

ITSMF PRESENTATION

APRIL 26, 2012

ACHIEVING BUSINESS VALUE THROUGH A SUPERIOR
CUSTOMER EXPERIENCE

1. WHY FOCUS ON BUSINESS VALUE AND CUSTOMER EXPERIENCE TOGETHER?
2. WHAT EXPERTS ARE SAYING ABOUT BUSINESS VALUE AND CUSTOMER EXPERIENCE
3. OUR APPROACH FOR ACHIEVING BUSINESS VALUE THROUGH A SUPERIOR CUSTOMER EXPERIENCE
4. WEAVING ITIL INTO THE SERVICE FABRIC OF THE ORGANIZATION
5. MAKING IT REAL
6. LOOKING TO THE FUTURE
7. QUESTION AND ANSWER

WHY FOCUS ON BUSINESS VALUE AND CUSTOMER EXPERIENCE?

SOME IMPORTANT REASONS

1. Globalization has created a talent pool available to all organizations.
2. Our organizations must compete in a completely new reality and need to be significantly more efficient.
3. The promise of business enablement through information technology has left us spending increasingly more.
4. Our businesses cannot adopt or adapt to a new framework or process improvement initiative every 3 to 5 years.
5. Delivering business value through a superior customer experience is OUR collective responsibility to sustain and improve our competitive position.

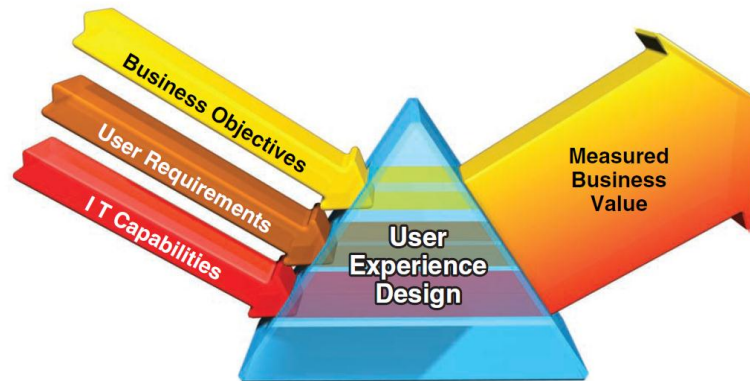
Additional background on this area ...

WHAT ARE EXPERTS SAYING ABOUT BUSINESS VALUE & CUSTOMER EXPERIENCE

WHAT IS IT BUSINESS VALUE?

“Business value is the *benefit for business units and the enterprise as a whole, represented in dollar terms, that is a result of its solutions or services, as evidenced by one or more of the following:*

1. Direct contribution to the corporation’s market position or revenue
2. Deliverables and results that support solving customer business needs and challenges
3. Customer cost savings or financial benefits
4. Examples of technology investment that advance the industry.”



