

# STA Group, LLC

Customer Experience Driven Business Architecture

September 22, 2010



# Agenda

- Organizational Challenges
  - Culture
  - Inter-departmental Politics
  - Initiatives
- Changing the Organizational Mindset
  - Initial Pilot Effort
- Changing the Business Architecture Focus
- The Customer Experience Organization
  - Executive Team
  - Architecture Team
- Recap

# Organization Challenges

## Culture

- Promotes focus on internal strengths
- Independent business units encouraged
- Delegation of responsibility

## Inter-departmental Politics

- “Protect my turf”
- Organizational budgets
- Performance metrics are business-area based

## Project Mentality

- “Project collaboration solves problems”
- “Strategic” project boards
- “Business architecture takes time, let’s code!”

# Changing the Organization

## Initial Pilot Effort

- Started as a Proof-of-concept (POC) to see if business architecture could provide a fresh perspective and new solutions to an “unsolvable” organizational pain point.
- “Sold” effort to senior leadership, based on expense reduction and being able to leverage existing assets to their fullest potential. Effort was not “sold” as a customer experience effort.
- During initial POC we set the stage for senior leadership collaboration.

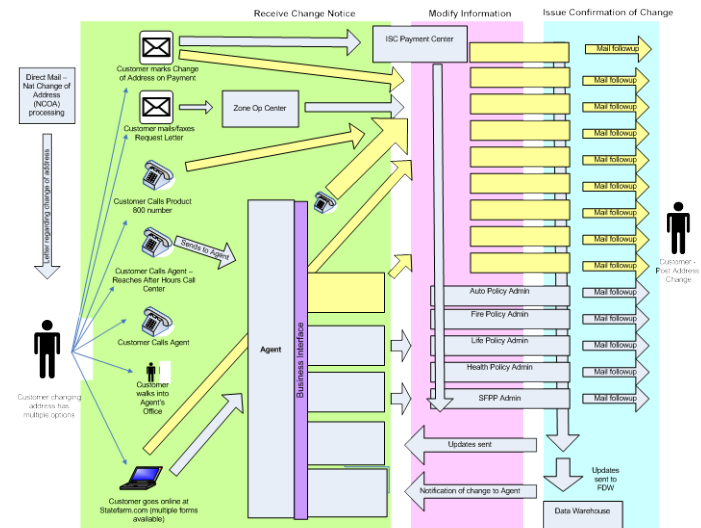
We promised senior leaders that we could not require more than 2 hours a week from select business subject matter experts in exchange for 2 hours with the senior leaders once per month.

# Changing the Organization

Key artifacts begin to position the case for customer experience

## Reasonable Customer Expectations

- When a customer tells us they changed address, we should be able to:
  - Inform every product line to change (once and done)
  - Indicate how long a change will reasonably take
  - Know and communicate status for requested change
  - Manage communication and mailing(s) back to the customer



