



**PROCESS
RENEWAL
GROUP**

**DIGITALIZED PROCESSES:
OPTIMIZING THE CUSTOMER EXPERIENCE THROUGH DIGITAL
ANALYSIS AND DESIGN**

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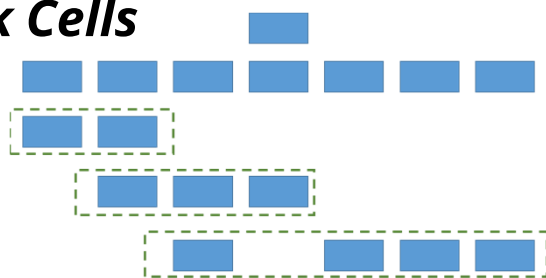
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NEED TO CHANGE BUSINESS MODELS

Every one of these broadens the scope of any solution requirement

Work Cells

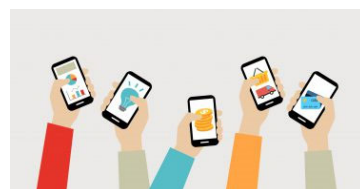
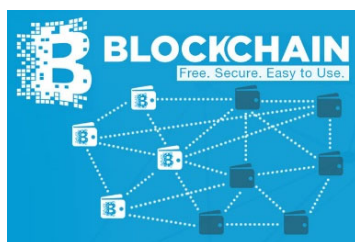


EMBRAER



TOYOTA

Disintermediation of trusted transactions



Digital Tech

Self Managed Business

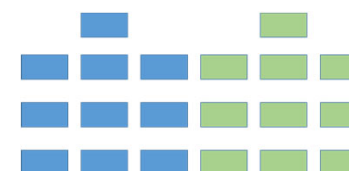


New resources

AI and RPA

Digital Matchmaking:

One brand – Low capital



amADEUS

airbnb

Rover



Connectivity



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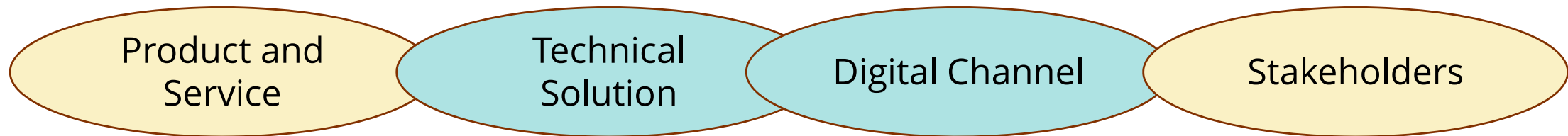
SO LET'S GET DIGITAL

It's not this simple



WHAT WE THINK DIGITAL IS

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DIGITAL CAN BE EXTREMELY COMPLEX



Traditional customer lifecycle

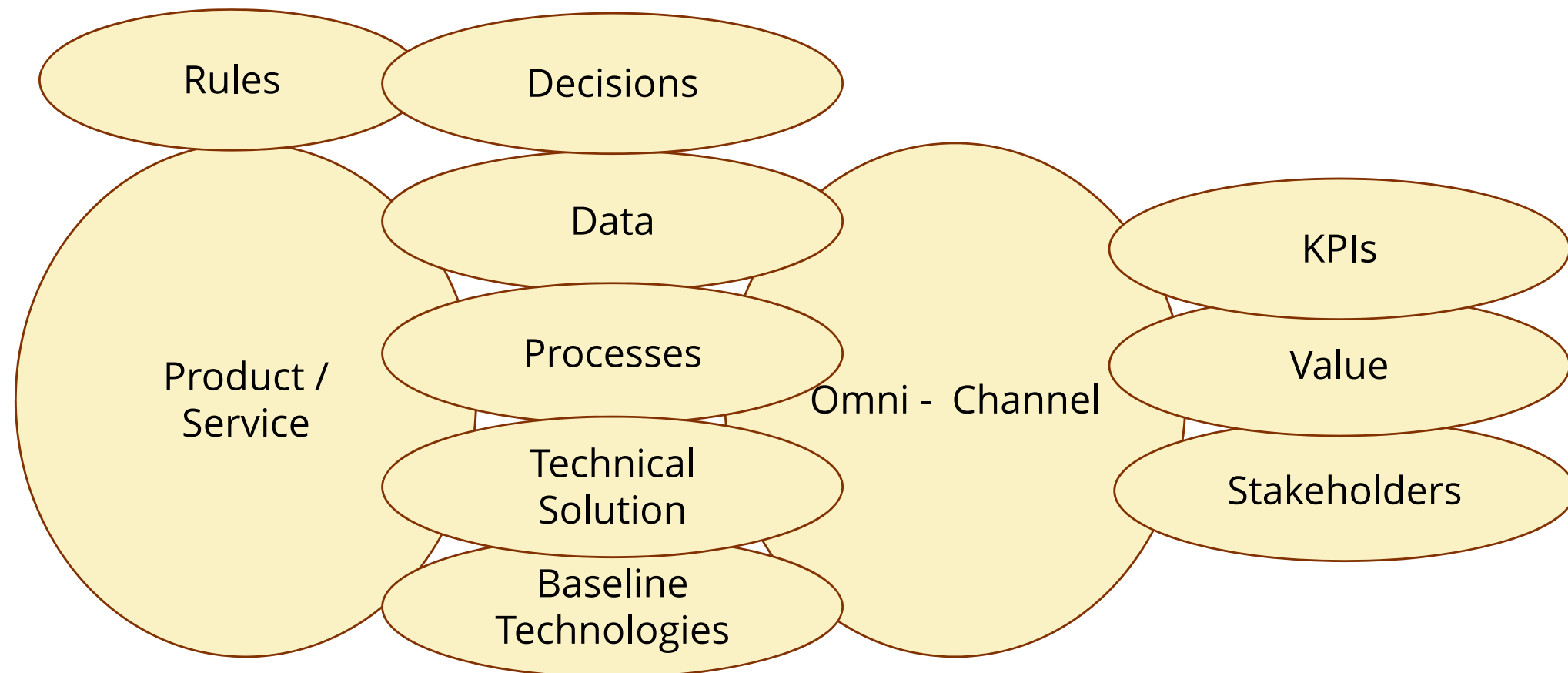


Digital customer lifecycle



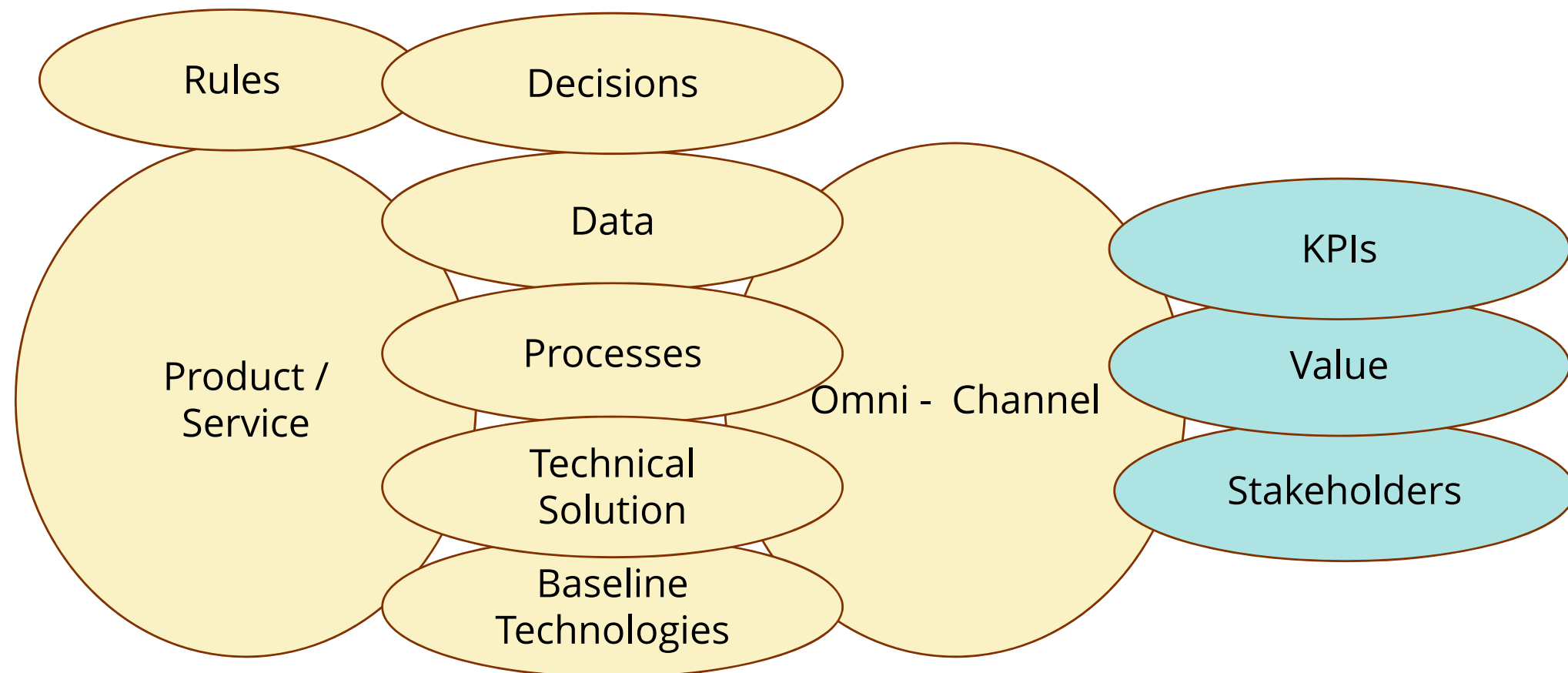
WHAT DIGITALIZATION REALLY IS

Many interacting components



WHAT DIGITALIZATION REALLY IS

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STAKEHOLDER SEGMENTATION

- Segments may have differing service availability, SLAs, promise, rules, etc.
 - Age
 - Senior privileges
 - Business loyalty
 - Frequent Buyers
 - Buying power
 - Wealth
- Personas are often a means of segmentation
 - Modeled representations of who service recipients are, what they are trying to accomplish, what goals drive their behaviour, how they think, how they buy and why they make buying decisions



STAKEHOLDER PERSONALIZATION

- At extremes, segments are of one
- Means more personal information, paths, rules, permissions and registrations
- To enhance customer experience you must identify the customer, deliver personalized content and honour their preferences
- The user must have a sense and trust of our understanding



STAKEHOLDER VALUE ATTRIBUTES: WHO CARES?