ORGANIZATIONAL EXPECTATIONS RELATED TO BUSINESS VALUE VARY

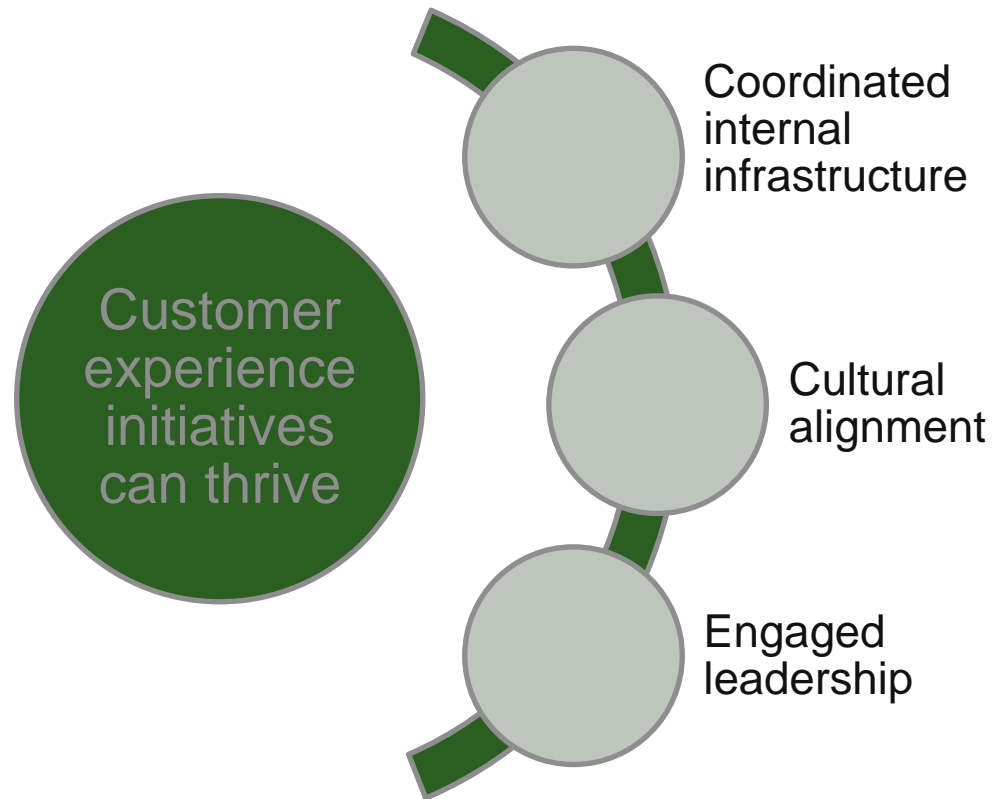
Organization expectations of IT	Focus	Business value	% of respondents
Leverage	Streamline operations and organizational effectiveness	Increase efficiency and control costs	14%
Expand	Refine business process and enhance collaboration	Enable better decision-making	50%
Transform	Change industry value chain and improve relationships	Simplify business processes and generate real-time insights	23%
Pioneer	Radically innovate products, markets and business models	Enable new products, new revenue streams to new markets and business models	13%

CIO FOCUS OVER THE NEXT 3 TO 5 YEARS

1. Insight and intelligence
- 2. Client intimacy**
- 3. People skills**
4. Internal collaboration and communications
5. Risk management
6. Enterprise model changes
7. Industry model changes
8. Revenue model changes

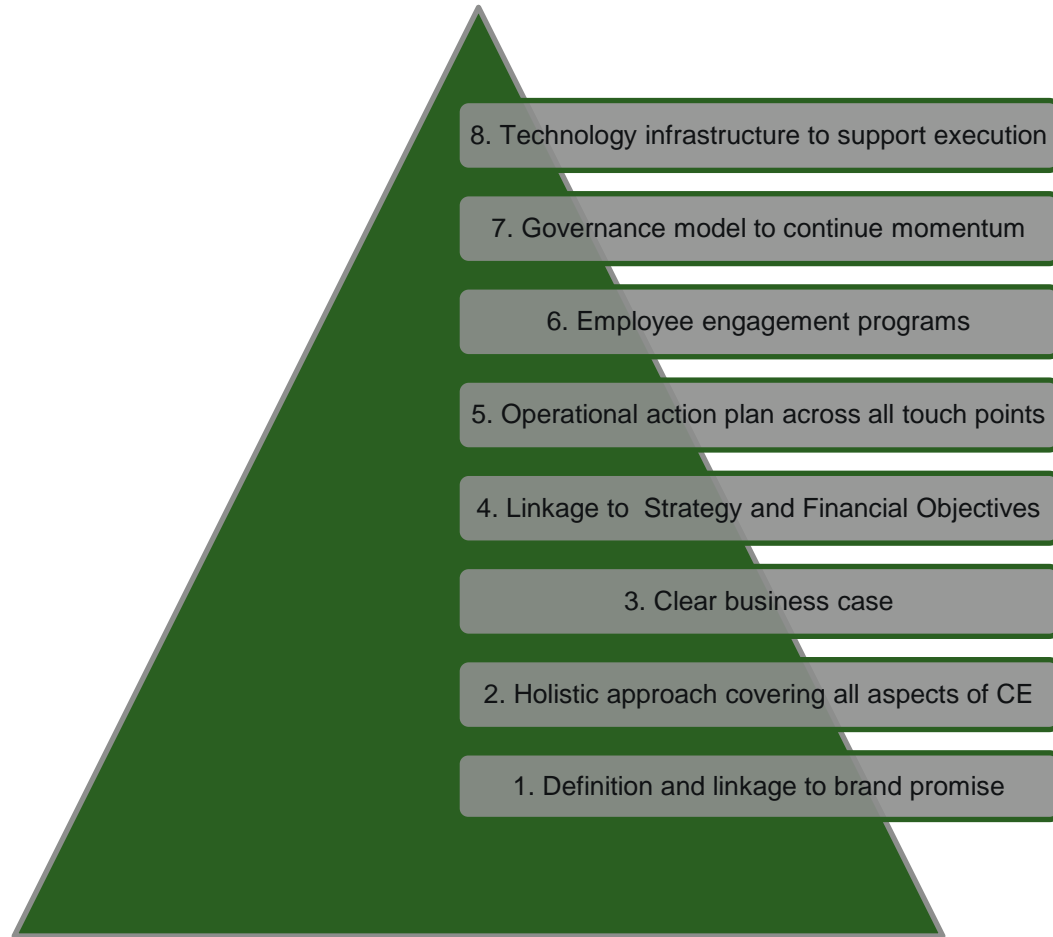
“We need our IT staff to be more business-centric to build trusted relationships with business units”, Education CIO in Australia

