Customer Operations

For dummies®
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Learn why customer operations are critical

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Deliver amazing service with connected teams

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See why CRM isn't enough in customer service

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Abbas Rangwala
Paul Selby

ServiceNow Special Edition

About ServiceNow

ServiceNow (NYSE: NOW) is the fastest-growing enterprise cloud software company in the world above $1 billion in revenue. Founded in 2004 with the goal of making work easier for people, ServiceNow is making the world of work, work better for people. Its cloud-based platform and solutions deliver digital workflows that create great experiences and unlock productivity for more than 6,200 enterprise customers worldwide, including approximately 80 percent of the Fortune 500. For more information, visit **www.servicenow.com.**

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Customer Operations For Dummies®, ServiceNow Special Edition

Publisher's Acknowledgments

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Introduction

Delivering high-quality customer service has always been important, but the challenges companies face today have made it imperative. Customers want great personalized experiences, and strong customer operations is the best way to make that happen. In addition, many employees work from home, and their abilities to deliver excellent customer experiences are limited by the internal platforms they use to get things done, which too often start and end with customer relationship management (CRM). That's why focusing on customer operations using connected, digital workflows is vital to all parts of the organization.

About This Book

Welcome to *Customer Operations For Dummies*, ServiceNow Special Edition. This book blends the concepts of using the traditional customer service technology that you may already be familiar with and the customer operations philosophy and mindset with the technology to support it. Deploying this technology significantly reduces costs and provides a memorable customer experience.

This book outlines the steps you need to take to run a customer-obsessed organization that delivers outstanding customer experiences. You discover several topics, including the following:

» Understanding digital workflows and their game-changing impact on customer service

» Barriers to delivering products and services to millennials and other customer segments

» Looking at customer operations and how to successfully connect front, middle, and back offices

» Focusing on internal barriers and looking at the political and organizational challenges that occur

» Understanding the benefits of customer operations, including proactive service and increased loyalty

Icons Used in This Book

Throughout this book, different icons are used to highlight important information. Here's what they mean:

TIP

The Tip icon highlights information that can make doing things easier or faster.

REMEMBER

The Remember icon points out things you need to remember when searching your memory bank about customer operations.

WARNING

The Warning icon alerts you to things that can be harmful to you or your company.

TECHNICAL STUFF

Sometimes we give you a few tidbits of research or facts beyond the basics. If you like to know the technical details, pay attention to this icon.

Beyond the Book

This book helps business leaders like you discover more about the value of customer operations. If you want resources beyond what this short book offers, visit `www.servicenow.com/solutions/customer-loyalty.html`.

Chapter **1**

Introducing Digital Workflows for Customer Service

Traditionally, customer service has been reactive. A customer initiates a call, and an agent creates a case. Solving the problem was often hit or miss, and the length of time to resolution was unknown. Customers were often less than satisfied, but their abilities to go elsewhere were limited. That has started to change though. The 2020 Covid-19 pandemic forced businesses to reinvent processes as customer expectations continued to rise.

TECHNICAL STUFF
According to a study by consulting firm PWC, 32 percent of customers walk away from a loved brand after one bad experience. *One.* You can't afford to lose focus on providing amazing customer service every time.

In this chapter, you look at how customers' changing needs and the availability of innovative customer service software to deliver great customer experiences have changed the customer service game.

Recognizing How Customer Service Has Changed

To meet today's customers' needs, you should take a holistic, proactive approach to customer service. Customers want to experience a seamless journey that integrates service engagement, operations, and delivery. They demand smarter and faster answers, and they expect to be in control. These facts are true for both offline and online customer interactions.

TECHNICAL STUFF

The Contact Center Pipeline found in its 2020 survey that the top three contact center priorities that affected customer experience were

» Improving self-service through smart technology

» Improving agent empowerment through better tools and processes

» Providing better coaching for agents

How does this stack up next to your organization's ability to deliver? In this section, you discover why customer relationship management (CRM) technology is inadequate and what you need to replace it with to break through silos and share information.

Understanding why CRM software is no longer enough

When CRM software was introduced into the marketplace in the late 1980s, it looked like it would provide a more customer-centric way to solve problems. Unfortunately, even with continuous updates over the years, the changes didn't go far enough. In today's environment, you need to

» **Share information across the entire organization by using established workflows.** *More* data doesn't necessarily mean *better* data. You need to connect service agents with internal stakeholders across the organization who can access the specific information that can solve problems in a consistent, trackable, and efficient manner. This process helps the agent and other departments identify the root cause and permanently fix the problem.

TIP

When you can connect the back-end operations team or departments such as the finance or engineering teams with customer service teams, you can effect real change. Collaboration through workflows provides the visibility and accountability missing from most customer service solutions.

>> **Deliver against greater customer expectations.** Customers want companies to personalize their entire experience and take immediate action on their problems. They don't expect to have an issue linger without resolution; they want a speedy resolution.

>> **Work proactively to eliminate problems before they blow up.** Customers want to know that you're aware of what's happening across their operations and are delighted to see that you've fixed a problem they were just becoming aware of. In addition, fixing a problem permanently also ensures that future customers won't see it.

Looking at what customers want today

So, what does an organization need to deliver to satisfy its customers? Your capabilities should include the following:

>> **A modern, personalized customer experience:** Customers expect the freedom to communicate in their preferred ways and not repeat or explain the issue every time they interact with an agent.

>> **Quick resolution:** Customer's don't care about your internal organizational structure or complexity. They just want their problems solved. You need to connect your internal teams through workflows to drive all teams toward that resolution — not just your front-end agents.

>> **Omni-channel support:** You must deliver a consistent experience across channels, including social media, and meet customers wherever they choose to communicate with your brand.

>> **Proactive monitoring of products and services:** Fix problems before customers become aware of them. Fix them not just for the one customer but for everyone in your base.

>> **Automatic and correct routing:** Send the problem to the person who can best handle the request at the time of the incident so there's no delay.

>> **Always-on apps:** You want customers to serve themselves whenever they want to. The fact that customer service agents aren't available shouldn't stop customers from finding answers or making requests whenever they want to.