There must be a relevant stakeholder

- All aspects are potentially important
 - Exchanged Items
 - Expected Outcomes
 - Experience
- Full value comes from full realization

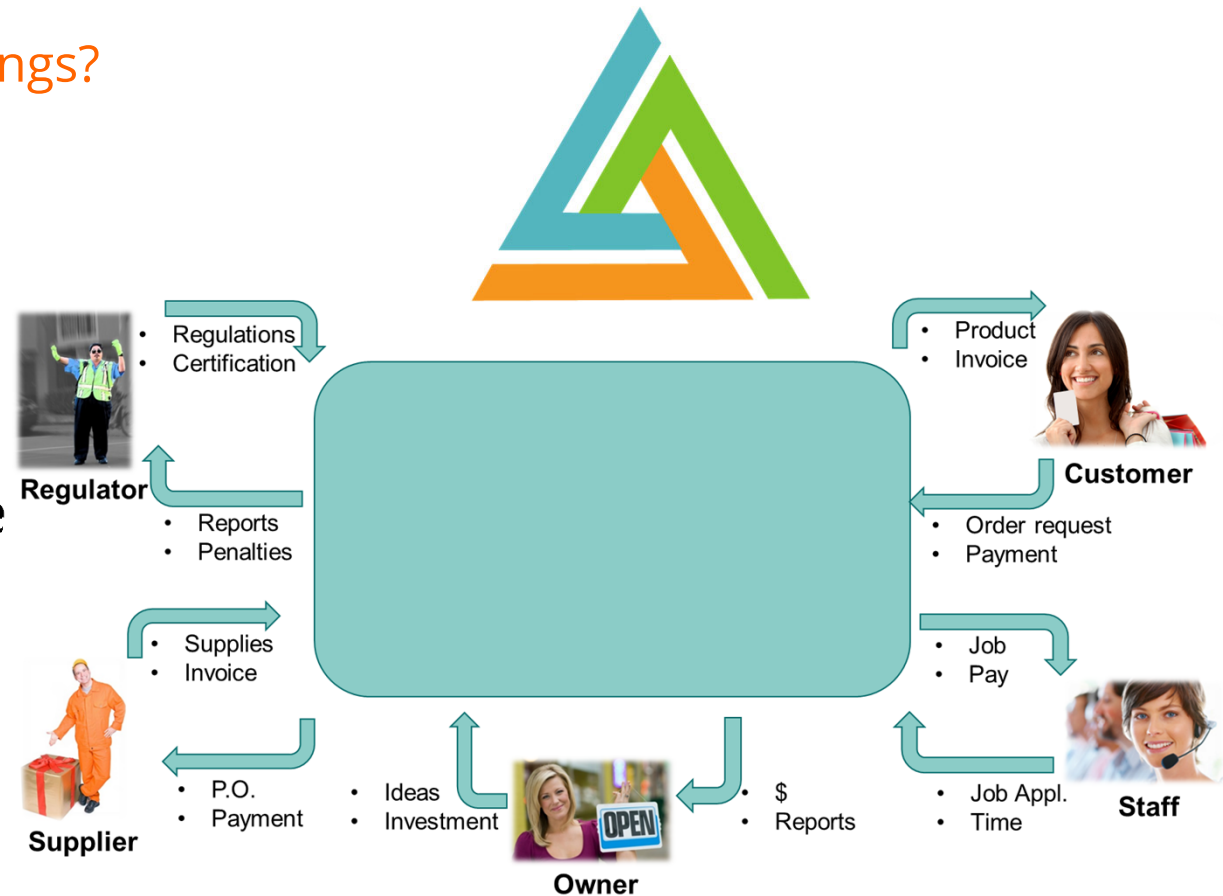


ASPECTS OF BUSINESS VALUE: WHAT'S IMPORTANT TO STAKEHOLDERS?

What Things?

Exchanged Items

- Tangible things – the beginning of value
- Products, Services, Information and commitments
- Items should be countable
- Items are not assessments



ASPECTS OF BUSINESS VALUE: WHAT'S IMPORTANT TO STAKEHOLDERS?

What Benefit?

Expectations of benefit

- What important stakeholder needs will be achievable by receiving the items?
- What can the recipient do in their world that they could not do before
- Falling short leads to relationship failure



ASPECTS OF BUSINESS VALUE: WHAT'S IMPORTANT TO STAKEHOLDERS?

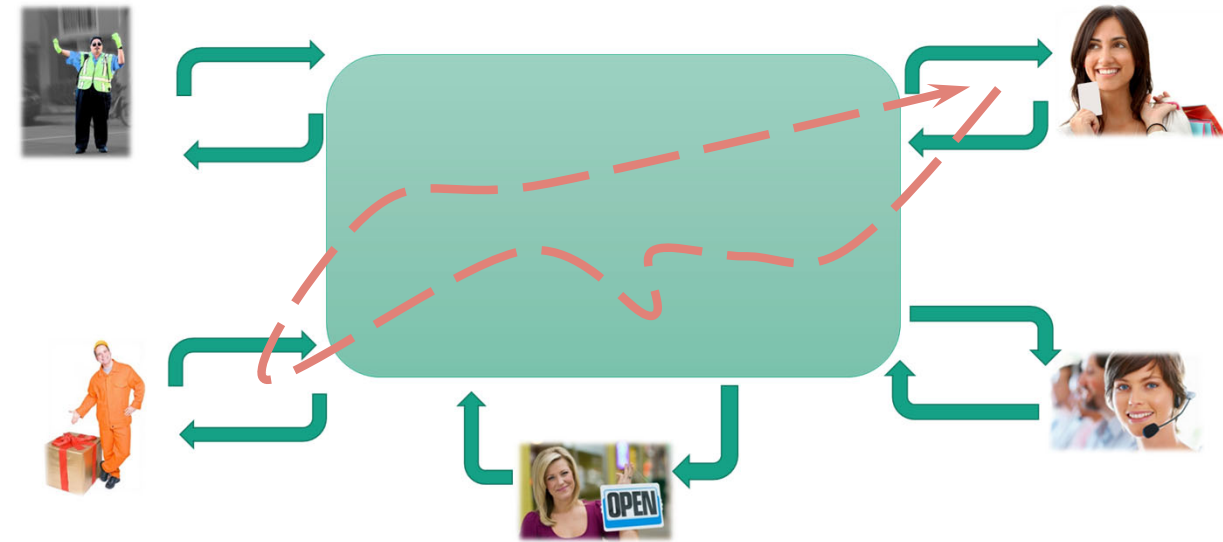
What Experience?



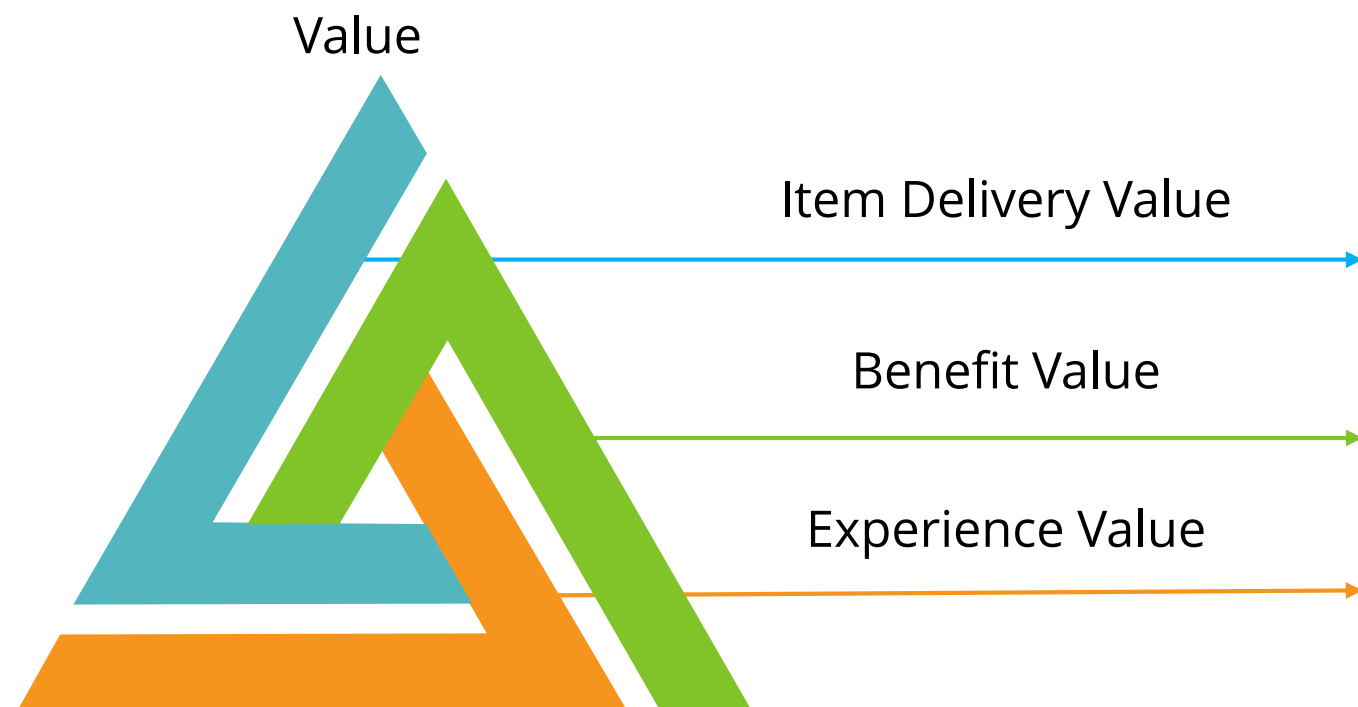
Experience of interaction



- How did they feel while interacting with us?
- **How** we and they drive services
- How we and they interact with each another
- How we can **differentiate** when Exchanges and Expectations are similar in the industry