DESIGNING THE DESIRED CUSTOMER EXPERIENCE



Source: The Three Foundational Elements of Customer Experience Excellence, by Elizabeth Glagowski

BRANDING THE CUSTOMER EXPERIENCE



The new criteria for customer experience 2.0

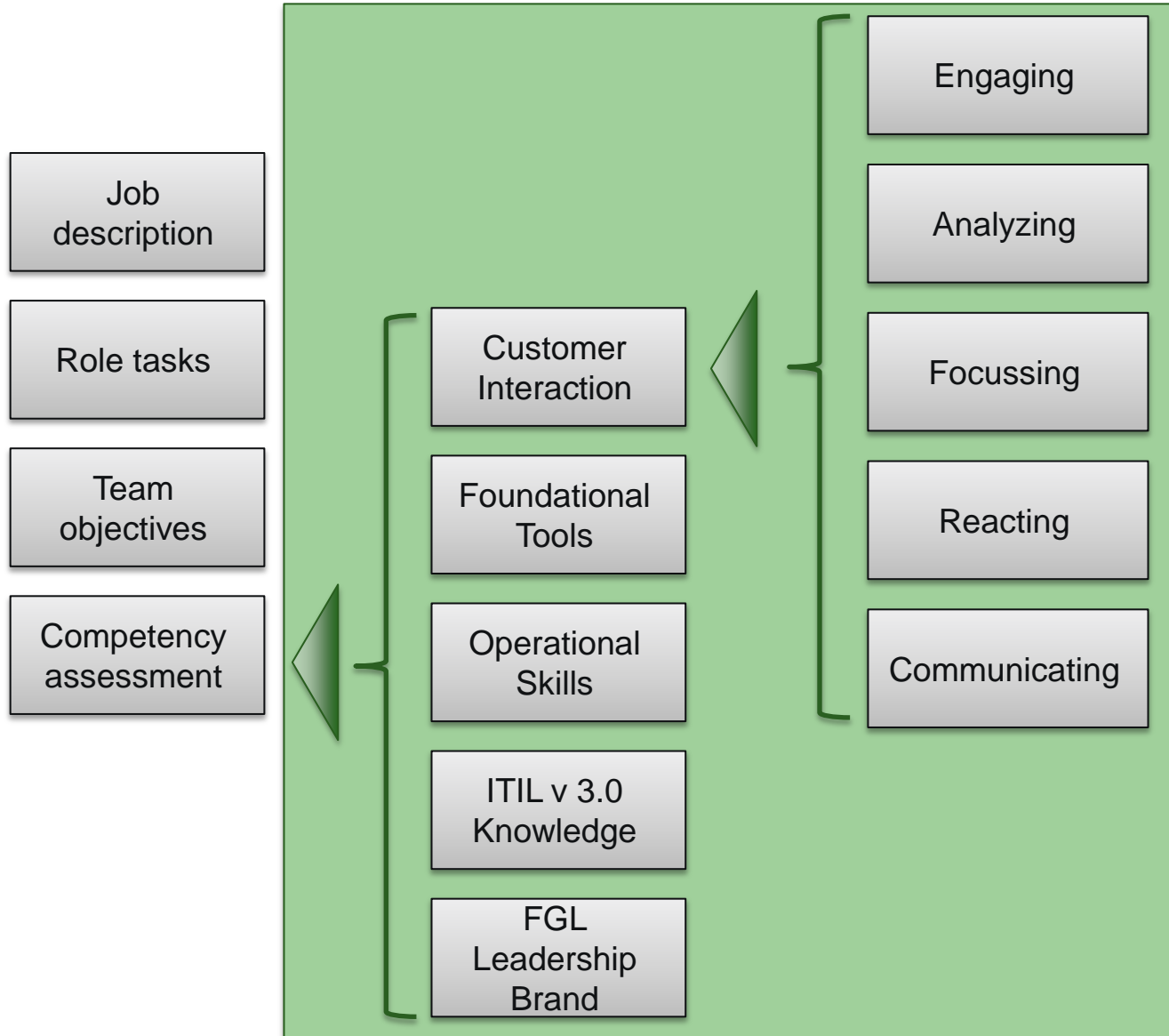
OUR APPROACH



A JOURNEY WITH A DESTINATION



ENGAGE AND DEVELOP OUR PEOPLE - EXAMPLE











The exercise in the green box aims to answer the question:

Which consultative skills do we need to develop across our teams?

ACHIEVING BUSINESS VALUE THROUGH A SUPERIOR CUSTOMER EXPERIENCE

WHAT we do: **Deliver a superior CUSTOMER experience**

- 1  Delivering accessible and predictable customer service
- 2  Understanding the customer expectations and resolution timelines
- 3  Communicating effectively according to customer needs
- 4  Implementing strong processes that deliver consistent results
- 5  Focusing on continuous improvement
- 6  Performing root-cause analysis to prevent recurring incidents
- 7  Using a common methodology to operate seamlessly
- 8  Gathering and acting upon customer feedback

WHY WE DO IT: **TO INSPIRE OUR CUSTOMERS TO LIVE HEALTHY ACTIVE LIVES**

DELIVERING BUSINESS VALUE THROUGH A SUPERIOR CUSTOMER EXPERIENCE

WHAT we do: **Deliver a superior CUSTOMER experience**

1



Delivering
accessible and
predictable
customer service

Attributes

Service definition

Service owner

Customers

Lifecycle

Cost

Support teams

Business risk

Business value metrics

Important questions that we need to answer

1. Number of services delivered by IT to our business customers
2. Estimated unit cost to deliver services
3. OLAs and SLOs/SLAs reporting on services delivered

WHY WE DO IT: **TO INSPIRE OUR CUSTOMERS TO LIVE HEALTHY ACTIVE LIVES**