>> **A robust community:** Let customers share and solve problems and develop relationships with other customers. Not only can this practice improve loyalty, but also it could take work off your agents' shoulders.

Knowing what your solution should include

Your customer service solution should be one that utilizes

>> **A flexible platform that scales:** Employees need to meet unexpected demands that are flexible and quickly executed. There's no time for long program development times.

>> **A system that breaks down silos:** Ensure that all data is shared across the organization to solve problems and improve service.

>> **A personalized online hub or portal:** Customers can self-serve to track problems, find information, and request help in a personalized manner.

>> **Empowered agents:** Provide agents with a single system for monitoring and managing their work. This system should route issues to the best agent to handle the case.

>> **Intelligent automation:** Use machine learning (ML) and artificial intelligence (AI) to recommend solutions, route issues, and spot trends. Also, when routine work is automated, agents can focus their time on higher-value tasks.

>> **Established company-wide workflows:** Automated workflows help speed issue resolution by ensuring that everyone knows what needs to be done and who needs to do it in a repeatable and trackable manner.

>> **Ability to monitor to provide proactive service:** Delivering proactive service is a competitive advantage that allows you to head off problems and demonstrate your attention to customers. This has the added benefit of reducing work volume for customer service.

TIP

Another great way to address high-contact volume is to look for a solution that supports virtual agents (AI-powered chatbots) that supply information using natural language understanding (NLU) to suggest articles, community posts, and so on to customers.

» **A service catalog to support self-service requests:** Customers can access solutions to common problems or make common requests without having to wait for an agent.

» **An app engine:** App engines provide the capability to get more employees involved in creating new apps to solve problems. See Chapter 3 for more about this technology.

TIP

Look for software that uses skills-based routing, which assigns the agent with the right skill and availability to handle the problem from the outset.

Looking at How Customer-Centric Businesses Organize around Customer Service

To achieve success, it may be helpful to see how customer-centric companies are organized. They focus on three domains:

» Customer engagement

» Customer operations

» Field service

You look at each in turn.

Customer engagement

One of the keys to great customer service is empowering customers to get quick answers for themselves when they need them. Enabling customer engagement in a digital universe includes several features:

» **Self-serve capabilities:** You can accomplish this by using catalogs of automated solutions, knowledge bases, communities, and chatbots (virtual agents).

>> **Omni-channel preferences:** The key to satisfying customers is by ensuring that they can use the devices they prefer on the channels they choose to engage with your agents or serve themselves. This includes telephone, web, and chat available on any device.

>> **Automated routing:** If customers need to speak to an agent, they're routed to the best agent suited to solve the problem. AI offers information (such as a knowledge article) so the agent has the information needed to solve the issue quickly.

To evaluate where you are with customer engagement, look at your current capabilities, and ask yourself the following questions:

>> Do you offer self-service options to customers so they can find their own answers, anywhere and anytime?

>> Can you accommodate customer channel preferences and engagement across channels?

>> Do you provide a prepopulated knowledge base to ensure that your agents have the information they need to effectively service customers?

Customer operations

Effective deployment of problems to the right people in the organization is a crucial differentiator for companies that can deliver superior customer service by addressing the root of the problem once and for all. Customer operations' ability to route issues to be solved by the middle and back offices means that problems won't linger or remain unresolved. Continuously analyzing customer requests from engagement to resolution permits organizations to find new ways to automate and therefore solve problems faster.

The term *customer operations* can be a confusing one. It's an ad hoc way to describe how departments across the company should be working together to deliver customer service. In Chapter 3, you take a deeper dive into customer operations. To evaluate your present system, ask yourself

>> Can you quickly and easily resolve complex issues by accessing information from across the entire organization (middle and back offices)?

>> Can the entire organization see task assignments and the status of customer cases?

>> Can you analyze current and past performance metrics to identify new opportunities for automation and efficiency?

Field service

The 2020 Covid-19 pandemic demonstrated the need to deliver top-notch field service to customers. Getting the job done right the first time was even more critical when both workers' and customers' safety were involved. Even more important was the ability to proactively avoid problems to obviate the need for field service work.

To evaluate your field service delivery, ask yourself the following:

>> Can you make sure the right field person is assigned to the right job the first time?

>> Do the field service workers have all the information, expertise, and equipment they need when they arrive at their locations?

>> Can you dynamically update schedules when higher priority jobs arise?

>> Can you ensure that the field service team is connected to the entire organization?

RECOGNIZING BUSINESS VALUE

Should you consider adopting a three domains of customer service philosophy? (Check out the earlier section in this chapter entitled "Looking at How Customer-Centric Businesses Organize around Customer Service" for more information.) According to the 2020 Forrester Total Economic Impact (TEI) study, which evaluated the business value of ServiceNow's Customer Service Management platform, companies have seen the following results:

- Improved first contact resolution by up to 20 percent
- Reduced cases initiated over phone by 40 percent
- Increased revenue retention by $5.2 million from support contract renewals

Understanding Why Workflow is Important to Customer Service

Digital workflows are the backbone of efficient, productive workplaces. Often, without realizing it, employees are forced to waste time on unnecessary tasks and inefficient processes. Introducing workflows into the organization can make a huge difference in time and cost savings.

REMEMBER During times of crisis or upheaval, customer service heroics aren't sustainable. No matter what's happening in the organization, automated, repeatable workflows help everyone know what needs to be done.

Examining workflows

At its core, a workflow comprises tasks and processes and the people who complete them. A digital workflow is comprised of a defined set of tasks that automate a single or multistep process and can often eliminate most manual tasks.

After being created, a workflow is reusable and can call upon other workflows. In addition, workflows can improve the way existing processes interact with each other and can eliminate bottlenecks. They can take high-touch manual processes and turn them into low-touch digital processes.

REMEMBER In the tech industry, the term *automation* is starting to become synonymous with workflows related to AI. This doesn't mean that machines are replacing humans. It means that humans can spend their time on more high-level tasks while machines handle tedious, repetitive tasks.

