**SUTHERLAND**®

Ebook

# TRANSFORM THE BACK-OFFICE
## WITH FRONT-OFFICE CX SENSIBILITY

**Seeking to achieve back-office efficiency without the customer focus of the front-office embeds friction and a higher probability the results will be sub-optimal. Here's how you can make the most of your back-office transformation.**

## It's Time To Stop Ignoring the Back-Office

Somewhere we've gotten the idea that front-office business process transformations are more important than those in the back-office.

Maybe it's the proximity to customers, the closer connection to revenue, or the implied association with the brand, and its strength in the marketplace. Whatever the reason, customer-facing transformations seem to get all the attention.

But should they?

Especially in an age when a customer is just as likely to reach out to a contact center with a billing concern or policy question as they are about the latest product… or an extension of their service contract.

In this brief whitepaper, we'd like to disabuse you of the notion that the front-office matters more. It doesn't.

Front and back-offices are of equal import. And while the customer-facing front may still be winning a disproportionate share of mind with commercial buyers, we suggest that it is **the back-office** – and all the byzantine complexities associated with it – where the bulk of your opportunity to transform your business (and its performance) lies.

*Read on to learn critical elements and ideas about how best to go about it.*

**TRANSFORM THE BACK-OFFICE**

# Table of Contents

TRANSFORM THE BACK-OFFICE

# The Obstacles of Back-Office
# **Digital Transformation**

Let's be honest, back-office business process transformations often prove far more complex than their front-office counterparts.

Why? Well, often there is simply more there to transform: more processes, more swim lanes, more tasks, more steps. And there are almost always more handoffs required on the way to getting things right for the end-consumer. The more handoffs, the more chances things can go wrong. That raises the stakes for all involved.

While a customer experience sensibility is required when transforming the back-office, building a CX focus – and reinventing the back-office with a front-office CX mindset – is simply harder. And building that CX sensibility in the back-office using automation is harder still. That's because back-office processes tend to require the execution of human (or otherwise well-trained machine) judgement to perform properly. Normally, there is a high level of complexity involved. You might say there needs to be a "human-in-the-loop" (HITL) level of involvement in the decision-making. That type of decisioning isn't easily automated.

When architecting the appropriate back-office environment, you're not simply streamlining the process. That's because, in most cases, that process can't be streamlined – and automated – without an important part of the work involved "falling out." In fact, most back-office automation efforts involve the successful automation of the standard 80% of the process, while the remaining 20% falls out, only to be accounted for in the redesign of a human worker's role.

When transforming the back-office with automation, many – if not most – worker roles are redesigned. Every time you bring in intelligent automation, machine learning, or AI, there is a considerable shift in the role of the human-in-the-loop. And you cannot deliver a strong experience to either your end-customers or employees unless you account for that in your design.

## The 4 Keys to a Back-Office Transformation That Actually Supports Your Customer

No customer has a good experience when the employees responsible for serving them are struggling with broken internal processes. Even the best, more diligent employees who choose to "power through" in face of process headwinds will eventually tire from the extra effort required. It's just too exhausting. And workers have choices.

At some point, something's gotta give. You can only push good people so far before they weaken – if not break. And the customer's experience of the business – and its product and services – will suffer as a result.

CX in the back-office is every bit as important as it is in the front-office. And vice versa.

So, if you're going to redesign your back-office to make it not only more efficient but more aligned to meeting customer needs, you've got to prioritize at least four things:

/ CX-focus

/ Job-role reinvention

/ Data integration

/ Worker adoption

Let's take a quick look at each... and explore what you can do during a transformation effort to address them.
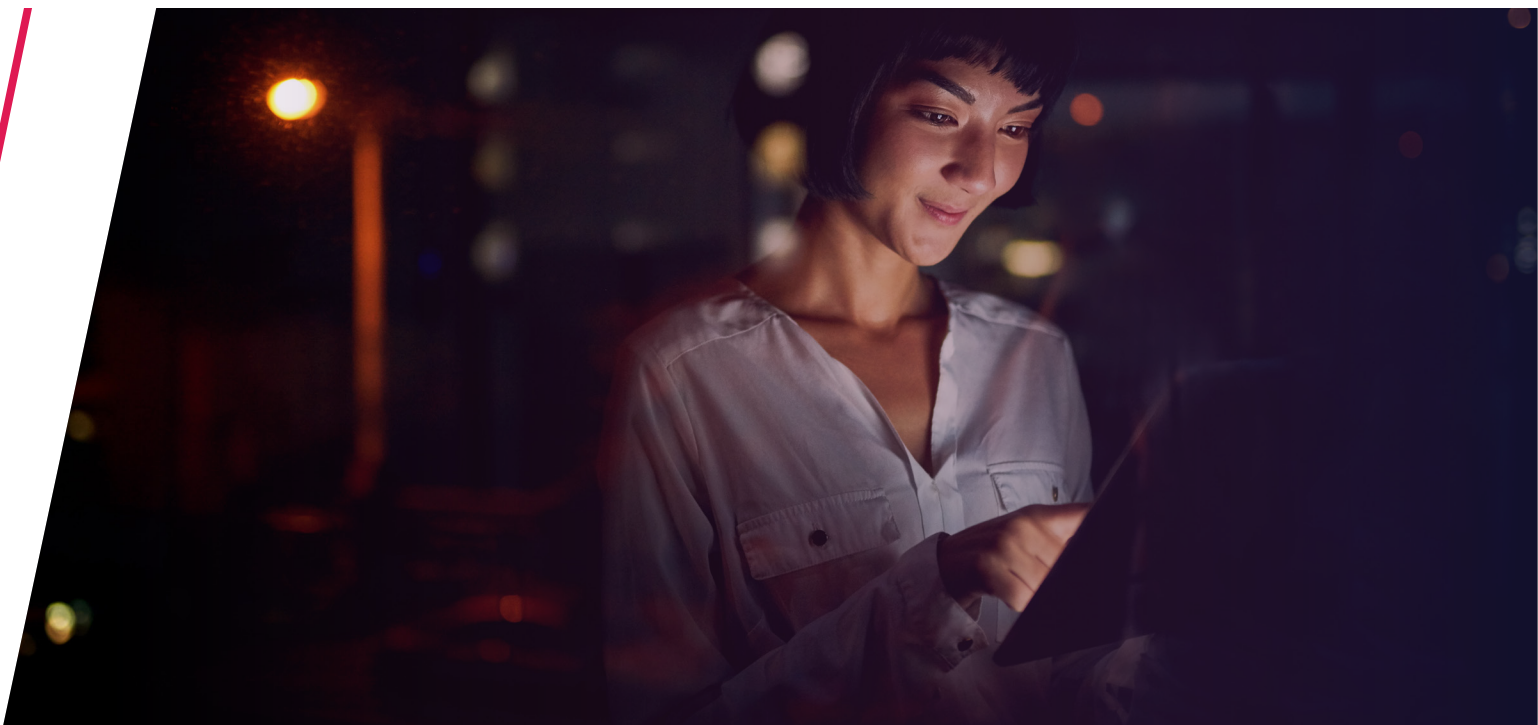
# 1 / Redesign for CX
## From the Start

Customer experience excellence can't be an afterthought when redesigning the back-office. It must take pride of place – and be given front-and-center priority – from the very beginning of the transformation effort.

If not? Well… let's just say that things can get rather complicated.

Virtually everything in the front-office is about trying to secure a high NPS. But unlike front-office processes, which are naturally built to be streamlined because they're customer-facing and, therefore, focused on resolution, the back-office is different. Their processes are often hidden, opaque, and convoluted. And they're nearly always out of sight of the customer.

And there, precisely, is where the problem lies: as long as the work gets done right, historically, few have seemed to care too much about it. 'Out of sight, out of mind', or so the saying goes. Just as long as it isn't causing trouble.