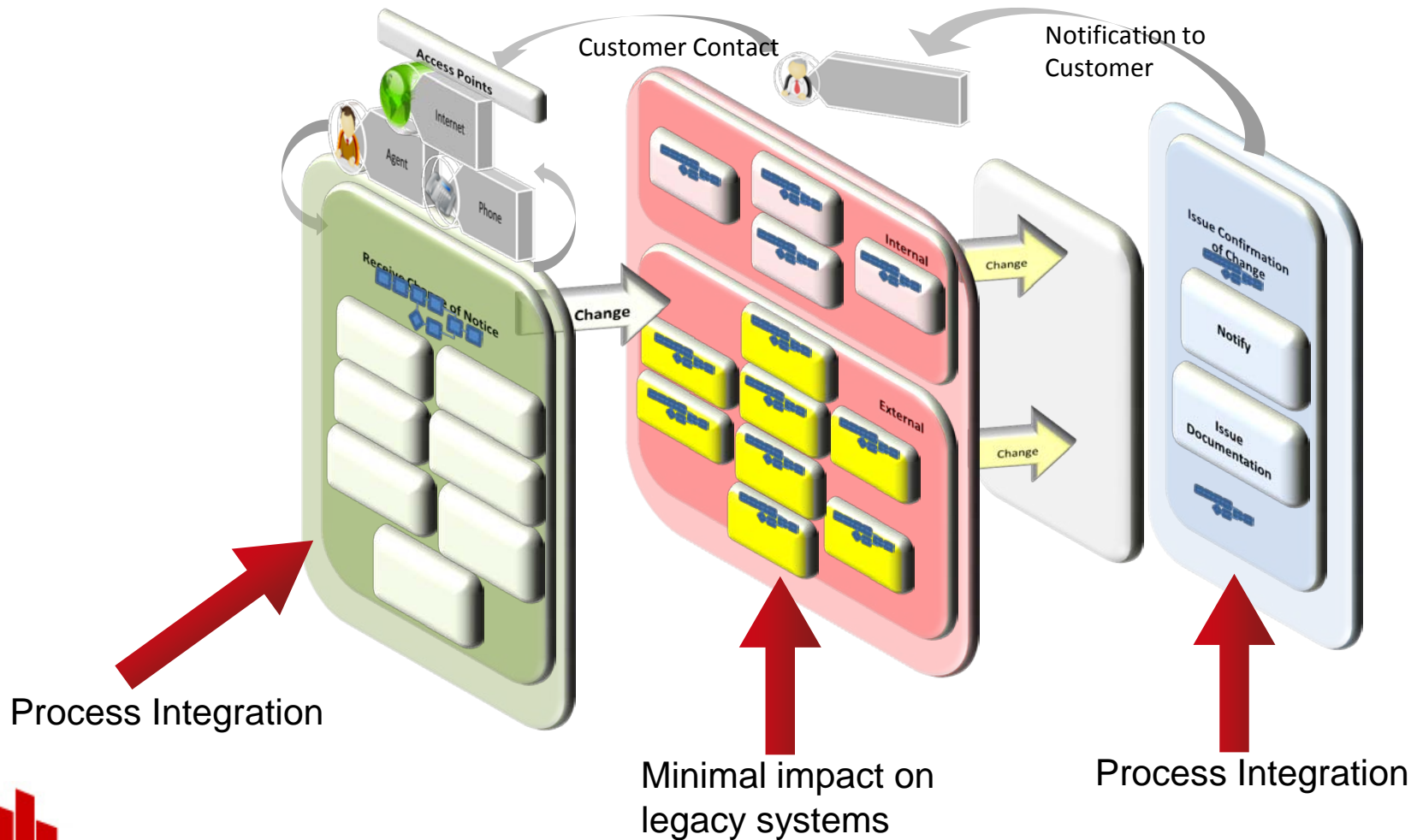
## Current State Architecture

1. Internet Customer
2. Agent Office Customer
3. Call Center Customer

Current State Scenarios: What customers' feel based on the channel and products they have

# Changing the Organization

Defining the future state (target architecture)



# Changing the Organization

## Introduced Enterprise Business Processes

Just one of the issues resulting from independent business units is the implementation of processes that solve their need (very well in most cases), but do not work well across an enterprise

- Agreement that the organization needs to look further at potential enterprise processes/value chains:
  - Sales
  - Select components of service
  - Claims

# Changing the Organization

## Business Implications = Governance

Often the business was informed of what was to be built in IT, but failed to understand the implications that decisions and direction had upon the business

- 12 Senior Leadership-approved implications

Examples include:

“All access points and product lines share customer address information”

“Business areas will move to a ‘customer first’ process model”

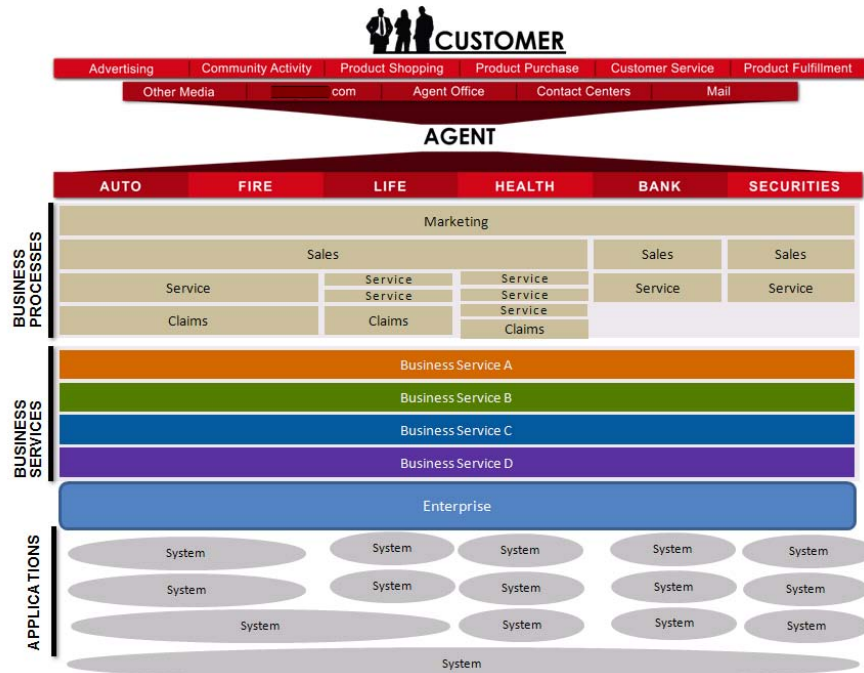
“Current business processes are policy/account-centric”

# Changing the Organization

## Core Diagram

Proof-of-concept had significant touch/integration points into many of the existing efforts currently being executed or planned in the organization

## Identified Efforts and Integration points



# Changing the focus of Business Architecture

Connecting the dots:

- Business Architecture had been previously relegated to making connections late in the process, often after efforts were well into execution.
- Focus of business architecture shifted from helping efforts execute with more information to understanding strategic direction and implications.

## Artifact focus prior to POC

- Requirements
- Process
- Business information

## Artifact focus post-POC

- Target Architecture
- Enterprise Processes
- Business Capabilities
- Business Implications

# The Customer Experience Organization

## Customer Experience focused Business Architecture Team

- Looks at the impact to customer experience impacts and implications of strategic direction, business decisions and in-flight efforts
- Established new Customer Experience Philosophy that will be used to measure impacts and implications.
  - 8 Customer Expectation Statements
  - 6 Organizational imperatives to meet customer expectations
- Governs the adherence to defined target architectures
- Manages the core diagram to align strategies, metrics, business services, etc



# The Customer Experience Organization

## Customer Experience Leadership Team

Leadership team consisting of 3 senior vice presidents for oversight and a body of 20 business area vice presidents

- Validated and approved customer expectation statements for dissemination across the entire organization
- Leadership body meets weekly to review customer experience conflicts and intersections (provided by architecture team)
- Formal announcement by CEO, CFO, COO in a 1 hour web-conference

# Recap

- Small “win” produces big results
  - Pilot effort must consistently reinforce customer experience vales
- Early leadership collaboration and interaction
- Small focused team that integrates and collaborates with rest of organization
- Shift in architecture focus from requirements and information to value chains, business capabilities and targets