Enabling the entire organization to collaborate

You can realize several benefits of engaging the entire organization so teams can collaborate more effectively. Consider the following:

» **Connecting teams:** When you connect teams across the organization, you can find the root cause and a permanent fix for issues.

- **» Eliminating manual processes:** When you automate, you don't have to track problems manually via email and spreadsheets, which are ineffective.

- **» Maintaining continual visibility of issue status:** You always have a clear picture of issue status, which ensures that customers' issues aren't lost or stalled. If necessary, they can be detoured or rerouted to others.

- **» Providing data for improvement and insights:** Access to real-time data gives you the ability to improve conditions as they're happening.

- **» Getting participation from IT and line-of-business teams:** The ability to use low code app engines puts your citizen developers to work and lets you use your IT coders and developers for other critical projects (see Chapter 3 for more about app engines).

TIP

As you look at these benefits, consider the fact that ServiceNow offers a complete integration of these three domains (customer engagement, customer operations, and field service). Marrying these domains to produce an excellent customer experience is critical to delivering the kind of service that sets you apart from your competitors.

Chapter **2**

Recognizing Barriers to Customer-Obsessed Product and Service Delivery

Businesses must adopt a customer-obsessed culture if they're going to compete. Often that's easier said than done. Creating this culture requires that you provide great service along all the customer journey touchpoints. Whether you're monitoring service level agreements (SLAs) or sharing information across the entire enterprise, you need to focus on great customer experiences.

In this chapter, you look at building and maintaining a customer-obsessed organization. You also look at serving one of today's largest customer bases — millennials — and see the importance of breaking down silos to help information flow freely across the organization.

Building and Maintaining a Customer-Obsessed Culture

Leading up to and in 2019, the transformation of company culture was at the forefront of organizations because the nature of work had changed, and unemployment was low. With the disruption of the Covid-19 pandemic, these concerns were put in flux. The impact of this pandemic on business hasn't played out, but it's safe to say that now employees are even under more stress to deliver good service.

Focusing on building lasting relationships with end-to-end customer service

Customer service is no longer ancillary to product concerns; it is the centerpiece of everything you do. To effectively deliver end-to-end (e2e) customer service, you need a single platform and the use of workflows. The reliance on strong customer operations helps remove barriers between teams so they can work together in a customer-obsessed manner.

One of the tenets of building and maintaining a customer-obsessed culture is to focus relentlessly on pleasing your customers. You want to

- » **Know everything relevant about them.** You need to know what your customers want from your products and services.
- » **Receive feedback continuously.** Feedback is key to getting your service right and to developing more products and services that delight.

  Focusing on loyal customers has the added benefit of developing a team of brand ambassadors who help spread your message to new customers.

- » **Build relationships.** Building relationships is the primary job of every employee, not just customer service.
- » **Be proactive.** A proactive customer service operation makes it more likely that customers want to stay for the long term.
- » **Drive attitude from the top.** Managers need to inspire this cultural attitude and display it in their behaviors. Accountability should prevail across the organization.

» **Live this value throughout the company.** Leaders must walk the walk and ensure that employees understand company values.

WARNING

Customers rely on online services to a great extent and expect even better customer service. Not living up to expectations or making them hold through long phone queues regardless of circumstances can have long-term negative consequences for your business.

Viewing how culture affects customer service delivery

Another component of a customer-obsessed culture is the need to ensure that employees have a sense of their contribution to the organization's performance. This affects customer service in the following ways:

» It makes them better team members and encourages collaboration, which benefits the entire organization.

» It enhances brand value and loyalty, which in turn drives shareholder value.

» Most importantly, it makes them better partners to the customers they serve.

Considering Changing Customer Expectations

Delivering excellent customer service requires that you understand the complex make-up of each customer segment you serve. The different generations have their own expectations about customer service, and you need to meet their needs. Millennials (also known as Generation Y) have surpassed baby boomers as the largest consumer generation, so it's essential to figure out the best way to serve them.

TECHNICAL STUFF

According to Deloitte University, by 2025 half of the workforce will be millennials. This projection means that millennials will control 30 percent of retail sales in the United States.

Millennials have grown up with technology and are comfortable with an always-on lifestyle. Between 1980 and 1994, 73 million millennials were born. That's a lot of people to understand, so when working with millennials, consider the following characteristics:

>> **Ongoing relationships:** Millennials want to form a relationship with the brand and to be communicated to in a conversational tone.

>> **Self-serve options:** They want self-serve options because they desire real-time responses and quick service.

>> **Personalized content:** Content must be relevant to their needs and provide value, or they'll find another provider.

>> **Prefer devices:** They're used to dealing with their devices and are extremely comfortable with chatbots and texting.

>> **Value their privacy but will share information:** Millennials highly value discounts and promotions and will trade their information for promotions they deem worthy.

>> **Want to feel important:** They like to rate products and give brands feedback more than other generations. They feel they have something significant to contribute to the discussion.

Based on these needs, it's clear that your millennial-directed customer experience should include the following:

>> **An omni-channel experience:** Millennials should be able to communicate any way they want whenever they want. Maintaining a consistent customer experience across channels is a must.

>> **Self-service:** Millennials need to be able to get quick answers for themselves, so using automation to drive self-serve options is necessary.

>> **Chatbots:** They're comfortable dealing with technology for immediate answers, so chatbots are a necessity.

>> **Personalization:** Using data analytics is the surest way to match customers' profiles with appropriate content and options, delivering the personalized experience that these users want.

REMEMBER

If this information seems like a lot, it is. Millennials represent just one of the customer segments you serve, and each has its own distinct needs and expectations. This is why it's important to identify those segments and what's necessary to serve them, and to ensure the right processes are in place to efficiently support them.

Dealing with Siloed Operations

REMEMBER

When data is freed from its silo, you have the opportunity to combine it with all the other data in your organization to create better workflows and gain new insights. When all the data flows from a single platform, you instantly boost your organization's ability to compete by having real-time insights. You gain flexibility that you could never enjoy if everything is locked up and kept from others in the organization.

In this section, you find out the importance of breaking down silos and the benefits of letting everyone in the organization share it.

