! This also can create havoc in controlling and governance frameworks.

Our challenge is to step back and see the bigger picture.

In summary the business problem is one of having competent components but poor assembly of the whole and in the world of services a provider rarely sees the whole product consequence , the customer experience. Our challenge is to step back and see the bigger picture.

The first requirement is to understand the customer journeys or customer scenarios as some people call them. It is no surprise that we actually need to talk to real end users of the operation to get a handle of what is really going on. Many shared service organisations and outsourcers seem to have difficulty with this; as they seem to be scared stiff of working in partnership with their business clients to talk to the real consumers of the service, whether they be members of the public, or employees that use the shared service within the parent organisation. There seems to be a fear here of being exposed, but it is so necessary to get out of the comfort zone and talk to the consumers of the value stream. Consumers in this context means consumers of value, so this is just as relevant for business to business environments as it is for organisations serving the general public.

The requirement is to document the ways that consumers travel through the organisation whilst obtaining value based on their travels, not on what management think is important. We need to conduct structured interviews with customers to establish a qualitative view of what the journeys are. The big mistake is to pre judge and to “lead the witness” by presenting a set of journeys that are perceived as being normal for comment in a survey. The survey must be designed to capture and build up a view from scratch and to evidence where the journeys arose from who and how. It is best to do some limited work in a qualitative study using open questioning techniques to help create a more in depth quantitative survey to gain some depth of data. As a customer there is nothing worse than being asked to help in a survey and then to be presented with a set of questions and answers that do not allow you to express your experience or view, because the survey builder has decided already what is important. This in my experience just happens too many times.



Take a leap and surface complaints.

If you are lucky enough to have a rich database of complaints then they might well offer a start to understanding where things could be better. I say lucky because complaints should be treated as an opportunity and should be surfaced rather than suppressed.

Once end to end journeys are understood it is necessary to map and measure each identified journey, then to understand the hand offs and delays. The process cycle efficiency figure i.e. the percentage of time spent adding value can then be calculated and this used as a base line for some end to end process improvement. It will be soon seen that there are some “main roads” in the process road map and these “arteries” should be the basis for your business design.

It is useful to map the journeys and represent them as a “plumbing” flow diagram showing how the journeys wend their way through the existing proc-

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Map the flow to show how customers experience your organisation.

ess model and organisation; by representing volume journeys as thick “pipes” and less frequently seen journeys as thin pipes of flow. It is then easy to understand whether the existing business design and organisational structure is fit for purpose from a customer perspective, rather than from a manager’s or employees perspective. Commonly it will be seen that journeys cross team, departmental and functional boundaries. In many cases the journeys may well cross external boundaries through brokers and suppliers in the value stream. In virtual organisations where outsourcing is common this feature of “hand off” will be accentuated particularly in cases where the outsourcing represents only part of a process.

The mapping of customer journeys may require complete organisational design.

Unless the overall end to end process performance across the whole value stream is managed towards customer experience delivery, with true accountability for the end to end process performance, then there is a constructional issue which needs resolution. For many organisations this revelation becomes quite frightening as it shows that the company is structured incorrectly and it is not just the process network that needs review but the whole organisational chart!

The issue that needs addressing is that managers are responsible for a collection of team activities not for delivering holistic end to end customer experience. The consequences of this type of “new” thinking is highly political, and is a step too far for many people. Often the ego and ambition of individuals overrides logical business design and transformation. This often leaves in place an inefficient legacy structure not fit for the new competitive world and potentially causing the organisation to wither on the vine.

Sponsorship must come from the executive level to overcome politics and self preservation of existing organisational structures.

This leads us on to the issue of sponsorship. Any initiative on customer journeys has to take place on a top down basis with senior executive authority. It must be politically capable of challenging existing structures roles and hierarchies. An initiative incepted by a function within the enterprise is unlikely to challenge its own existence if the business design is seen to be inept.

An example to illustrate this issue is a life and pensions environment where perhaps, the processing of new business and disinvestment takes place in separate customer services and trading administration departments. Most customer journeys cross this functional divide not once but twice as unit trades are ordered by customer services and the results from trading administration for documentation and paperwork are passed back to customer services for fulfilment. Unless the transfer of process control is managed well there would be potential for end to end process gaps with: waiting, inefficiencies, potential regulatory breaches in achieving investment deadlines, consistent accurate financial outcomes and stream client money reconciliation issues.

In discussing this example; is the separate existence of these two separate functions, based on skill sets, a viable business design? From a process management perspective; who is accountable for what? and is the whole customer experience sufficiently managed or do we just hope it is “alright on the night”?

If in this example, the initiative to map customer journeys had been incepted by the head of customer services and the conclusion made that the two functions, customer services and investment administration, should be amalgamated, would this be seen as a land grab by the sister function and then dismissed? - However, had the chief executive initiated the programme and the same conclusion had been reached I would suggest that the chance of some-

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thing being done about it would be substantially higher.

With the mapping of the journeys complete it is necessary to identify issues and problems with the current set up and determine a set of design principles to govern the new design.

Use the “Target Operating Model” to underpin the transformation governance

Example of potential design principles.

We will:

- Create measures for the end to end process performance of the customer journeys.
- Establish process owners, accountability and governance structures to over-arch teams and process participants.
- Eliminate handoffs between teams where at all possible.
- Provide integrated data to smooth customer interactions.
- Develop cross skilling and multi disciplined process teams with appropriate line management to retain division of duties and regulatory control.
- Establish quality circles to ensure good process flow.