DELIVERING BUSINESS VALUE THROUGH A SUPERIOR CUSTOMER EXPERIENCE

WHAT we do: **Deliver a superior CUSTOMER experience**

2



Understanding the customer expectations and resolution timelines

Attributes

- Projects
- Job Jar
- Requests
- Incidents
- Operations
- Opportunity Assessments
- Budgeting

Business value metrics

Important questions that we need to answer

1. Incidents SLOs/SLAs reporting
2. Incident trends by service by period or YTD
3. Total downtime per business unit or customer group

WHY WE DO IT: **TO INSPIRE OUR CUSTOMERS TO LIVE HEALTHY ACTIVE LIVES**

DELIVERING BUSINESS VALUE THROUGH A SUPERIOR CUSTOMER EXPERIENCE

WHAT we do: **Deliver a superior CUSTOMER experience**

3



Communicating effectively according to customer needs

Attributes

Service Desk

Event mgr

Change mgr

Incident mgr

Problem mgr

IT/ Ops mgrs

Support teams

Business value metrics

Important questions that we need to answer

1. Number of major incidents handled directly by the Service Desk
2. Number of incidents handled within SLAs/SLOs
3. Percentage of improvement on recurring incident handling


WHY WE DO IT: **TO INSPIRE OUR CUSTOMERS TO LIVE HEALTHY ACTIVE LIVES**



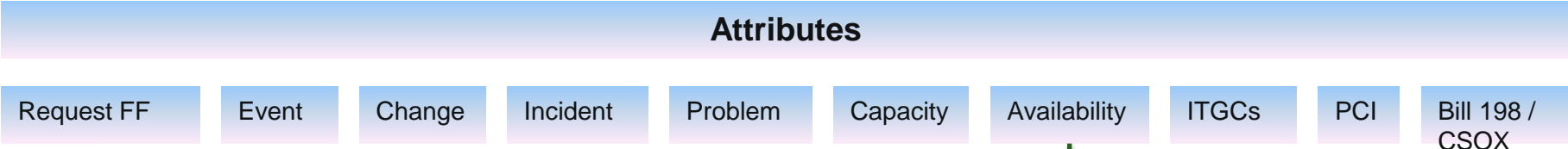
DELIVERING BUSINESS VALUE THROUGH A SUPERIOR CUSTOMER EXPERIENCE

WHAT we do: **Deliver a superior CUSTOMER experience**

4



Implementing strong processes that deliver consistent results



Business value metrics

Important questions that we need to answer

1. Number of Point of Sale hours of down time or degradation did stores experience
2. Number of customer hours of service down time or degradation
3. Number of maintenance changes performed to improve service uptime