Enabling data democratization

The issue of data democratization is one of the important concepts that has come from the existence of silos. This concept refers to the fact that technology has made it possible for data to be shared across the organization instead of hoarding it in a business unit silo. Several benefits of this approach include

» More people across the organization can use data to improve their work. They can work faster and be more productive.

» They don't need to check in with technical staff to get their work done. They can move more quickly to collaborate to resolve problems.

» They can understand how their unit is performing and work to improve and see how they compare to other groups.

REMEMBER

When these three things happen, customers can be serviced faster.

Breaking down silos to work across teams

Using data from every part of the organization is the key to solving problems. To break down silos and automate, you need the following capabilities:

» **Service management philosophy:** An organization must commit to design, plan, deliver, operate, and control its information and technology for customer operations to succeed.

» **Workflows and task assignments:** You need a platform that will route information to the right team members, tracking timelines to adhere to service levels agreements to resolve customer issues quickly. See Chapter 3 for how a "platform of platforms" can assist.

» **Customer project management:** Keeping customers and agents abreast of progress and project status ensures that no one is left without a solution. This also key to establishing strong customer operations.

TIP

When you look at the data and processes shared across all teams, you see new ways to automate. This insight provides you with the potential to save both money and time.

Chapter **3**

Examining Customer Operations

The key to setting up your organization to be resilient regardless of what's happening in technology and shifts in the marketplace is to provide a single platform that can deliver an end-to-end (e2e) resolution to problems and engage customers in their preferred way. In this chapter, you discover the importance of connecting the messy middle and back offices with customer service and look at the value of a single platform to handle everything (often called the *platform of platforms*).

Viewing the Messy Middle and Back Offices

So, what is the messy middle office? It is the "mess" of communications and work between customer service and the rest of the organization. To execute customer service flawlessly, you need to seamlessly connect the customer problem to wherever in the organization the answer can be found. That's what makes a single platform solution so powerful.

Digitizing the customer experience gives you a leg up regardless of what crisis arises. Connecting customer experience via customer service to other departments —practicing customer operations — makes it possible to deal with novel situations.

Learning why this piece is so difficult to solve

As organizations grow in complexity and deal with legacy sys-tems, it has been difficult for companies to get their front, middle, and back offices connected. This difficulty results in a continued siloed customer experience. So why is this piece so difficult to solve?

Consider the following technical barriers that still exist in many corporations:

>> **Legacy systems:** Legacy systems aren't built to deal with interdepartmental problems. Customer relation-ship management (CRM) systems were designed more to benefit the business itself and not the customer experience.

>> **No real-time look:** Without real-time analytics, you can't see how things are being handled and whether they're getting resolved. This lack of data makes decision making challeng-ing and inhibits improvement.

>> **Manual processes:** Some organizations still rely on email and spreadsheets to solve problems. Unclear processes and unstructured work increase costs and hamper productivity.

>> **Can't route problems to the right people in other depart-ments:** Unless you have an automated way to send issues to the specialists on other teams — Engineering, Manufacturing, Finance, IT, and so on — with the skills to deal with a problem, you're creating backlogs and bottlenecks.

If your customers can't see through self-service how their cases are progressing, their satisfaction level will be greatly diminished.

Looking at a healthcare example

To understand the value of connecting the messy middle to the rest of the organization, take a look at an example of how a

healthcare payer can improve operations using a single platform. A healthcare payer is an organization (for example, an insurance company) that administers healthcare processes like eligibility, claims, and payments to service providers. The service providers are typically doctors, hospitals, and so on.

When a healthcare payer without a single connected platform tries to execute its work, it encounters several processing problems:

» **It can't operate at an enterprise level.** Siloed departments and a collection of disjointed systems require the payer to conduct business via email and manual methods.

   Solution: A single connected platform can establish workflows across departments to connect the entire organization.

» **It doesn't have real-time access to analytics.** It can't see how business is being conducted at the time it could affect the outcome.

   Solution: A single connected platform can supply real-time analytics that flag problems and spot trends that can lead to service level breaches.

» **The cost to support members is always increasing.** Manual processes and a lack of automation causes health-care payers costs to rise as their membership increases.

   Solution: A single connected platform offers self-service catalogs of automated solutions so customers can serve themselves. This reduces employee workload and helps cut down on customer calls, emails, and chats, which lowers costs.

REMEMBER

From the perspective of both the customer and the agent, the lack of a single connected platform is also frustrating. For example, if a customer issue arises that requires help from Finance, the agent experiences stress waiting for a reply. The agent's performance statistics are affected. At the same time, the customer is waiting and may have to call back, which is frustrating. They would both agree that the customer experience is less than ideal.

Determining Whether to Change Your Existing System Landscape

Your existing system may not fit perfectly with the new model you want to adopt that puts one single model at the heart of your operations. In this section, you look at why ServiceNow refers to itself as the platform of platforms. It functions as the platform for digital workflows across departments, silos, and systems.

Linking systems and removing silos

The platform of platforms offers the following:

» **Connects your enterprise:** Rapidly unite people, processes, and systems with intuitive, cross-enterprise integrations for ServiceNow solutions and external services.

» **Works smarter and faster:** Seamlessly embed AI and analytics everywhere. Predict issues, make smarter business decisions, and help people get work done — easier and faster.

» **Automates work and customer solutions:** Empower anyone to automate, extend, and build digital workflow apps across the enterprise with a single, unified platform.

» **Delivers:** Achieve new levels of productivity and satisfaction with customers with intuitive mobile experiences that are as easy to use as common consumer apps.

Utilizing an app engine

The Covid-19 pandemic highlighted the speed at which things can change. In an instant, you need to meet new challenges that require changes in processes and new business models. The average business operation doesn't have an expensive standby team of developers ready to create new apps to address customers' needs on the turn of a dime.

In addition, most organizations are dealing with legacy programming languages and outdated development models. To respond effectively, you need to be able to develop new software apps in near real time. Being able to do this can become a crucial business differentiator.