Once we are clear on the problems with the “AS IS” business design and informed by our design principles, we can then create a vision of our design and embed that vision in a Target Operating Model (TOM). The TOM will show how the end to end processes will work at both a logical and physical level and how it will integrate with the organisational design, governance, accountability framework and the underlying supporting technology.

This is not the detailed design, that comes later. It is so easy to rapidly progress into delivery before understanding the shape of the forest rather than the format of individual trees. Although the “devil is in the detail” as any business analyst will tell you, there is a danger in being immersed in day to day detail too early. The message is work top down and decompose level by level, else the overall objective will get lost in the minutia.

The TOM is used as a bench mark and must be repeatedly referenced back to and revisited during steering meetings with great care as project managers with their focus on hitting milestones and working within budgets can lose sight of why they are doing a programme.

Once journeys are clear a new design must be articulated and communicated to inform the transformation

Starting any transformation programme with a loose set of ideas and no documented vision is a recipe for overruns and unfulfilled expectations. A programme based on customer journey mapping must have good governance with regular reviews back to the design. The Target Operating Model together with the original customer journey mapping work provides a baseline and benchmark to measure implementation and to assess progress.

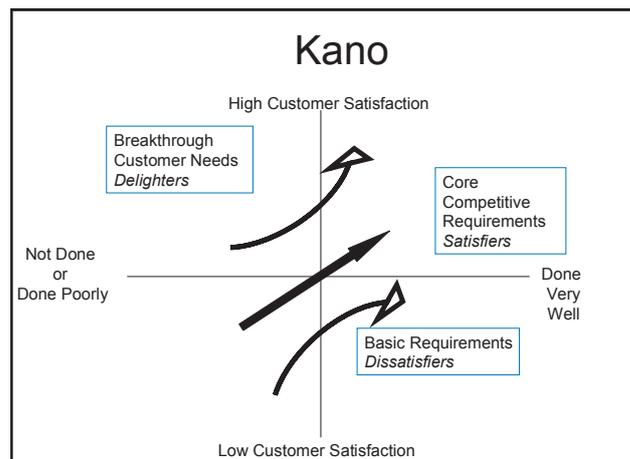
What techniques can we deploy to manage our newly defined customer journeys? The journey “plumbing maps” provide an excellent base from which to start. When understanding the journeys it is key to establish a list of customer touch points where the relationship can be enhanced or indeed go wrong.

These touch points are called by some people moments of truth based on the work of Dr Kano. They should show clearly what is expected at the touch point in terms of either:

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- Basic (hygiene) requirements the failure of which results in a wholly negative experience,
- Performing events where the result of something results in increasing proportionate satisfaction.
- Delighters that create an over whelming positive experience.

The moments of truth need to be numbered and cross referenced to processes, people and specific journeys as depicted on the plumbing map. These



moments of truth can then be monitored and measured as a way of managing a complex network of processes and journeys. This is a practical way of placing a filter of measurement upon the process web without too much waste being created in the mechanism which is always a worry when deploying new management information framework.

Measurement and the analysis of measures is inherently wasteful and there must be a value challenge to any measurement activity and the Kano analysis supplemented by statistical sampling techniques presents a well balanced approach. Kano analysis is a snapshot in time with delighters becoming basic requirements over time e.g. CD players in cars.

Top Tips for Improving the end to end customer experience.

What do you need to help you improve your customers' experience of your organisation?

- Good senior sponsorship at a level than spans all the departments and functions that undertake the end to end process activity.
- Courage and the will to challenge the status quo, even when it might threaten existing structures and roles.
- A structured approach based on customer research showing traceability from what customers are telling you through assessment of the "AS IS" business model, design principles and the formation of a quality Target Operating Model.

- Some external help to overcome the inevitable gravity towards the current thinking and to ask the questions that people immersed in the business as usual rarely ask, because it all seems so obvious “we have always done it this way”.
- Process design expertise to construct the new work flows and value streams including skills to document the new process maps, process guides and procedures.
- Some solid well governed programme and project management capability that is focussed on benefits and design integrity as opposed to delivery for delivery sake.

Networked Consulting delivers cost effective business change.

Is outside help expensive?

If you want a big consulting name for whatever reason fine, but you will pay for it in very high day rates.

If you decide to use traditional contractors you must have the expertise described in this article to manage them; else individually they will do as they think right and not in a joined up way. Contractors generally require a three month commitment and although their day rates seem reasonable on a day basis, 90 days of day in day out billing soon adds up!

Outside help does not necessarily have to be too onerous in cost terms as another option is to consider the networked consulting model. There are many professionals who work independently or within consulting networks that can be deployed at an overall cost much less than traditional resource models.

Due to flexible pricing options, a consulting network can manage a group of like minded associates to deliver considerable value for money at a cost considerably lower than big brand names and at an overall cost often much lower than hiring and managing a set of contractors.

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Where to go from here:

Dever Solutions offers a network of associates with expertise in:

- Customer journey mapping.
- Process Maps, process guides and procedures.
- Business Process Management.
- Target Operating Models.
- Programme governance and project inception.
- Lean thinking.
- Training, mentoring and development



“A clear view is essential