CONSOLIDATED VALUE - EXCHANGES, EXPECTATIONS AND EXPERIENCES IS THE BASIS FOR MEASUREMENT

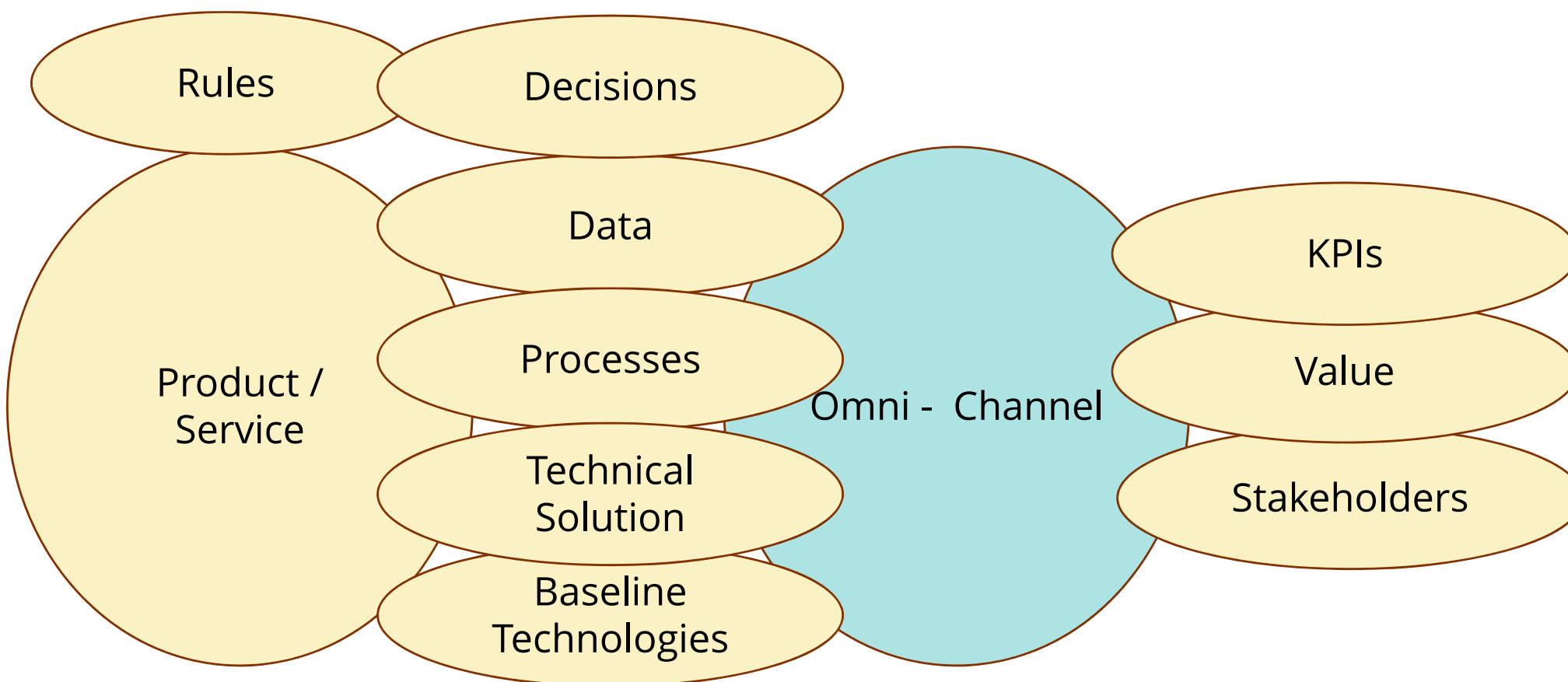


Measures - KPIs




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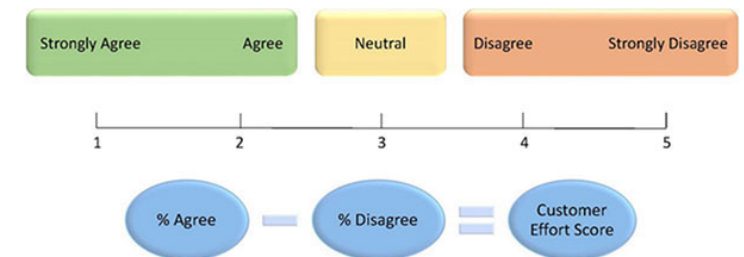
POTENTIAL DIGITALIZATION CAPABILITIES— OMNI CHANNEL

- Customer sees the organization as one channel with ability to change the touch point to any channel anytime, anywhere in the process
 - Mobile
 - Call centre
 - Web / Social
 - In person – on site
 - E-mail
 - Remove barriers
 - frictionless in going from one stage to another
 - Must always know where you are
 - Pickup where you left off
 - Must always know how you are doing
 - Measurement data
 - Analytics
- 
- Millennial influence
 - Bringing devices into stores
 - Social media while watching TV
 - Buying that clothing while the actor is on the stage
 - Buy online - pickup and return at store

ATTRIBUTES OF EXPERIENCE

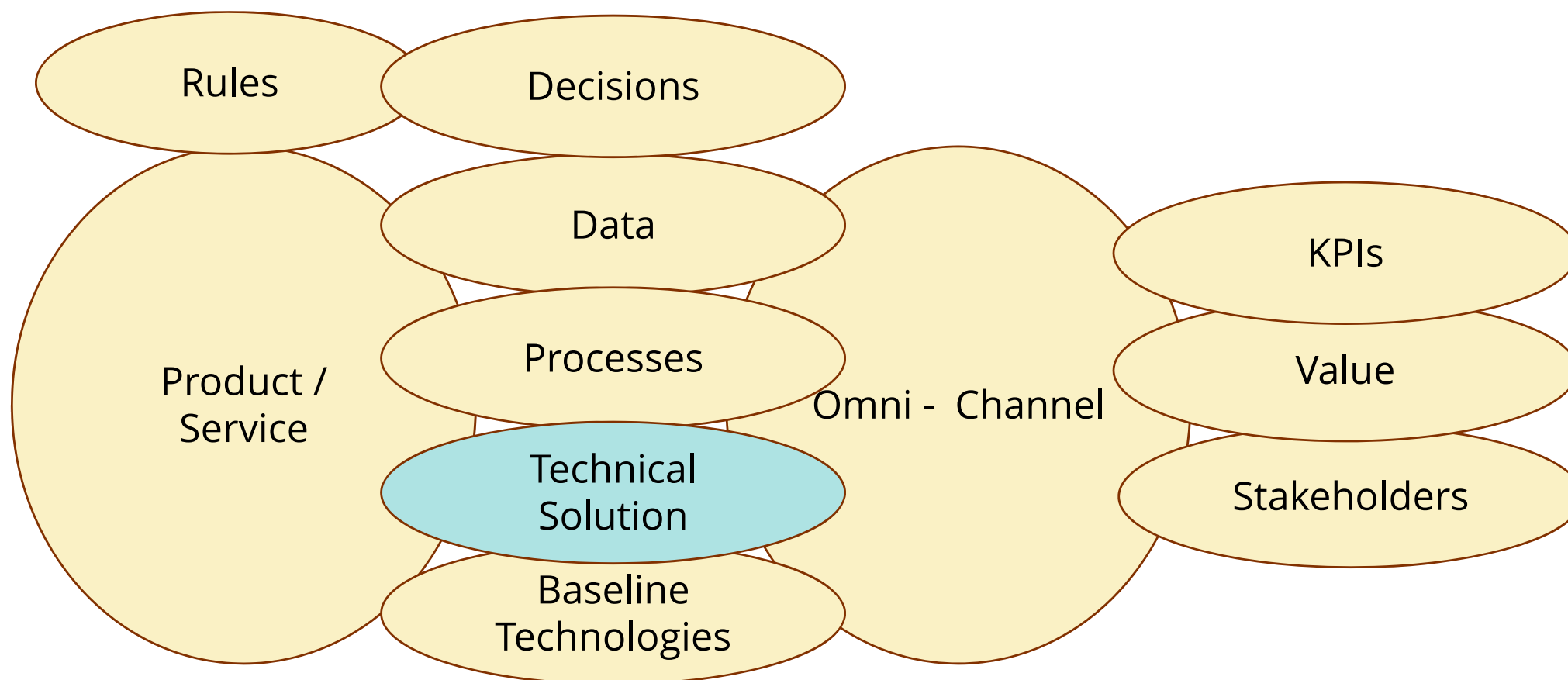
Design the experience before the technology

- Experience customers in their world
- How did you feel?
- How easy was it?
- Accessibility
- Usability
- Safety
- Consistency across channels and over time
- Customer efficiency



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RANGE FROM ROBOTICS TO FULL AI

Mimics Human Actions	Augments Human Judgement	Augments Human Intelligence	Mimics Human Intelligence
RPA (Robotics)	Chatbots	Cognitive Agents	Real AI
Rules based	Data based		
Standardize	Improve		Re-conceive
Task Level	Value Stream Level		
Structured Data		Unstructured Data	
Descriptive analytics	Diagnostic analytics	Predictive analytics	Prescriptive analytics

WHAT IS RPA?

Robotic Process Automation is

- Process automation technology that replicates human interactions with websites and systems by:
 - **Extracting, adjusting and recording data** through screen-scrubbing technology
 - **Operating screens** to execute pre-configured workflows
 - **Making structured decisions** through pre-configured business rules
 - **Applying simple data quality checks and adjustments** (e.g. data standardization), based on pre-configured business rules
 - **Invoking other systems and services**, and exchanging data with them, based on pre-configured business rules



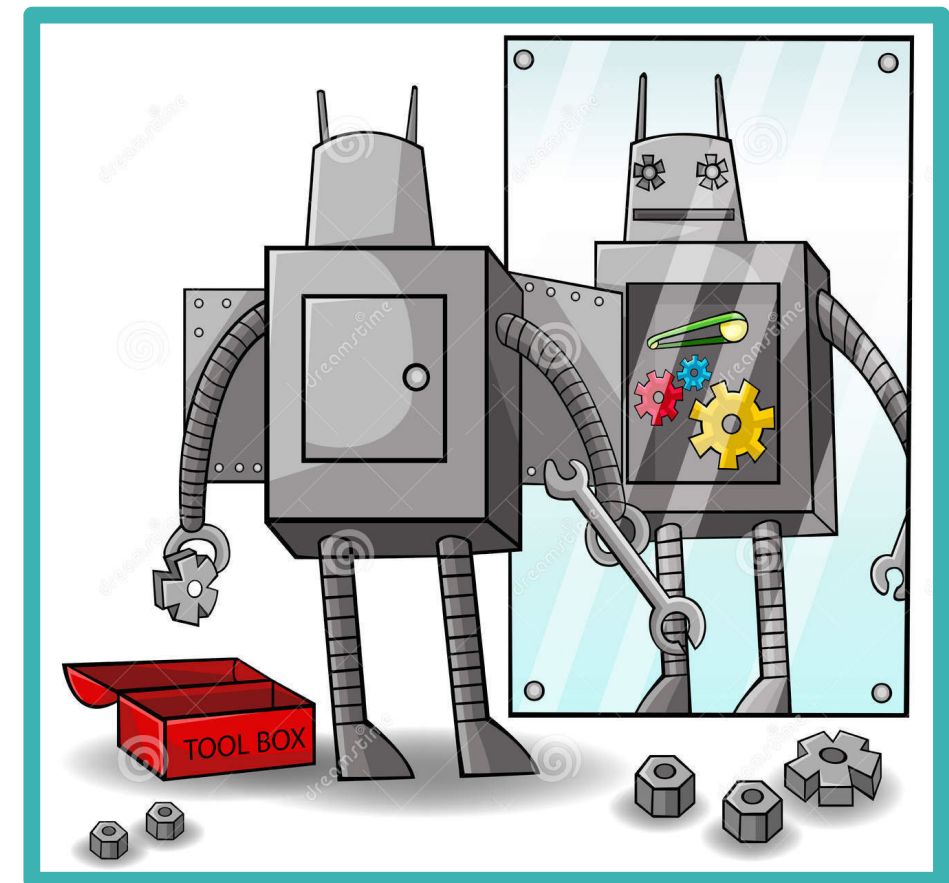
AI AUGMENTS RPA CAPABILITIES

What AI can do:

- Analyze large datasets for patterns
- Adapt to similar tasks through reinforcement learning
- Make decisions, based on categorizations
- Identify components of images and screens
- Rudimentary voice recognition
- Semi-scripted responses (e.g. bots)

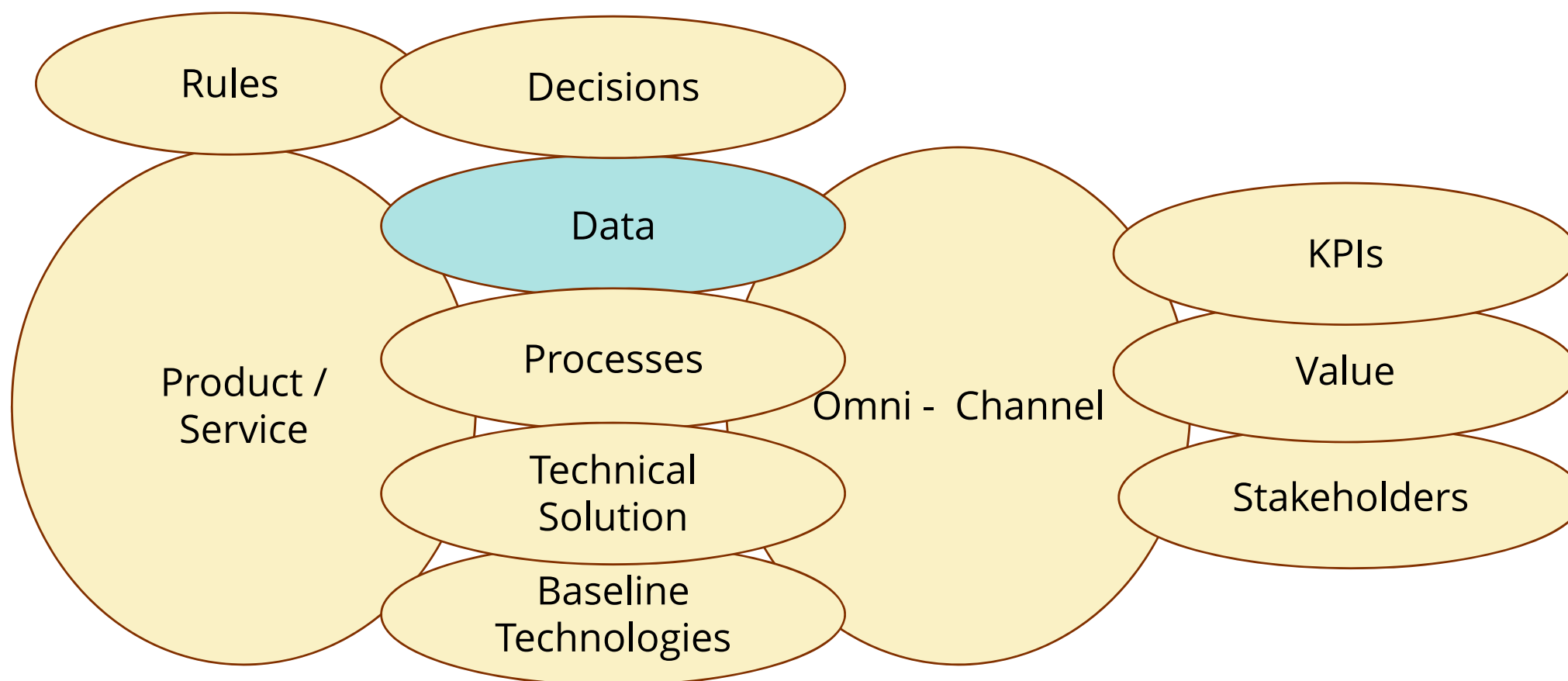
What AI struggles with (for now):

- Natural language recognition
- Self-learning
- Natural communication (texts or voice)
- Unsupervised operations



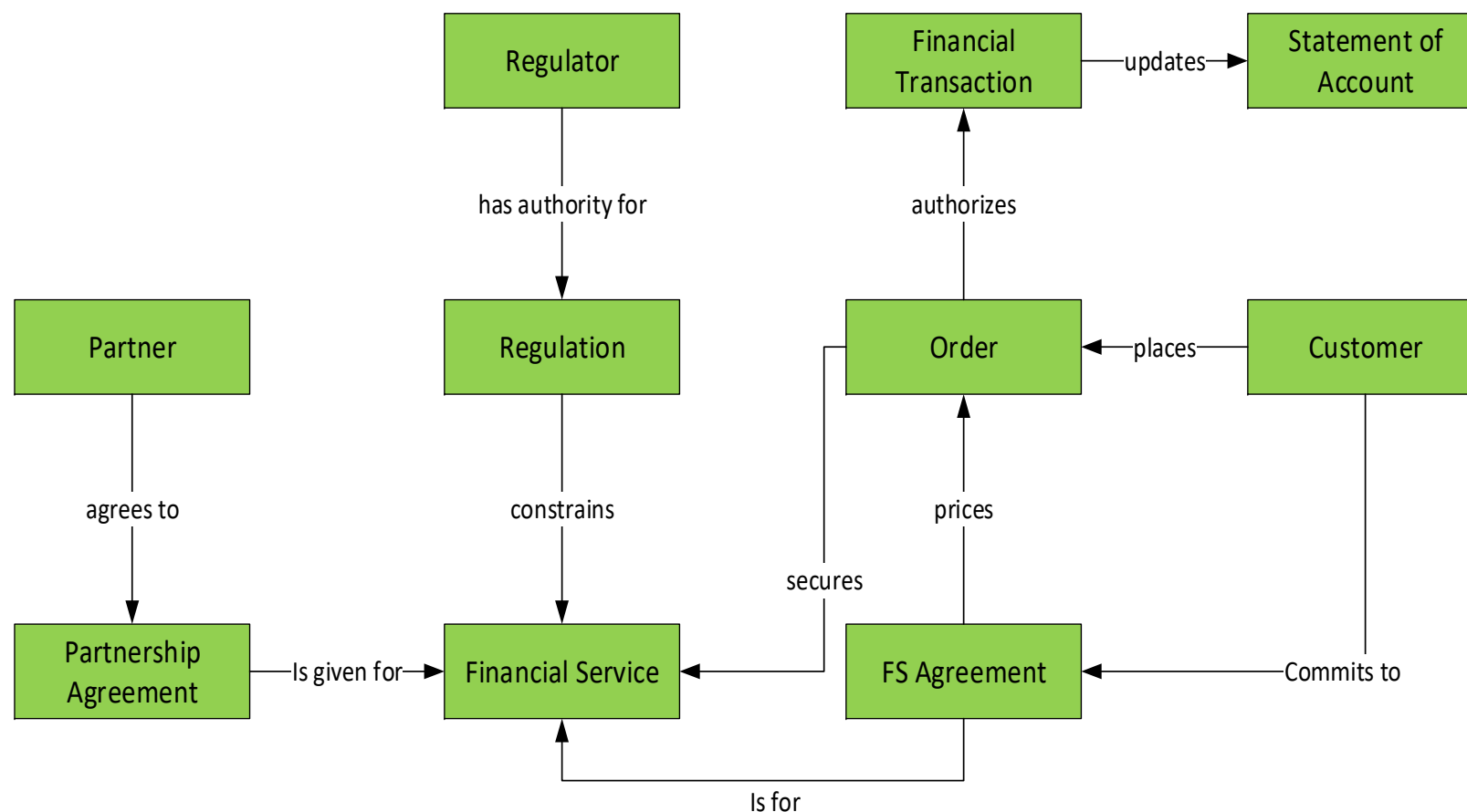
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DIGITALIZATION MUST TACKLE ALL BUSINESS CONCEPTS IN SCOPE *

The concept model is the foundation for the data requirements
Nouns, verbs and definitions