To solve this problem inside your organization, you need a way to enable more of your staff to build these apps and a less complex way to create them. You need a platform with an app engine that provides you with things like

>> Drag and drop interfaces

>> Natural language inputs

>> Pre-built blocks of code

These low-code development apps benefit from fewer errors, shorter testing cycles, and less risk. If you don't already have a platform with this built-in capability, it's time to start looking.

TIP

Low-code apps directly help you save time and money. Your more-experienced developers can spend less time developing things like forms and more time on critical development projects.

Addressing Technical Challenges

Today, most businesses understand that making a digital transformation is key to ongoing success. The Covid-19 pandemic only accelerated this. It's a business imperative. When you're planning to complete all or part of a digital transformation, there are several challenges you will face. In this section, you look at the technical challenges that can arise.

REMEMBER

You may also face genuine human and organizational challenges. Check out Chapter 4 for more information on those areas.

The key to beginning your digital transformation is the development of a roadmap to help you determine your digital readiness. Look at the specific business functions that will be affected and where you stand at the present moment. Specifically, you need to evaluate

>> **Velocity:** Velocity is how quickly work gets completed. Look at the current level of productivity and see where you can replace outdated processes. Improvements here help get products to the marketplace faster, help staff work more productively, deliver better customer experiences, and increase cost efficiency.

» **Intelligence:** Intelligence is the ability to use data analytics to extract insights and make predictions. Are you deploying the latest in artificial intelligence (AI) and machine learning (ML) to automate processes and support self-service channels such as chatbots? Gains here can give you a competitive edge.

» **Experience:** Experience refers to the ease of use your customers have accessing customer service from the devices of their choice and generally the ability of your company to deliver a better experience.

After you are clear about what needs to be done, you need to establish new goals and figure out the metrics you'll use to determine success. Tie your transformation goals to your business goals so the entire company can see how it will reap the benefits of the transformation.

Chapter **4**

Looking at Internal Objections and Barriers

Putting employees at the center of your digital transformation is as important as making your customers the centerpiece of your customer experience. Effecting a company-wide digital transformation comes with many great benefits. However, you may also face some challenges. Because change impacts every part of the organization, you need to get cooperation from all corners of the business.

This chapter looks at the different moving parts that must be managed, including cultural, political, and executive-level challenges.

Launching Digital Transformation Initiatives

As it relates to customer service and experience, three goals of digital transformation are

» **Customer experience:** Your first goal for a digital transformation is to deliver a more personalized, friction-free experience that builds customer relationships.

- >> **Agent and employee experience:** Your second goal is to improve the agent and employee experience so you create satisfied employees who deliver good service and are loyal to the organization.

- >> **Grow the business:** Digital transformation will reduce costs by creating a more productive operation as a result of workflow, automation, and employee retention. Improvements to the customer experience will reduce customer churn while increasing revenue as loyal customers choose to purchase more products and services.

Recognizing political and organizational challenges

Companies face several challenges when ramping up to make a digital transformation. Typically, they find a mix of political and organizational issues that include a lack of

- >> **Stakeholders not understanding the "why" or the "what's in it for me" (WIFM):** You may get pushback if critical stakeholders don't understand the vision and reason behind the changes.

- >> **Leaders and sponsors:** You may find that leaders and sponsors are reluctant to sign on without some persuasion.

- >> **Skilled workers:** Not all workers skilled in one area are prepared to transition to something new. Also, it can be necessary to realign your hiring practices to accommodate new requirements.

- >> **Training materials:** Managers may not realize that both self-serve and group training will be needed to help make the transition and overlook this important element.

- >> **A documented roll-out plan:** Often, managers can rush into deploying technology without a detailed plan of action.

- >> **Clarity about the metrics:** Without a clear understanding of the metrics they will use to define success, managers are unable to show that progress is being made.

Understanding and speaking to the C-level and executive sponsors

C-level buy-in is central to any company-wide effort. The key to real digital transformation is the participation of all front-line executives whose businesses are affected. C-level executives themselves may be reluctant to take risks when transforming their business. Many people assume that employees will be the major roadblock to achieving success. But without a clear mandate from the top, the transformation can't proceed. For this reason, the C-level needs to explore their feelings about making the effort a success.

One essential action that helps executives see the value of a transformation is to tie business goals to technology goals. They need to understand how the business will be improved: A better experience retains customers, and positive word of mouth delivers new customers. On top of that, new revenue can be generated from satisfied customers. Understanding the growth and revenue opportunities can go a long way to helping executives enthusiastically participate.

TIP

Identify those leaders who can champion the change and model the correct attitude and behavior toward change regardless of where they are in the organization hierarchy.

REMEMBER

All executives must work at fostering and maintaining a digital culture. They need to understand that there may be push-back from people who don't want to learn new ways of accomplishing their work, but the right culture can help everyone move forward.

For more about challenges to change, check out Chapter 3.

Understanding employee motives

There are generally four classes of employees you may confront when making a digital transformation. They're the employees who are

>> **Resistant to change but have the skills:** The people in this group are the most common. They just don't want to jump into making changes unless they see the benefits.

- >> **Excited to make the change and love a challenge:** These folks can consist of a small but essential group that can help others get over their reluctance. Try to identify them as soon as possible.

- >> **Afraid that they don't have the skills to make the change:** These people are difficult to deal with because they may not be willing to admit that fear is holding them back.

- >> **Afraid their jobs will be automated away:** These people think that circumstances are beyond their control. They feel helpless.

In truth, you'll probably find a mixture of motives. Being aware of them all is the key to helping your employees achieve success.

A SUGGESTED METHODOLOGY

You may be interested to learn that ServiceNow has developed the "Now Value methodology" that helps guide your digital transformation from vision to value using the following steps:

1. **Envision: Define what you hope to accomplish and create a roadmap.**

    Identify goals and set benchmarks.

2. **Create: Determine how to reach your goals by developing customer experiences that deliver exceptional service.**

    Use such things as native mobile experiences, AI, and predictive analytics to unlock productivity.

3. **Validate: Measure the progress you make.**

    This step helps you determine where you are in the process and how you can continue to innovate and gain momentum for the next phase.

4. **Champion: Use your success measures to validate your progress and champion them to the C-level.**

    Tell the story of your success and build on it.

