

Do You Have a Framework for Digital Success?

Align your organization by adopting a customer-centric, process-based view to achieve the full value of digital transformation

Introduction

Free, perfect, and now. That is the definition of customer expectations in the Digital Age. Technologies to meet those expectations exist in abundance. But frankly, that's a big part of the problem for organizations struggling to cross the chasm of digital transformation.

It's not surprising that many organizations find it challenging to keep up with the advance of technology. From just a few short years ago, the range of digital tools have mushroomed from the original SMAC (social, mobile, analytics, and cloud) technologies to include big data, artificial intelligence (AI), deep learning, the Internet of Things (IoT), Robotic Process Automation (RPA), and Virtual personal assistants (VPA) – among others. So the ability of organizations to develop the skills needed for effective implementation of this expanded set of new digital capabilities can lag well behind the range of available tools.

Along the way, the universality of mobile devices and the ubiquity of the Internet have fundamentally altered customer expectations and behaviors in both the business to consumer (B2C) and business to business (B2B) sectors. Free, perfect and now is the current set of customer expectations. That means sustainable success with digital and achieving success with digital transformation, increasingly demands more than just understanding technology. It requires a whole new way of thinking. Has your organization chosen to deploy digital technologies one at a time? If so, it will likely sub-optimize the scope of opportunity. Similarly, organizations electing to deploy digital technologies within traditional departmental boundaries will find it difficult to deliver on the new set of customer expectations.

Leading Companies Focus on Three Things

Researchers such as the MIT Initiative on the Digital Economy have identified that leading companies use digital to transform both the customer experience and their operational processes while simultaneously challenging their business model. This is in stark contrast to less successful digital programs where companies take a technology led approach to solve discrete business problems of relatively small scope or attempt to deploy digital solely within traditional departmental boundaries.

Precisely how to accomplish what leading companies appear to do is less evident. It's fairly clear that the digital program has to be led from the top down. Employees want to work for leaders who get digital. Next, there is strong evidence to support that the integrated use of multiple digital technologies yields superior results to using one tool at a time in a disconnected fashion. Also, a focus on customer experience will help avoid targeting only cost reduction and thereby sub-optimizing the benefits of digital technologies. Ideally, what's needed is a management framework that emphasizes customer experience, features a business process based view of the enterprise and is integrative in nature.

Business process management (BPM) provides just such a framework. Today's BPM is unique in the sense that it combines a management discipline with enabling technology, creating an ideal framework for digital success.

If your organization is not getting the targeted return on investment from its digital technology programs, you may wish to consider how a customer centric, process based point of view can be the glue that holds the enterprise perspective together and thereby increase the chances of successfully deploying digital technologies. There are several reasons for the success of a digital program that emphasizes both customer experience and a process based view of the enterprise. These include; but are not limited to, clarity on *strategic direction, organizational alignment, culture, and performance management*.

Why You Need the Right Framework for Success

Adopting a customer-centric, process-based point of view enables clarity on *strategic direction*. Not only does it drive a top-down approach, which is fundamental to success with digital, but it is also more likely to integrate various digital technologies towards the accomplishment of digital goals within well-defined scope. The most successful companies understand that leadership of the digital program is central to success and they pursue digital strategies with a view towards challenging the current business model.

Today's evolved BPM enables companies to go beyond simple, linear and static *strategies*. That's important because business in this day and age is not linear – and customers matter as much if not more than competitors in today's complex ecosystems. So a new approach is needed, which emphasizes adaptiveness, agility and customer centricity.

The emphasis on customer experience is not just fundamental to success with digital; it's also a powerful enabler for *organizational alignment*. University of South Florida (USF) Chief Information Officer Sidney Fernandes recognized the simple truth that students and faculty both prefer using their cell phones and tablets versus old-fashioned paper based systems. He took a workflow point of view to resolve business problems such as students success case management, graduate student onboarding, travel

expense processing, and the tenure and promotion system experience. In each case, Fernandes and his team viewed the problem from the customer's point of view as a collection of records. He said "We had a good relationship with the colleges and they identified for us the problems they wanted solved." Further, they adopted an agile approach, where they time boxed each project into a 3 month window and integrated various technologies to solve various business problems. In one instance, USF integrated BPM, Case Management, and predictive analytics in an Agile development and delivery methodology for a 360° view of the students experience in their collection of records that USF branded as "Archivum Insight."

While actions by individual departments can improve *customer experience*, the benefits of improved customer experience can be short lived unless changes are also made to supporting back-end systems or back office operations. That's where using a cloud-based, low-code BPM suite that enables rapid implementation of new applications. One that has a strong fit with an agile approach can pay major dividends and also improve collaboration across traditional departmental boundaries.