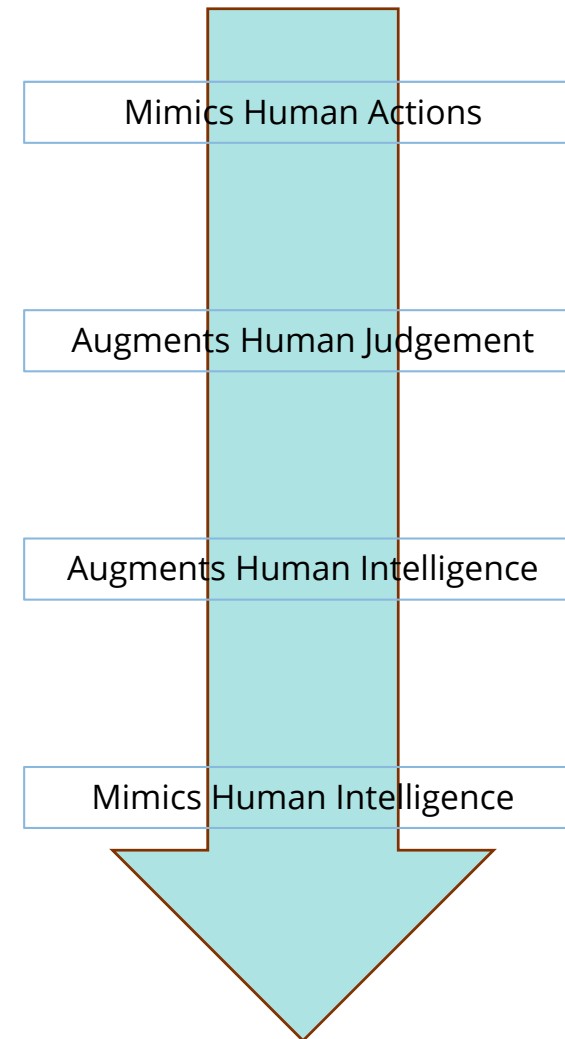
THE CRITICALITY OF THE DATA FOUNDATION

Be data ready

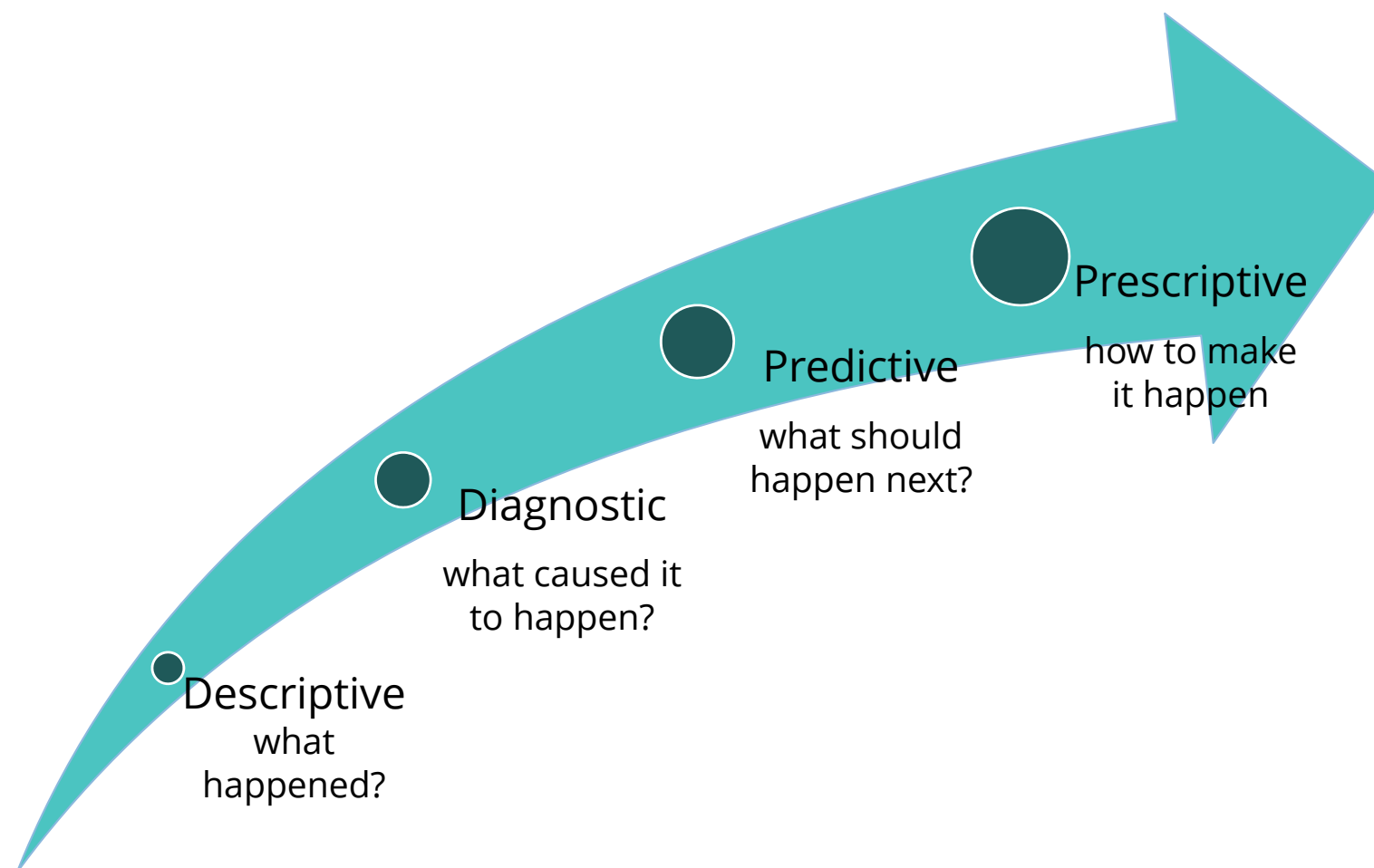
- AI can only learn from the data that's put in front of it. The good news is that you don't need tons of data to get started. But if that data isn't ready, applying analytics will be futile; results will be misleading, and more work will be created.
- This is a critical step - take the necessary time to ensure data sets are ready

STRUCTURED AND UNSTRUCTURED DATA

- Structured
 - Systems of Record
 - ERP
 - CRM
 - Transactions
 - Partner data
- Unstructured
 - Documents
 - Images/Video
 - Web screens and data
 - Social media / blogs

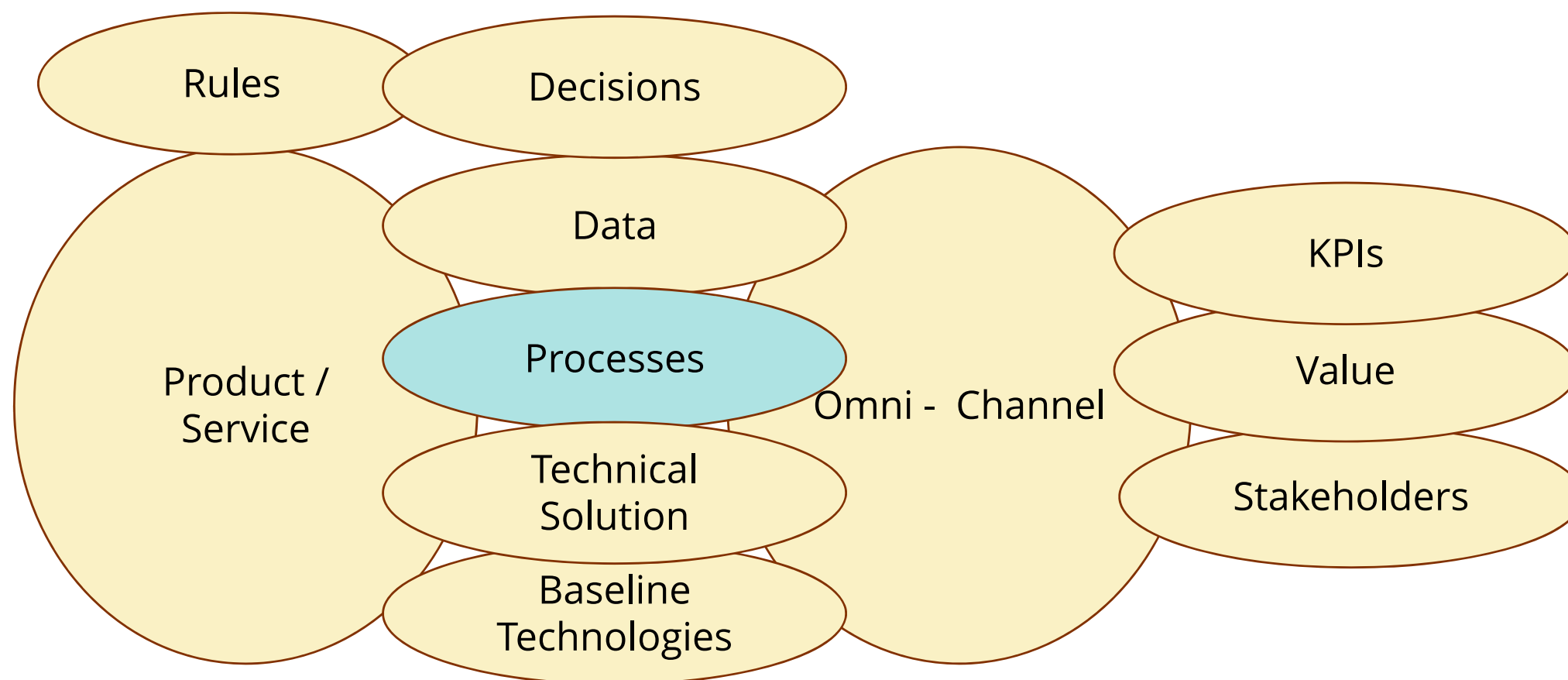


DATA ANALYTICS POTENTIAL



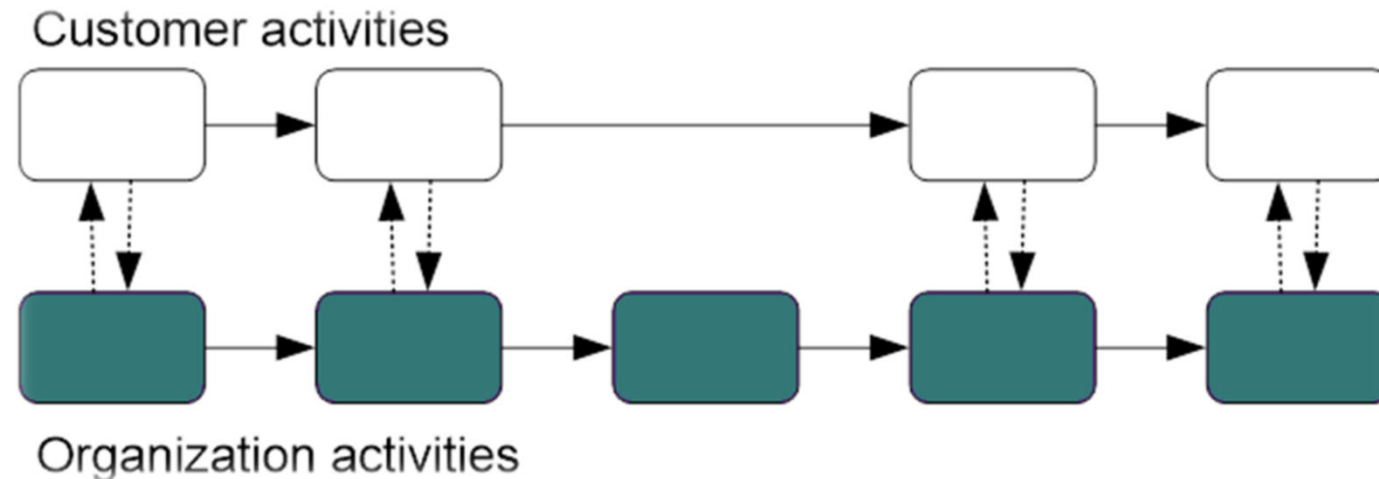
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SERVICE STYLE PROCESSES