For more details about how to implement this process, check out `www.servicenow.com/success/now-value.html`.

Gaining clarity about the metrics

Being able to demonstrate success is key to keeping a digital transformation on track. It has been shown that being able to tie business goals to specific metrics goes a long way to keeping the C-level supportive. Inevitably when revenue can be directly traced to the effort, everyone gains a new respect for the effort.

Bringing in a partner/consultant to assist

Implementing a digital transformation is complex and must be customized to meet the needs of each individual organization. No one size fits all. For this reason, you may consider bringing in a partner or consultant who's well-versed in digital transformation. This person can help with important jobs like

» **Developing training:** Often overlooked is the need to develop training upfront to help employees master the new skills they need. You need to assess the skill an employee has and create a training plan for those that fall into that group level. Success with online training in small bites has been shown to help employees upskill as they go.

» **Documenting a roll-out plan:** A downfall of many projects is the lack of a documented plan. Effecting a digital transformation is no different. There must be a company-wide plan that outlines the steps involved and the resources necessary to effect change.

Facing Human and Change Management Challenges

Most people aren't fond of change. Convincing them that changing their behaviors will directly benefit them is key to overcoming their reluctance. Add that to the fact that anything affecting their personal lives — for example, the impact of working remotely and trying to remain safe and healthy during a pandemic — is a recipe for disruption.

Also, once change starts, it's ongoing. New ways to accomplish things are always being found, customer expectations change, and new technology makes changes easier to implement. For these reasons, employees need to be prepared for continual long-term changes.

REMEMBER

By developing an effective workflow, employees can be shown that spending their time working on the right things, not just the things that appear in their inbox or email, is more valuable and satisfying.

It would be great if everyone on staff embraced digital transformation and jumped into it enthusiastically. As you may know, that won't happen. Therefore, management needs to be sensitive to employee's fears and concerns.

TIP

Help your staff members overcome their reluctance in the following ways:

» **Listen to their fears.** Listen to your employees' concerns. They may fear being replaced or that they won't be able to keep up. Without a clear understanding of their concerns, you'll likely get push-back or non-cooperation. Ongoing communication should be an essential activity for all managers.

» **Point out your investment in their career.** Let employees know that you'll train and work with them to upgrade their skills. This education is an investment in them and should be understood as such.

» **Help them by demystifying the mission.** Employees can fall prey to rumors about the changes that are being contemplated and instantly turn off. Clarifying what the goals are will help tamp down false rumors.

» **Demonstrate how it will make them more productive.** By explaining how automation can eliminate repetitive and low-level tasks, you can show them how their jobs can be enhanced. It will free them up to do more of the work they care about.

» **Focus on trust.** By continually focusing on the organization's culture, you can help employees trust that the changes being made will benefit them.

Identifying Black Holes and Organizational Gaps

Excellent customer service depends on identifying black holes and gaps. The last thing you want is to leave someone waiting with no resolution in sight. Aside from the bad service, you can be sure that unhappy customers will make their displeasure known to others and even on social media. Two critical problems that need to be discovered and addressed include

» **Issues going to a dead end:** A campaign or a product may have been set up, and when the campaign is over or the product is discontinued, some points of contact may still exist, but they go nowhere. Dead ends seem like a small issue but demonstrate to customers that you're either sloppy in your customer service, don't regularly audit your customer journey, or both.

» **Issues not being resolved in a timely manner:** When you assign team members to a workflow, always build in detours and escalation paths for situations when timers are exceeded.

TENNESSEE CREATES MORE RESPONSIVE CUSTOMER SERVICES

When you think of lightning-fast customer service, you may rarely think of the government, but the Tennessee Department of Human Services, which provides such critical services as economic assistance and protective services to its citizens, wanted to accelerate its response time. Because of the usual budgetary constraints that most states face, it wanted to create the best service at the lowest cost.

Its problems included siloed channels and manual processes. It took 36 hours to assign an inquiry to the right agent and an additional 84 hours to resolve it. To affect this change, the Tennessee Department of Human Services turned to ServiceNow's Customer Service Management. The Department obtained the following results:

- Reduced inquiry assignment time from 36 hours to 100 seconds
- Decreased inquiry resolution times by 70 percent
- Experienced a significant reduction in resolution time and in getting complex questions addressed by specialists

Chapter **5**

Benefiting from Getting Customer Operations Right

I n today's business environment, the competition to garner customer satisfaction and retain customers is fierce. Connecting customer service teams to the front, middle, and back offices gives you an enormous advantage when competing against companies hampered by a customer relationship management (CRM) system that doesn't provide an end-to-end (e2e) solution and a permanent fix to problems.

In this chapter, you look at the value of automatically monitoring service level agreements (SLA), connecting all points on the customer journey, and the benefit of delivering proactive service.

Speeding Customer Service Resolutions and Adherence to SLAs

One of the keys to providing excellent customer service is making sure that you use a centralized, automated platform that provides service level management (SLM). This function allows you

to document and track all the agreed-on commitments between your customers and you and create an SLA that can be tracked.

A customer's SLA outlines the type and level of service you will deliver. It spells out such things as the metrics you need to meet and the penalties you will pay for violating the agreement. These metrics help you understand the performance you're receiving against the service commitments made. The system should also automate notifications and keep all parties informed about progress and compliance.

Having a trackable SLA helps you

>> **Avoid service degradation.** You can spot trends to prevent breaches.

>> **Increase customer satisfaction.** By adhering to (and hopefully exceeding) agreed-on commitments, customers value your work.

>> **Remove organizational silos.** You are able to use data across the organization for everyone's benefit.

Establishing process and rules to avoid delays and breaches

The ability to control your entire operation using automation, data, technology, and agents creates a system that's ready for anything. With automated SLAs, you can set and perform actions at specified times. For example, you can notify an agent about a task he should take to prevent a breach or inform a supervisor if an SLA is about trigger an escalation.