WHY WE DO IT: **TO INSPIRE OUR CUSTOMERS TO LIVE HEALTHY ACTIVE LIVES**



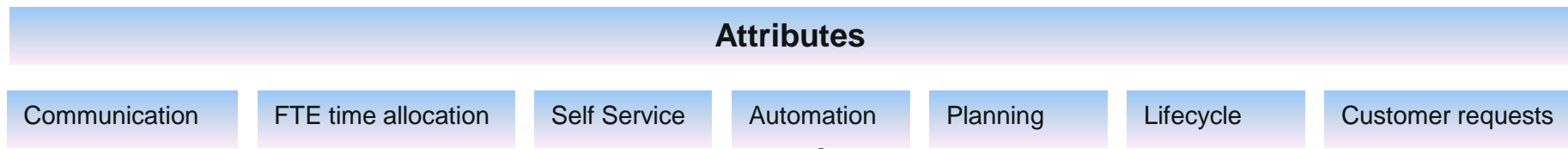
DELIVERING BUSINESS VALUE THROUGH A SUPERIOR CUSTOMER EXPERIENCE

WHAT we do: **Deliver a superior CUSTOMER experience**

5



Focusing on continuous improvement



Business value metrics

Important questions that we need to answer

1. Number of FTE hours and customer hours recovered through process automation
2. Number of system processes using automated validation
3. Number of automated processes documented and transitioned

WHY WE DO IT: **TO INSPIRE OUR CUSTOMERS TO LIVE HEALTHY ACTIVE LIVES**

DELIVERING BUSINESS VALUE THROUGH A SUPERIOR CUSTOMER EXPERIENCE

WHAT we do: **Deliver a superior CUSTOMER experience**

6



Performing root-cause analysis to prevent recurring incidents

Attributes

Incident trends

Major incident reports

Event mgmt

Problem mgmt

Business value metrics

Important questions that we need to answer

1. Number of problem candidates submitted by team for investigation
2. Number of problems resolved in the period/YTD
3. Number of hours committed to resolving problems period/YTD
4. Aggregate cost of incidents caused by this problem