When it comes to performance management, as an old adage states, "*You can't manage what you don't measure.*" Customers care mostly about quality and timeliness and yet leaders often emphasize the metrics of volume and cost in traditional organizations. The customer-centric, process-based view of the enterprise represented by BPM can be instrumental in shifting management attention to the *metrics that truly matter to customers*. According to Mal Postings it's important to focus on metrics of quality and timeliness because, "In the future people will be rewarded based on outcomes not just on participation." An "outside-in" workflow perspective can create the needed framework that enables leaders to take the right view of *performance measurement* and identify the root cause of problems when key metrics are below expectations.

Finally, the emphasis on customer experience and a process-based view of business is also a powerful platform for shifting mindset and developing the type of *organizational culture* needed for success with digital programs. Traditional organizations are linear and sequential in their thinking, while more adaptive organizations are agile, flexible and fast. Leading companies recognize the importance of engaging employees in digital programs and that having leaders fluent in digital is a key element in building the shift in organizational culture.

In the years ahead, the divide between rapidly evolving technology and the slower pace of organizational development may well grow even wider as huge improvements in artificial intelligence, robotics, networks, analytics, and digitization affect more and more of the economy and society. The old linear and vertical view of business will no longer suffice and business process management (BPM) can be used to shift management

attention from incremental improvement to more significant changes in customer value creation.

Is Your Strategy Future Proof?

The technology used to model, analyze and redesign workflow needs to be in sync with these digital times. Low code, cloud- based, BPM platforms, which enable rapid implementations are indispensable. According to Sidney Fernandes, “Low-code development technologies and techniques are emerging as a driving force of digital transformation in the corporate world.” He says USF has developed a comprehensive skills training and job placement program called “Low-Code Skills Workshop” that prepares students for careers in the emerging world of low-code application development. Organizations want the rapid results that low-code, cloud-based platforms deliver and no longer have patience with linear, step wise, waterfall software deployments.

Using a BPM framework as the hub to orchestrate the digital program has significant potential. IQVIA took an end to end workflow view of the clinical trial onboarding process, and combined the use of digitization, artificial intelligence and streamlining to compress cycle time. USF used a BPM framework and an agile approach with integrated predictive analytics to build a 360° view of the students’ experience. Both organizations are looking at how Robotic Process Automation (RPA) can be integrated in the BPM context for performance improvement, recognizing inherent significant synergies.

At the project level, IQVIA’s Mal Postings, emphasized that “the ability to look the end to end workflow is absolutely the key!” At the University of South Florida, where multiple digital projects have been implemented with significant success, Sidney Fernandes offers the following insights: “Don’t implement technology for its own sake. Work with the business to identify problems to solve and create business value as quickly as possible – using an Agile approach.” Further, he emphasized the importance of ensuring that the projects are business led – where IT facilitates and governs the building of the product.

BPM can provide not just the end to end context but it can be used to identify the best opportunities to apply RPA for rapid, productivity improvements. The principal benefits of RPA are that it rapidly automates repetitive rules- based work, involves minimal systems integration, requires only a small IT footprint and can deliver significant return on investment. While RPA is very effective at automating low-hanging fruit at the task level, it does not redesign or even challenge the big picture view of value creation. That’s where BPM comes in. The end to end process perspective can be used to model, monitor, measure value creation and provide an ongoing context for RPA

projects, integrating the use of other technologies such as Artificial Intelligence (AI) and analytics as needed. Further, the end to end workflow perspective also pinpoints other low hanging fruit opportunities related to items such as outdated policies, ineffective metrics, and non-value added handoffs, etc.

Conclusion: Do You Have a Framework for Digital Success?

Leading companies understand the importance of developing a digital program that emphasizes both customer experience and a process based view of the enterprise. They value an integrated view of business that focuses factors such as *clarity of strategic direction, organizational alignment, culture, and performance management*. They understand that deploying digital technologies one by one and within traditional departmental boundaries makes it difficult to meet customer expectations.

What about your organization? If your organization's digital program is not delivering the expected results, consider how you are doing on the following checklist:

- 1) Our company strategy is driving the digital program.
- 2) We have a few strategic objectives clearly tied to the digital initiative.
- 3) Our digital program actively challenges the elements of our business model (i.e. value proposition, delivery channels, etc.).
- 4) Our company has a simple and compelling visual model that explains how the organization operates in delivering value.
- 5) Our leaders and our people understand this high level model in the same way.
- 6) We have a visually compelling customer journey map.
- 7) Our leaders have a shared understanding of the entire customer journey.
- 8) Our department heads are partners – not competitors.
- 9) We don't implement technology for its own sake – we use it to address major business problems.
- 10) Our digital projects are business-led, and IT provides facilitation and governance.

If you find this checklist thought provoking, consider adopting a process-based view of the enterprise as the framework or the "hub" that holds together various digital tools and thereby increases the chances of digital success within your organization.

Note: An earlier version of this article was posted on www.appian.com