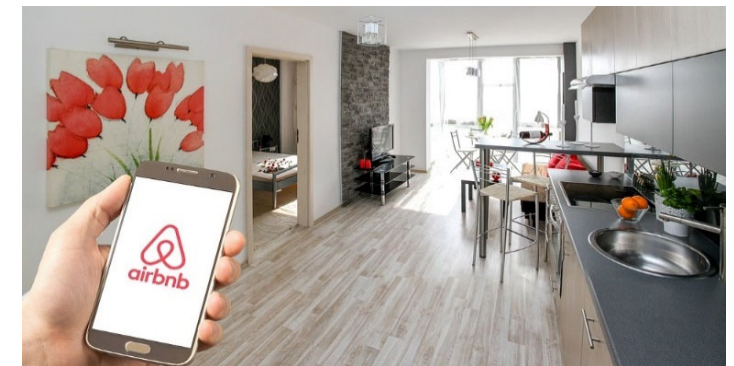
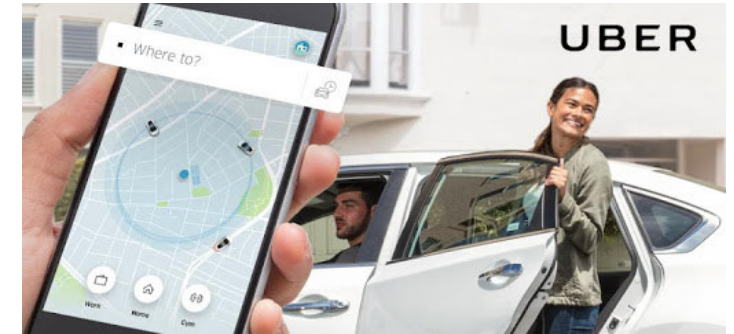
Strong candidates for digitalization: No fixed flow, event driven & automated decisions



- The focus is on the interactions with customers.
- In service processes, each customer interaction could drive a different path depending on the progress of the process.
- In digital the customer is one of the process performers – or are we just a part of their process?

FIND A DIGITAL PROCESS PATTERN

- Compare similar models from organizations with similar issues but in different industries
 - E.G. is reserving a room like retail ordering?
- Benchmark practices of different industries with similar patterns
 - E.G. is a hotel visit like a car share?
 - Is pet care like a car share or room rental?
 - One source, no capital, highly data centric



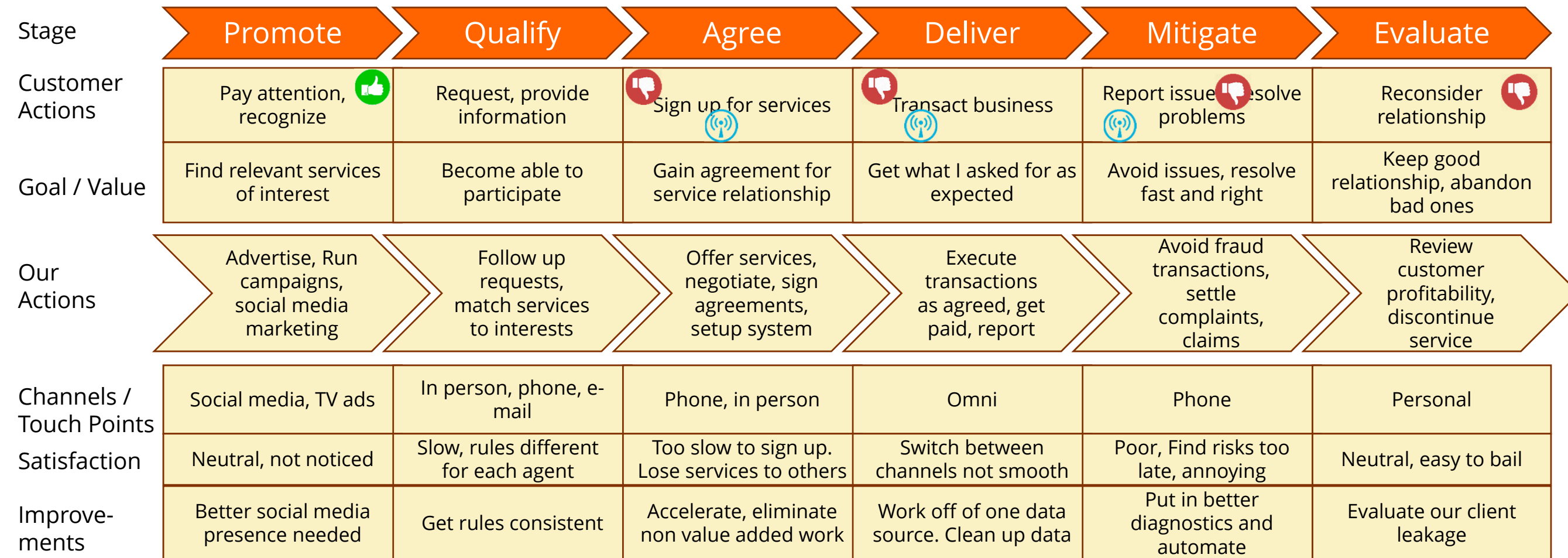
DESIGN PROCESSES AROUND THE CUSTOMER MOMENTS OF TRUTH

- Mortgage Application
 - Did you approve me?
 - Did you fund me at closing?
- Transit
 - Did I get my schedule for my trip
 - What is the current schedule?
 - Did the vehicle arrive as promised?
 - Did I arrive at my destination on time?
- Retail
 - Can I find what I am looking for?
 - ...

Find all customer experiences with the process - not just technological ones - human ones too