WHY WE DO IT: **TO INSPIRE OUR CUSTOMERS TO LIVE HEALTHY ACTIVE LIVES**



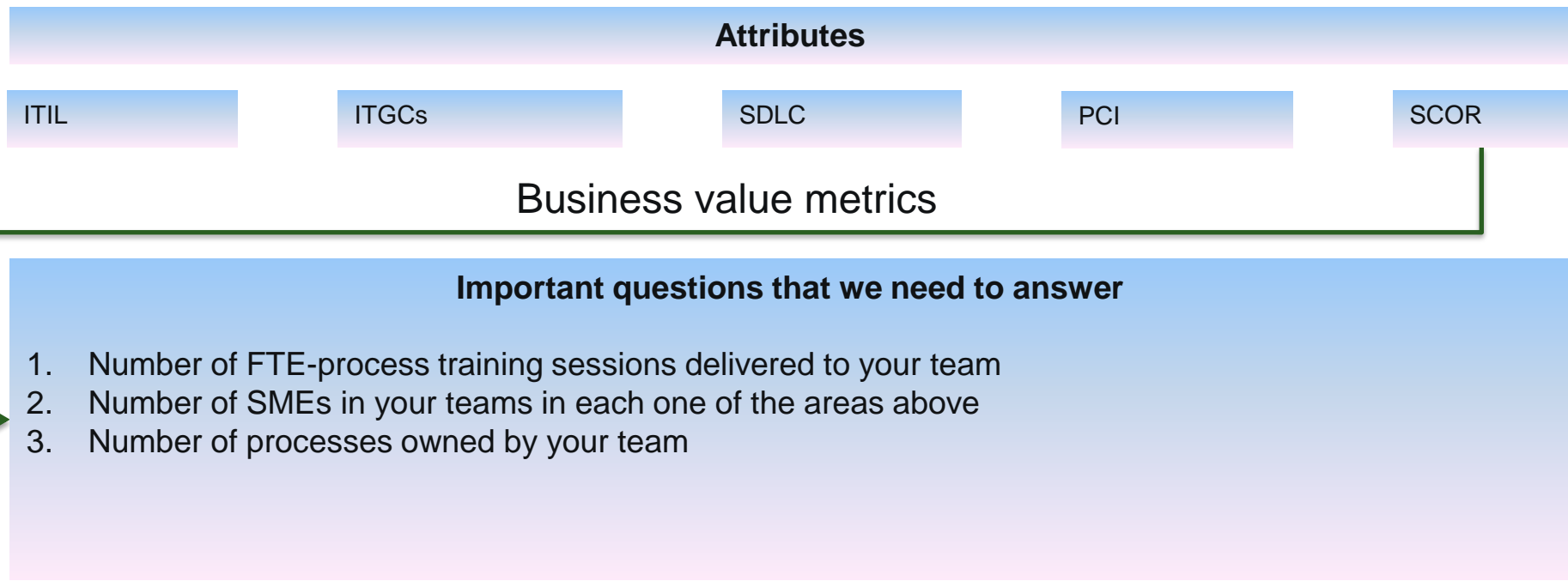
DELIVERING BUSINESS VALUE THROUGH A SUPERIOR CUSTOMER EXPERIENCE

WHAT we do: **Deliver a superior CUSTOMER experience**

7



Using a common methodology to operate seamlessly



WHY WE DO IT: **TO INSPIRE OUR CUSTOMERS TO LIVE HEALTHY ACTIVE LIVES**



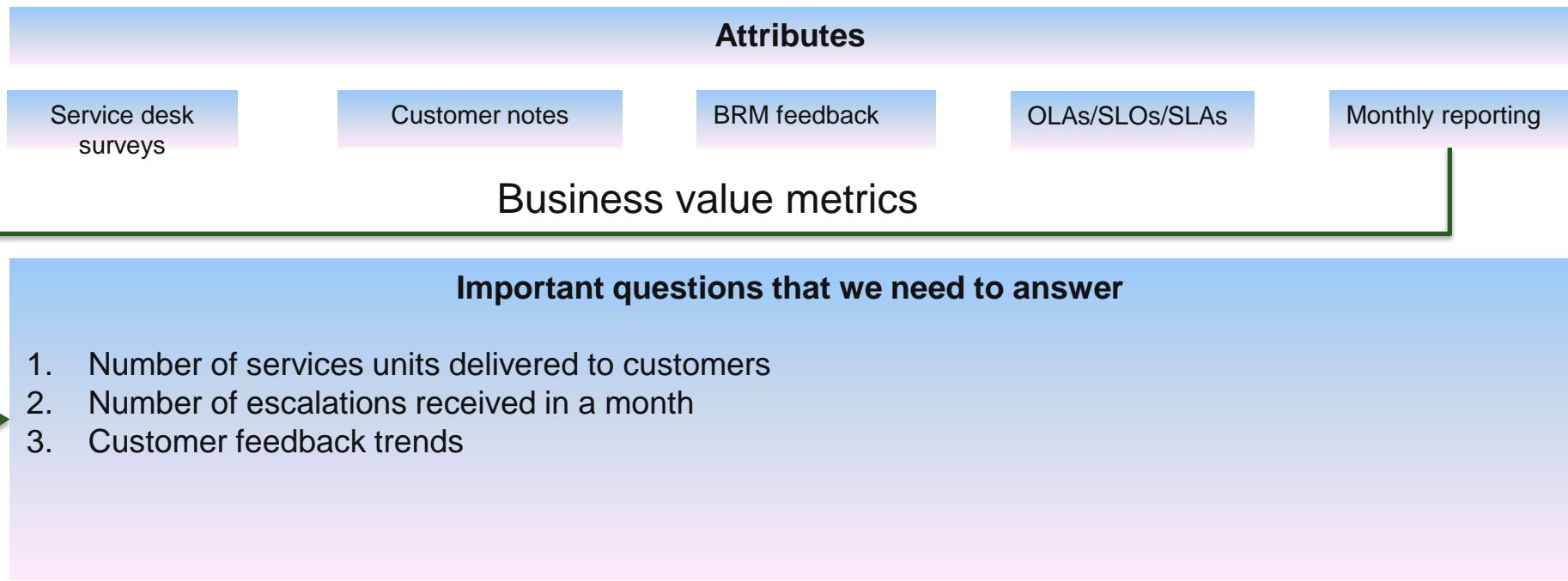
DELIVERING BUSINESS VALUE THROUGH A SUPERIOR CUSTOMER EXPERIENCE

WHAT we do: **Deliver a superior CUSTOMER experience**

8



Gathering and acting upon customer feedback



WHY WE DO IT: **TO INSPIRE OUR CUSTOMERS TO LIVE HEALTHY ACTIVE LIVES**

IMPLEMENT PROCESSES: WEAVING ITIL INTO THE SERVICE FABRIC OF THE ORGANIZATION



DELIVERING BUSINESS VALUE IN 2012

MANAGING OUR TEAMS: WHAT WE *NEED TO KNOW*

Category	Metrics					
Performance	Regular hours	Overtime hours	Full time equivalent	Employee hours	Contractor hours	Turnover
	Project capex	Project opex	Support opex	Maintenance opex	Team performance	Team expertise (IT & Business)
Service	Requests	Incidents	Projects	Problems	Changes	Maintenance
Business impact & risks	Request FF	Event	Incident	Problem	Capacity	Availability
	Asset	Configuration	Service	ITGCs	PCI	Bill 198 / CSOX