Setting and managing for all customer types

When dealing with SLAs, it can be challenging to deal with changing customer call/chat/email volumes. To help address this, look for a platform solution that can set SLAs based on such things as

>> The type of customers they are

>> The type of product(s) they purchased

>> If they have purchased a premium service agreement

SHOULD YOU INCREASE SERVICE LEVELS AS AN INCENTIVE?

SLAs can be used as an incentive to increase customer satisfaction. But should you offer a higher level of service? Take a look at the positives and negatives of this.

If a customer is connected to a bunch of different front-end/back-end systems, you would be able to use her information to offer a higher level of service (or prioritize service above SLA targets) depending on what's happening outside the world of pure service. For example, if a customer has bought and is entitled to a silver level of service, but you notice that she has

- Given you low net promoter score (NPS) in past surveys
- A contract renewal coming up
- An open opportunity
- An outage in another branch at the same time
- Seen sluggish product performance over the past while

The system can up the SLA to give the customer a gold level of service, which may increase satisfaction with your proactive stance. There is one caveat to this action: If the customer is paying for bronze and you consistently provide her with a silver or gold level of service, she'll never upgrade to the silver or gold level.

In this way, the company can easily manage different SLAs that match what has been contractually obligated or used as a method of prioritizing which types of customers get faster service.

Providing an E2E Customer Experience

Delivering outstanding customer service has taken center stage as customers could leave after just one unsatisfactory experience. Making sure that you monitor and improve the customer experience whenever possible, is critical. Enter the e2e customer experience.

FIRST-TIME RESOLUTION

7-Eleven is an international chain of convenience stores. Its management is laser-focused on giving customers the help when they want it, where they want it, and how they want it. This is no small feat. There are more than 66,000 stores in 17 countries.

To help create a standard of first-time resolution for customer problems, it turned to ServiceNow to deploy its Customer Service Management platform to connect franchise store owners/operations to corporate functions like IT, HR, and more.

It created the 7-Help customer help desk. This solution gives customers and store franchisees a single platform for reporting issues, and they report 130 issues on average each day.

By using ServiceNow's platform, 7-Eleven saw a

- 93 percent reduction in case volumes
- 205 percent improvement in case resolution rates
- 75 percent reduction in customer service response times

An e2e customer experience is made of all the contacts your customer has with your brand. It involves monitoring the entire customer journey and ensures that at each point, the experience is satisfying. Delivering good service consistently is a tall order as new technology and processes develop.

This is where root cause analysis comes to the fore. You need to get to the cause of the problem and fix things once and for all. If the same issue keeps coming up and occupying your agents' time, you prevent productivity and lose money while also never improving the customer experience.

So how can you address this issue? You need to integrate the platforms you use across departments. In any platform you choose, look for the following capabilities:

>> One platform that connects the front end to the middle office and the back end (see Chapter 3 for more about dealing with the messy middle)

>> Agents given information proactively

>> Automation, artificial intelligence (AI), and machine learning (ML) to find things you can't find with manual inspection

>> Real-time data to help you track trends and see how to get to the root of the problem the first time

Delivering Proactive Service

The goal of organizations today is to provide customer service consistently, in real time, and in context. Delivering proactive service is no longer a nice to have feature. The burgeoning number of communication devices and technology enables customers to ask for and receive support from many different channels. These can even include consumer devices such as Amazon's Echo and other Internet of Things (IoT)-enabled technologies that tie machines and appliances to the Internet.

Understanding the different levels of customer engagement

As customers reach more channels from outside the organization (for example, social media), the more companies need to guard against losing touch with their customers. Acting proactively keeps the customer constantly aware of the good job the company is doing to provide them with service, and it helps build ongoing relationships.

The key to developing proactive services is not only to provide self-serve or other no-touch/low-touch methods but also to automate them so you can give more attention to some of the high touch methods that keep customers loyal. You have to have a mix of high and low touch. Finding the right balance is key.

TECHNICAL STUFF

The IDC Technology Spotlight Report, "Proactive Customer Service: Myth or Reality?" sponsored by ServiceNow, presents the levels of support required to satisfy customers. Understanding the staffing needed in each of these levels helps you see the value of automating when necessary and providing direct contact when appropriate. IDC designates the levels as follows:

>> **No touch:** This includes FAQs and the IoT devices. No company intervention is required after they are set up, and no ongoing curation is necessary.

- » **Low touch:** This level includes contact on social media and customer communities. Typically, one staff person can monitor and advise on social media when necessary, but escalation to the next level is needed if problems bubble up.

- » **Medium touch:** This level has some agent-assisted items that include email, chat, webinars, text, and so on; therefore, the investment in employee intervention increases here. Also included in this level is AI in the form of chatbots.

- » **High touch:** This level includes direct calls and conference calls. At the second-highest level, staff support here increases.

- » **Turbo touch:** This level includes two-way video, support in a retail store, or help in the field. This level requires one-to-one contact and heavy staff resources.

The value of being able to automate the lower touch levels to drive proactive service can't be overstated. It helps you reduce customers' needs to escalate to higher levels and ensure that your investment in staff resources is well-spent and cost-effective.

Benefiting from more data to deliver proactive services

Delivering proactive service comes with certain benefits. Without the platform and data tools to support it, it's virtually impossible to assign employees to monitor everything manually. Fixing issues before customers are aware can prevent downtime from occurring altogether, which is a competitive advantage.

TIP

The value of proactive monitoring to avoid potential problems provides you with the ability to

- » **Know who is affected:** With a service-aware install base, you can see who may be affected and alert them.

- » **Manage issues as a single problem:** By knowing what's happening across customers, you may be able to handle the case as a single problem.

- » **Cure the issue:** After solving the issue for the first time, propagate that solution to other potential points of failure to make sure it doesn't occur again anywhere in your eco-system — not just for the person/device reporting it.

>> **Boost productivity and give employees suggestions:** If you look at historical data and use ML and AI, you can tell staff what it can do to be more efficient.

>> **Make better decisions:** You can use the analytics available to you to help monitor maintenance and usage patterns to increase uptime.

>> **Recognizing existing bottlenecks and inefficiencies:** You can identify and eliminate problems before they become more significant.

>> **Get feedback from customers:** By monitoring what clients say, you can learn how products can be designed to avoid problems.