BANK CUSTOMER EXPERIENCE JOURNEY MAP



Works well



Does not work well



Moment of truth

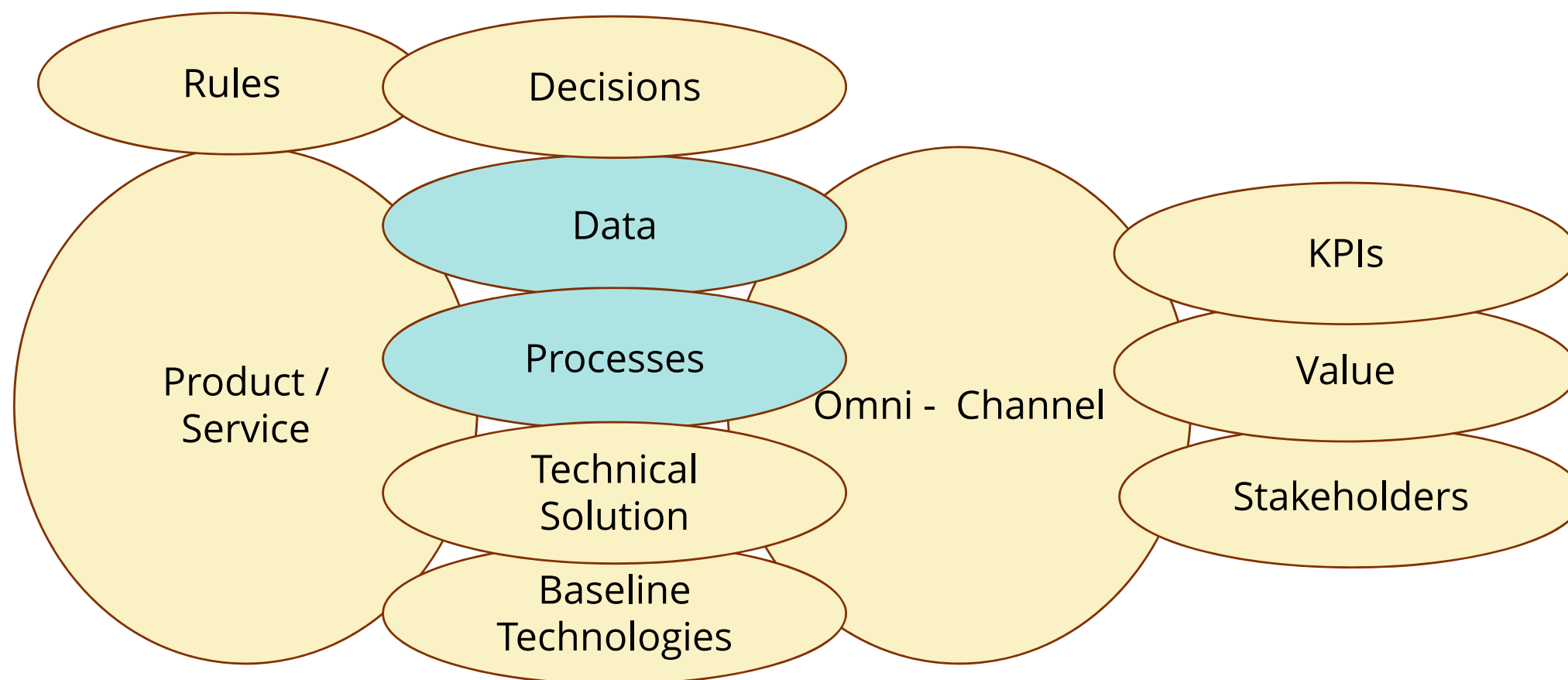


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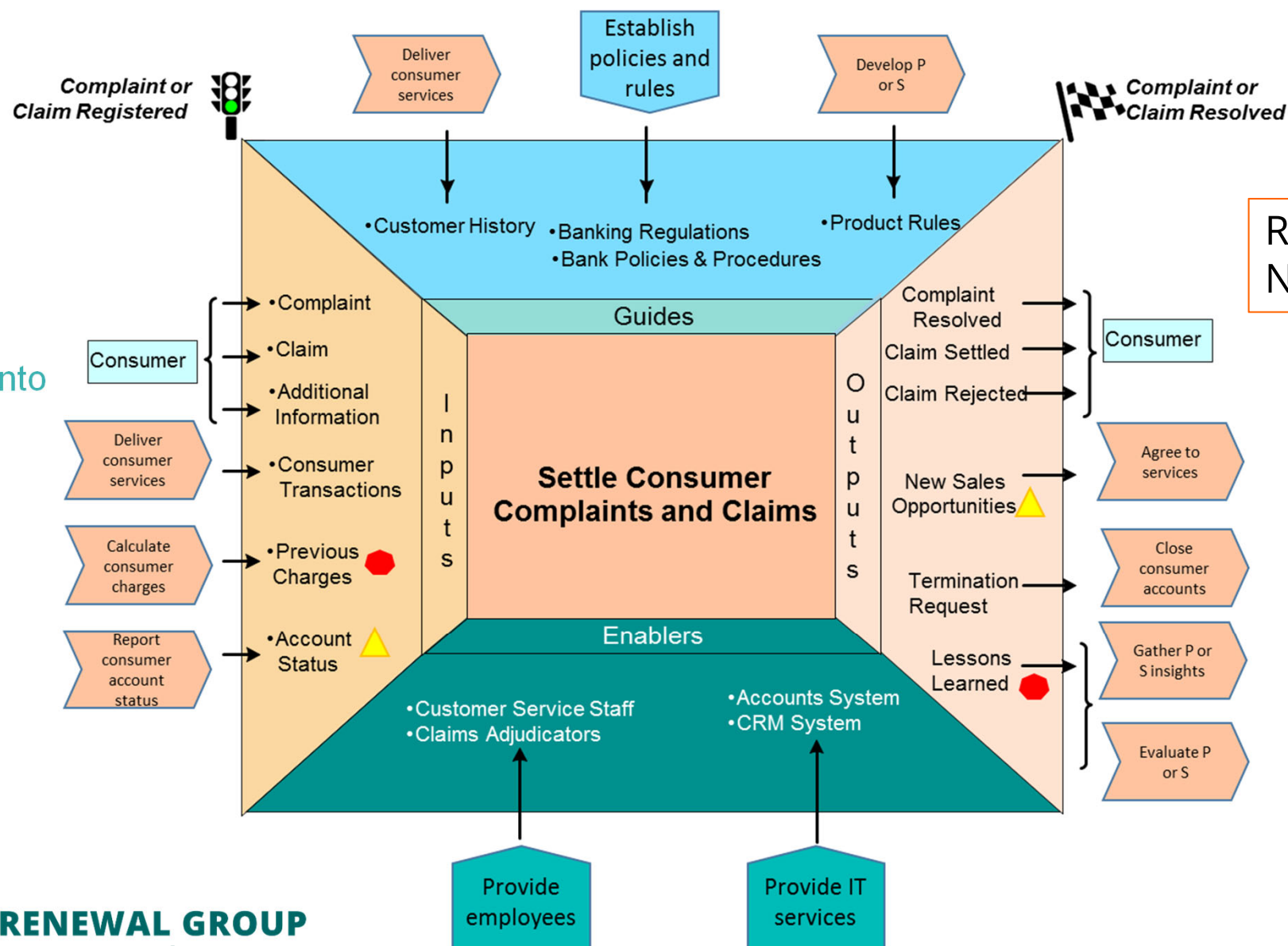
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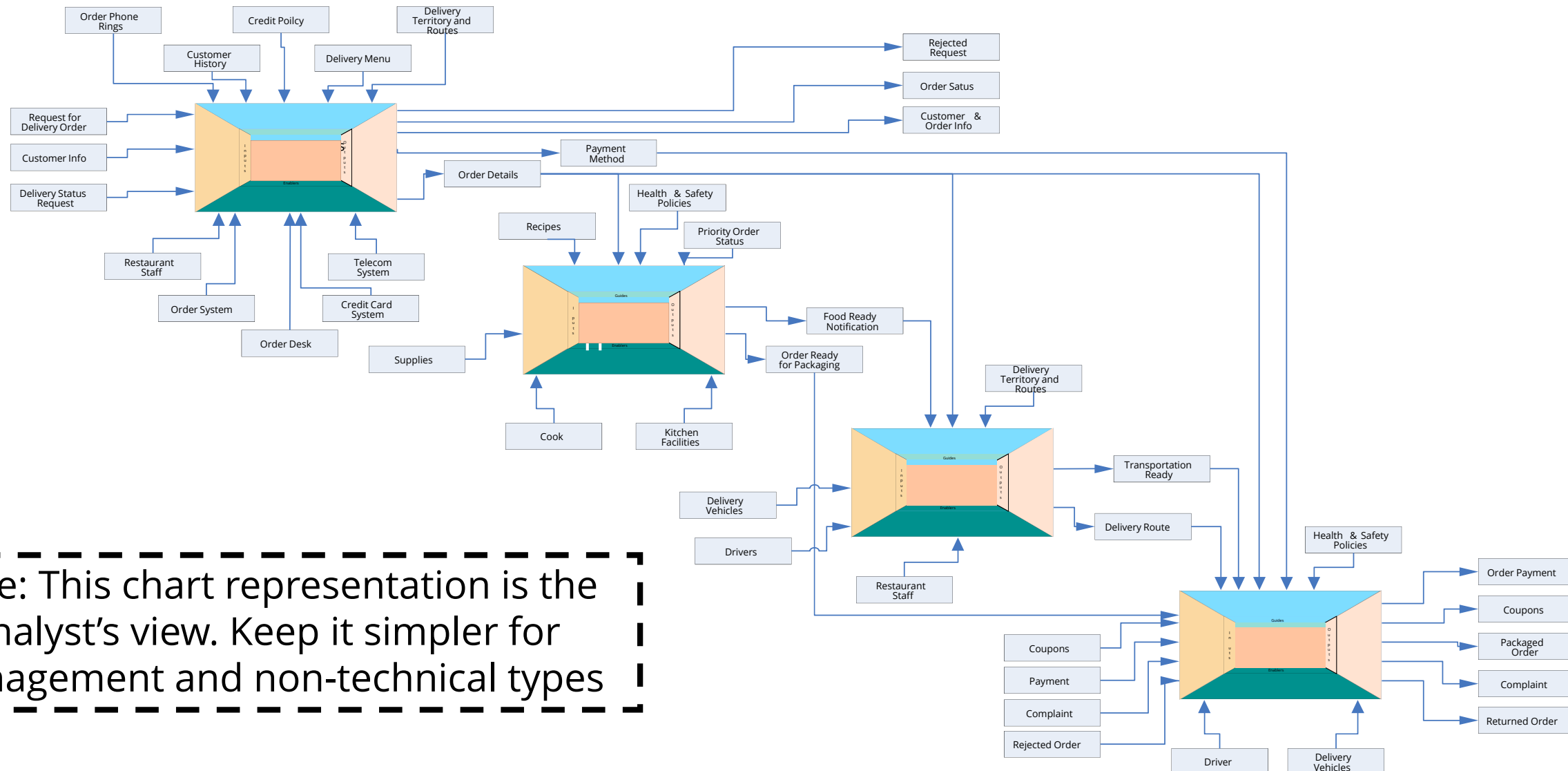
PROCESSES CONNECTIVITY: IGOE SCOPE EXAMPLE

Inputs are processed into **Outputs** according to **Guides** using **Enablers** when **Events** occur