WHY WE DO IT: TO INSPIRE OUR CUSTOMERS TO LIVE HEALTHY ACTIVE LIVES

DELIVERING BUSINESS VALUE IN 2012

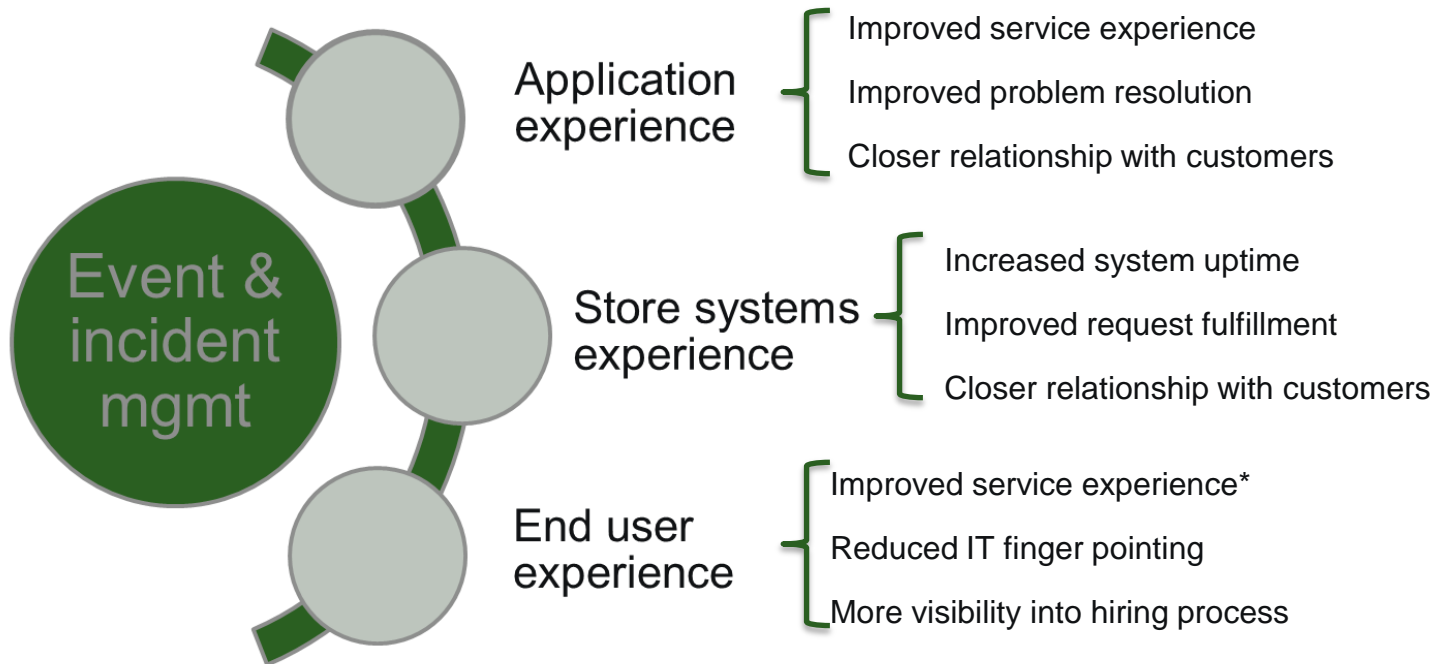
MANAGING OUR TEAMS: **WHAT WE WILL DO**

Metric	Trend	Target	Stretch	Business Benefit
Events	Down	5%	10%	Reduce system noise
Incidents	Down	5%	10%	Reduce support costs
Problems	Up	10%	20%	Increase team capacity by reducing incidents
Requests	Up	10%	20%	Improve customer experience
Service definition	Up	10	20	Increase IT awareness
Escalations	Down	30%	50%	Reduce IT costs
Career Focus	Up	Revise	Rev & Comp	Improve engagement
Skills	Up	1 SME	2 SMEs	Reduce risks and improve capabilities

WHY WE DO IT: TO INSPIRE OUR CUSTOMERS TO LIVE HEALTHY ACTIVE LIVES

MAKING IT REAL

CUSTOMER EXPERIENCE OWNERS





COMMENTS FROM MEMBERS OF OUR TEAM

“The largest evolution in regards to Business Value and the Customer Experience has been the increased visibility to the relationship of the two, and how equally significant they are as integral components in both Projects and Operations.

The culture in project teams is shifting from the focus on Business Value with considerations on the customer experience to balancing the importance of each factor in respect to the entire lifecycle of the target service.

In parallel to this, Operational teams are more frequently integrating Continual Service Improvement initiatives to not simply build on both customer experience and the Business value, but to also increase the visibility to each element in existing services.”

Dan Webster, Practice Lead store systems



COMMENTS FROM MEMBERS OF OUR TEAM (CONT'D)

“The Production Operations [NOC] team provides superior and proactive customer service to its internal and external customers.

In the past three years, the Production Operations team has greatly improved processes and procedures in communication and event management, resulting in our business having a greater level of trust and awareness in the IT Department as a whole.

The team understands its importance to our business and the value of customer experience our business deserves, and will continue to enhance value to contribute to FGL Sports through adherence to the FGL Leadership Brand.

Dan MacRae, Team Lead Production Operations



COMMENTS FROM MEMBERS OF OUR TEAM (CONT'D)

“To me the customer experience is defined by how my customer **feels** at the end of the engagement. Not only did we meet the customer expectations, but did we exceed it! Did the customer walk away from the interaction feeling satisfied and that their issue or request was seen as important and resolved accordingly?

...One of the other glaring opportunities was in the process we handled new hire requests. Often users were starting and the PC, accounts, phone, blackberry, etc were not ready for the day they started.

This not only provided a poor user experience, but this was the **FIRST** experience the customer had with IT. Late last year we defined a process and a checklist for handling new user requests, and we are still refining it.

Now we are ensuring the equipment, accounts, etc. are ready and deployed the day before the user starts.”

Greg Shaw, Manager End User Experience



COMMENTS FROM MEMBERS OF OUR TEAM (CONT'D)

“By increasing the overall awareness of our services and business impacts across our IT teams, we have been able to see improvements in our customer experience. There is great business value when we, as an IT team, are aligned with our business needs, understand the impacts and in turn can act accordingly.”

Kristin Riehl, Manager Application Experience

LOOKING TO THE FUTURE

ACHIEVING TRANSFORMATION

1. Starts with the message (is it empowering? Is it inclusive? Is it clear?)
2. Requires clear role definition – what do I really do here? Who owns the customer experience?
3. Requires time to share your vision, experience(s) and passion for people
4. Engage in difficult conversations and measure your team fairly to drive high performance
5. Recognize achievements at every opportunity as you continue to raise the bar

WHERE DO WE GO FROM HERE?

1. Foster local industry clusters to improve collaboration around best practices and research related to business value and customer experience.
2. Develop best practices for onboarding Information Technology professionals to improve integration into the business of the organization.
3. Adopt standards to raise the consultative skills of Information Technology professionals (e.g. Skills Framework for the Information Age).
4. Collaborate on best practices for proven organizational design to leverage the potential of ITIL v3.0.
5. Challenge ourselves, our teams and our partners achieve business value through superior customer experience.

QUESTIONS?