TIP

According to McKinsey and Company, in 2019, 87 percent of contact centers weren't yet using analytics to identify problems proactively. This is a significant oversight. Your systems and processes should allow you to send targeted communications to your customers, alerting them of a problem and updates on its resolution.

Delivering proactive customer service in turbulent times

The 2020 Covid-19 pandemic fostered uncertainty among customers, and yet pressure remained on companies to deliver responsive customer service without interruption. Although workers may be operating from different locations and dealing with their own issues even after a pandemic ends, they need to be able to rely on internal teams to support their efforts. This is where a strong customer operations platform makes all the difference.

So how can your company proactively work to meet the changing needs of customers during uncertain times? Here are four things to consider:

>> **Set expectations upfront.** Let customers know that your organization is also facing difficult challenges (for example, the lack of agents) and that you're working to overcome them. Your transparency will be appreciated.

>> **Deliver proactive notifications.** With the right proactive tools in place, you can alert customers to issues they may encounter. This activity delivers a significant competitive advantage.

- » **Provide self-service.** Catalogs of automated solutions, knowledge bases, chatbots, and a lively online community that you have put in place can be excellent places for customers to satisfy their requests.

- » **Rely on workflows.** Workflows can help mitigate the disruption that employees are dealing with. Everyone knows what to do, and they can see the current state of all the customer issues they are assigned to.

If the pandemic taught companies anything, it's that they must be flexible and ready to meet ongoing challenges. Having a robust customer operations platform in place helps your organization be resilient enough to meet future problems.

IMPROVING CUSTOMER SATISFACTION

A large technical services company wanted to improve customer satisfaction. One of its goals was to tie its field service technicians more closely to customer service and process optimization/system consolidation. It turned to ServiceNow because it was the only platform that integrated all its systems on one platform.

So, what was the result? The company improved customer satisfaction while reducing costs by $60 million.

Chapter **6**
Ten Ways to Supercharge Customer Operations

Customer operations is the key to providing the best customer experience for your customers and everyone inside the organization. In this chapter, you get ten things to remember to supercharge your customer operations:

» **Customer service is much more than customer engagement.** Customer service is made up of several things. It includes customer engagement plus case resolution flowing through the front, middle, and back offices. It also optimizes field services if applicable. Solving just one or two of these areas won't solve for the entire experience and will keep customer service as a department rather than a company-wide philosophy. Check out Chapter 1 for more information about how successful companies organize around customer service.

» **The secret sauce to great customer experiences is customer operations.** Delivering a great customer experience requires strong customer operations that addresses root causes, permanently solves problems, and reduces service costs over time. Half-way measures won't allow you to deliver on the promises you make to customers. For more details about developing strong customer operations see Chapter 3.

- » **An organization-wide approach to customer service is not a one-and-done.** Everyone working together requires constant care. Keep stakeholders involved and informed as things change. Sharing the wins (time and cost savings) that result from working together makes the entire company stronger. See Chapter 2 to learn more about maintaining a customer-obsessed culture.

- » **Black holes and dead ends are still a threat.** You think you're being vigilant when it comes to dead ends and black holes. Just because they were found at one point doesn't mean new ones won't pop up. To ensure that they don't rear their ugly heads, always be auditing and reviewing. Also, use this time to see if existing processes can be further optimized. For more about black holes and dead ends, see Chapter 4.

- » **Resist the urge to work on customer issues in a manual manner.** It can be tempting to think that you can quickly do something manually, but keep tasks in workflow. As soon as things go to email, they get lost — and often permanently. Flip to Chapter 1 to find out more about avoiding manual work.

- » **Allow customers to trigger actions, workflows, and processes that involve middle- and back-office teams.** You should trigger workflows that connect all parts of the organization (the middle- and back-office teams) so you can resolve issues faster for customers and reduce work for customer service teams. Customers who can serve themselves helps contribute to greater customer satisfaction. See Chapter 3 for more details about dealing with the messy middle.

- » **Provide agents with playbooks that automate common multi-step customer processes.** Automate processes whenever possible. For example, if customers need an agent to change a service they're subscribed to that also requires updating customers' credentials and billing information, guide the agent through the steps necessary to collect the information and use workflow to update other systems (for example, billing) as needed. Check out Chapter 1 for more about what your customer service solution should include.

- » **Always look for new ways that workflows can address common customer tasks.** Workflows are proven ways to be more productive and eliminate unnecessary tasks. Analyze, analyze, analyze cases and contact center work. To discover more about workflows, check out Chapter 1.

>> **Consolidate systems when you can.** System sprawl is ongoing due to many factors, including mergers and acquisitions. The fewer systems, the less cost and maintenance. Consolidating systems makes things easier for agents, but when that isn't possible, ensure customer service systems are integrated (platform of platforms) to provide the best possible experience for both customers and agents. Flip back to Chapter 3 for more information about the platform of platforms.

>> **Always aspire to deliver proactive service.** It's not always easy to work proactively, but it saves customers time and alleviates contact center volume. As you start to realize the benefit to customers, delivering proactive service will become second nature. You don't need to do everything at once, though.

TIP

Try by starting small — pick a service scenario that may occur regularly and affects some or all customers, such as a digital service outage. Create a plan for how you would determine which customers are affected and the steps to take to initially notify them as well as keep them in the loop until the issue is resolved. Check out Chapter 5 for more info about delivering proactive service.

Visit www.servicenow.com/success/now-value/nowcreate.html to find out more about the Now Create methodology, which can not only help you build a proactive service plan but also achieve other positive business outcomes.

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Connecting departments is a game changer

Delivering amazing customer service in the digital age gets more challenging each day. Customers' expectations continue to rise while resources are restricted, making the promise of fast resolutions to customer problems seem impossible. Instead of using the same tactics, break down the organizational and data silos, and automate processes across teams using workflows. This makes not only resolving issues permanently possible, but also it opens the door to proactive service. The secret? Customer operations.

Inside…

- Customer operations defined
- Align internally for external service
- The power of digital workflows
- The benefits of connected service
- Tips, tricks, and traps to learn from

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