PRODUCE OVERALL PROCESS DATA FLOW FOR THE PROCESS

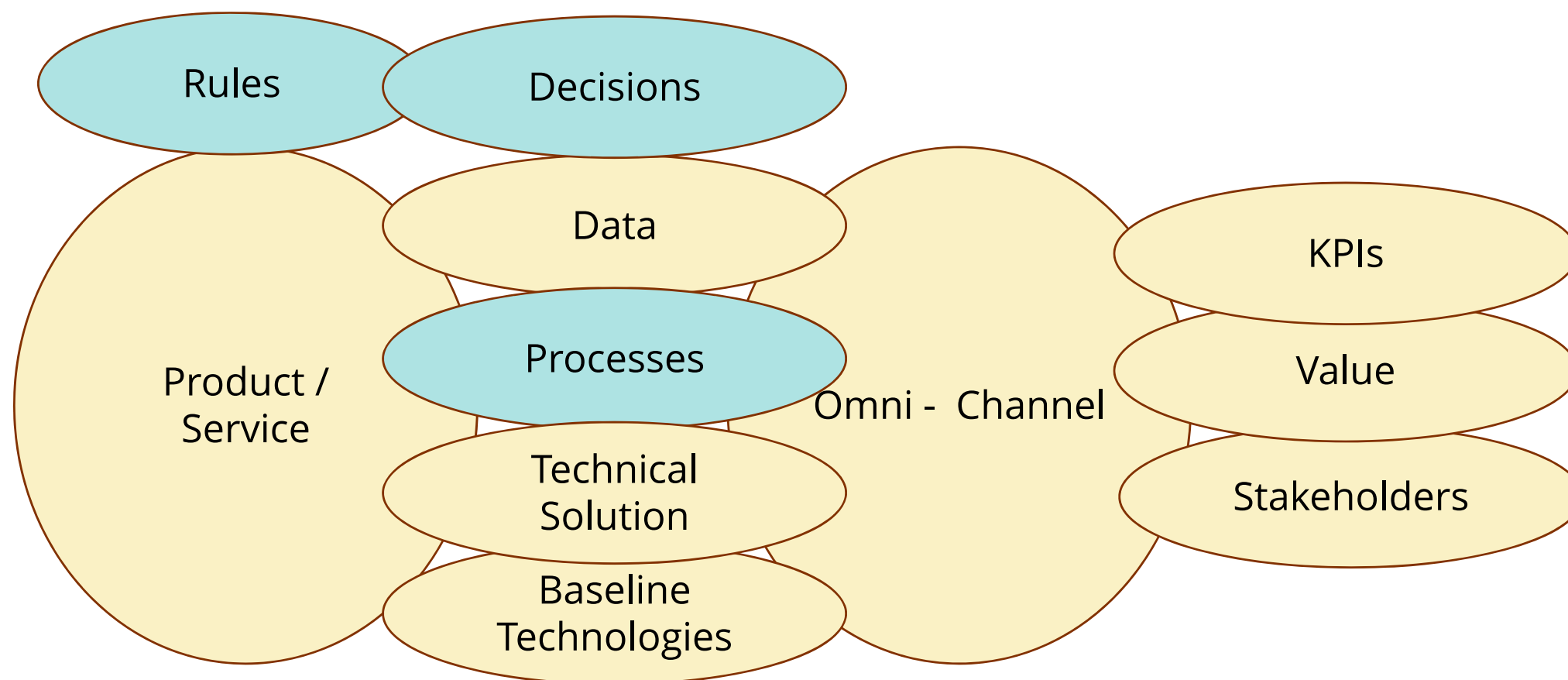
Illustration



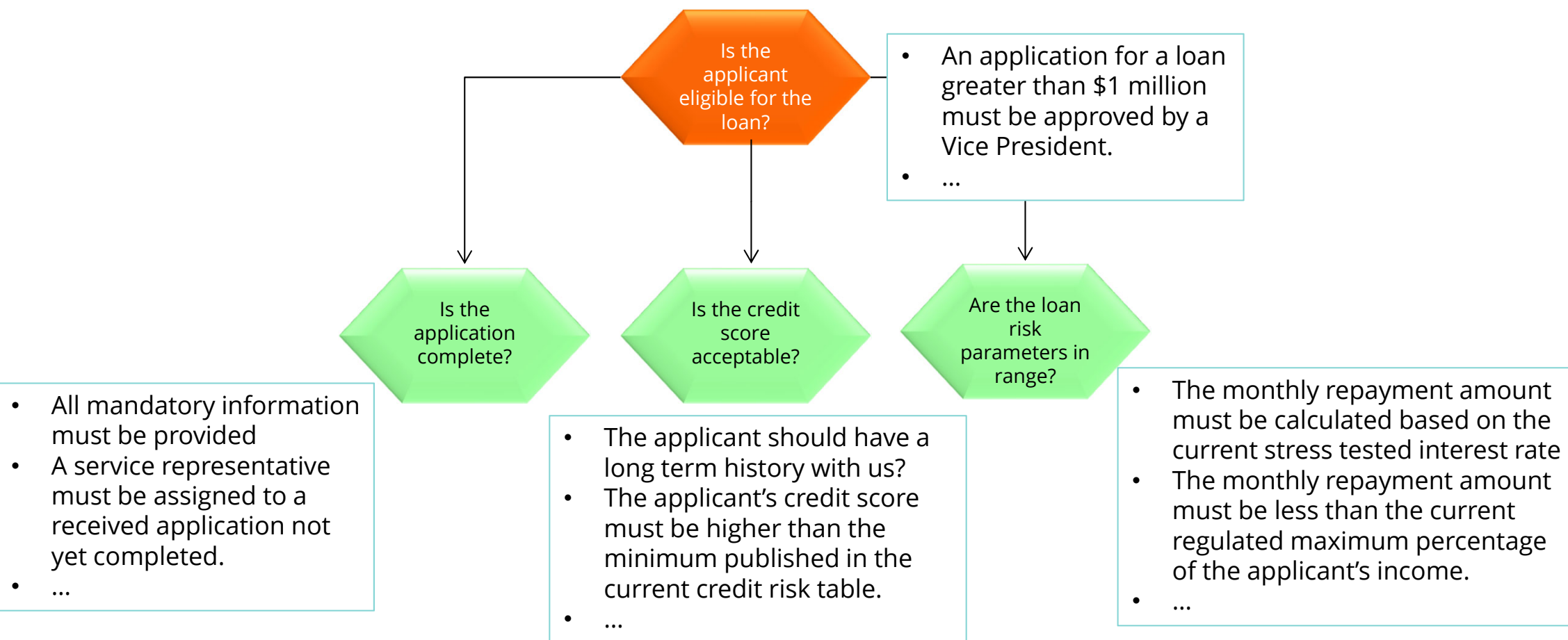
Note: This chart representation is the analyst's view. Keep it simpler for management and non-technical types

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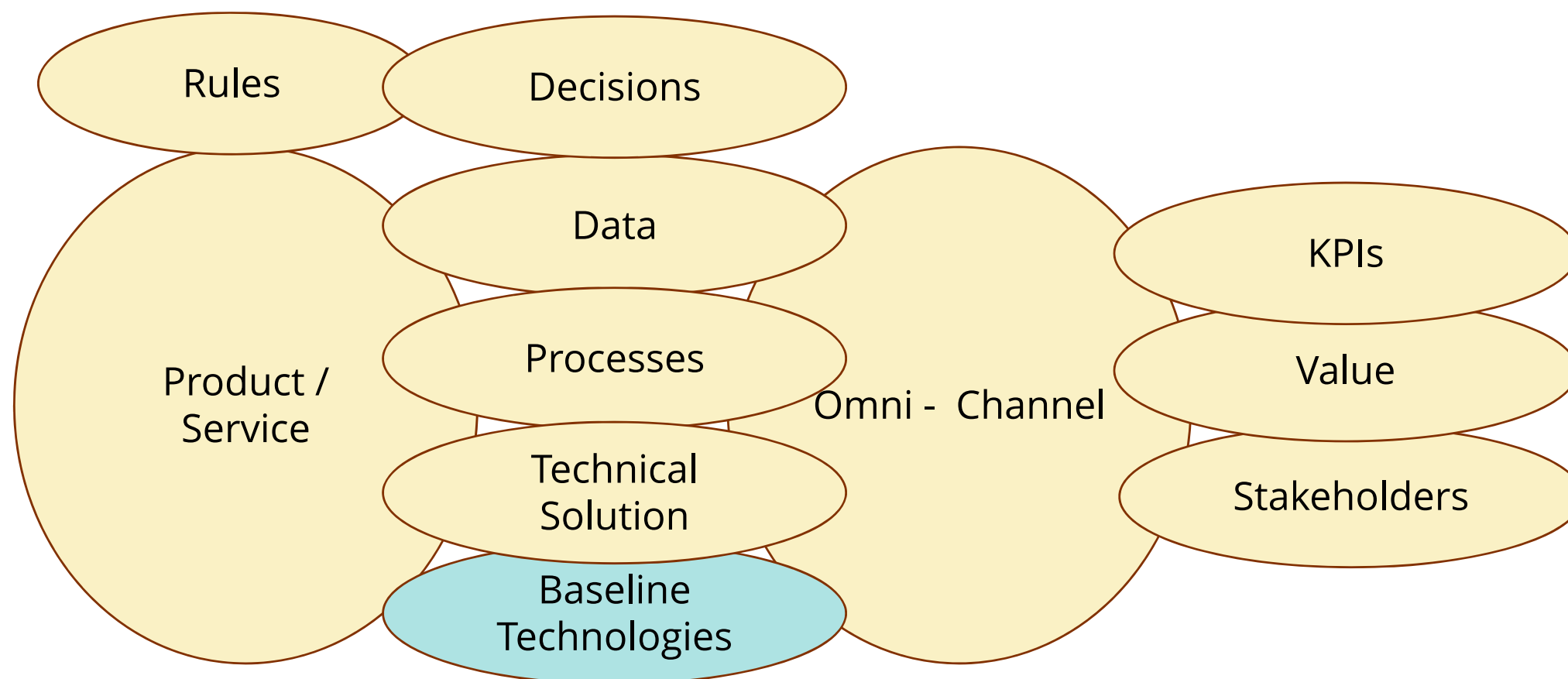


INTEGRATION OF BUSINESS DECISIONS WITH BUSINESS RULES



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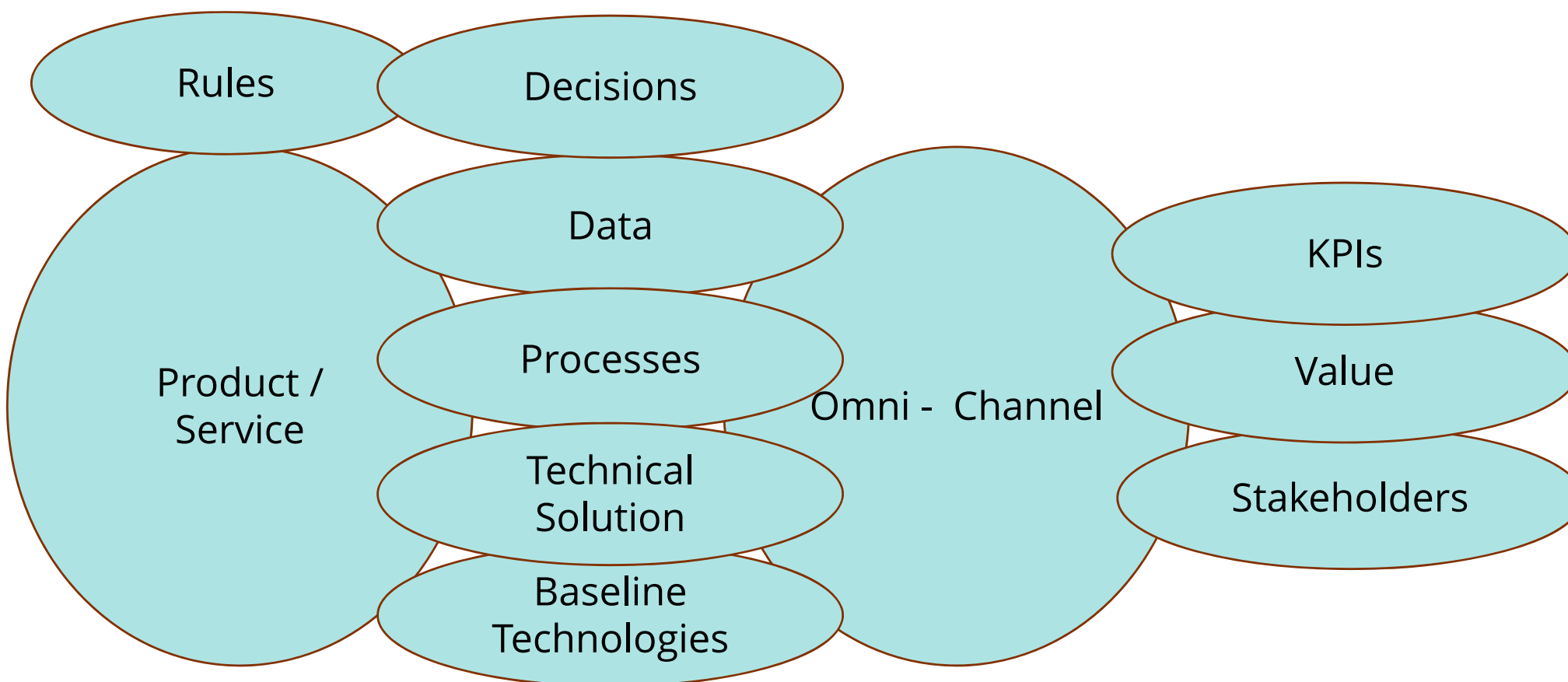
DIGITALIZATION BASE CAPABILITIES

Identify design enablers

- BP flow execution – seamless orchestration of capabilities
- Collaboration tools for synchronous and asynchronous communication
- Performance and human feedback and learning
 - status and performance data capture and availability
- Social media integration
- Connect to backend systems of record

HOW DIGITALIZATION IS DONE DIFFERENTLY

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DIGITAL STRATEGY *

- Stage 1 – existing value stream automation – digitization of internal operating model
- Stage 2 – digitize the ecosystem interactions –transforms the business through technology – digitization with the customer
- Stage 3 –transform the business through re-imagining it - digitalization of the business model
- Stage 4 – organizational agility

* Rosemann, M., Kowalkiewicz, M., & Dootson, P. (2017). Digital Strategy of the Future. PwC Chair in Digital Economy.

DIGITAL PROCESS DESIGN