But it is causing trouble. And lots of it. That's because in a world where – increasingly – the success of the "front" depends on the successful execution of the machinations in the "back" for customers to remain happy, what's required of brands isn't a separate front-office and back, but rather a single, unified "One Office" that's fully aligned with the customers' needs, preferences, and growing expectations.

Indeed, the front- and back-offices have traditionally run on a completely different set of objectives: the back-office has been focused on policy enforcement and process (and behavioral) control, while the front has been more about experience and support.

And while we don't see that changing altogether in the foreseeable future, we are seeing a softening and blending between the two – with the front-office being called to solve all kinds of customer challenges, and the back-office needing better customer alignment around objectives in order to deliver.

So, if you hope your transformation will succeed in driving CX priorities across the back-office, you've got to "start from scratch" at the very dawn of your effort.

Case Study 1

## LEADING US ENERGY UTILITY TRANSFORMS CUSTOMER-TO-CASH

Historically, CX and billing and finance were treated as separate processes, and managed separately. The existing support model couldn't keep up with recent expansion. There were multiple customer contacts for the same issue. NPS scores plummeted. Cost-to-serve exploded.

Sutherland reviewed and redesigned every customer interaction – from sales and account setup to customer support, billing and payments. The results?

## 60-point+ increase in NPS

## 90%+ reduction in unapplied cash

# 2 / Embrace the End-to-End **Reinvention of Job Roles**

Because back-office processes can rarely be automated away altogether, there will always be a human-in-the-loop (HiTL) to help with decision-making, exception management, and the like. So, as you redesign, it's vitally important to consider the role of the human worker throughout the transformation.

And that consideration doesn't stop with a job role definition for "day one" of the rollout. You must look further into the future. That is, you need to think about – and anticipate – how the role will need to adjust over time as more modernization gets introduced, and customer preferences and behaviors continue to evolve.

There is a ton of complexity in the back-office. Regardless of the sophistication of your automation tools, they will never be as fully automated as you might like because of that complexity. You always have to be thinking about how your human workers and machine agents will interact and work together at every point.

And because there are always multiple handoffs in back-office processes, things get messy – and processes get built that fail to account for that complexity. That's how the process "gaps" around the handoffs come about. And the process that does get created can fail to account for all the roles involved in getting the work done.

*Employee expectations of their work experience have shifted.*
*They used to work around inefficient, cumbersome processes and systems in the name of strategy – but that's a thing of the past.*

*Chris Rellaford, VP, Sutherland Digital Business Services*

All this is why "harmonizing" the back-office with the front, and vice versa, is so very important. End-to-end performance depends on a brand's ability to align all its processes – and how they are delivered and measured – with the goals and objectives of the customers.

Some businesses get overly focused on automation. They forget that a customer experience focus must extend beyond automation to process optimization, exception management, and other factors – like job roles, their design, and who fills them.

All of us can get stuck mirroring old ways of doing things! Many of us have been trained to think of operations solely in terms of processes – how they are defined, represented, and communicated. For example, many ERP systems (for many, many years) even trained their implementers to think solely in terms of process.

But the people who bring operations to life today typically don't operate in "swim lanes" anymore, especially as the back-office has become more complex as companies have become more complex.

There is now a clear limit to the degree to which employees can operate within a world of pure process, with the sheer number of those processes, and their corresponding "swim lanes" proliferating. This is why it's so critical to understand the full scope of every automation and the scope of every process design. Because only then can they be built anew around roles and the human-in-the-loop, and not processes alone.

And you have to redesign the entire role, not just part of it. Operators can't keep trying to fully automate highly complex processes over and over and over again, and not expect things to break.

When you think more in terms of roles than processes, you're more likely to build durability, flexibility, and resilience into your redesign.



**TRANSFORM THE BACK-OFFICE**

# GLOBAL LOGISTICS LEADER REINVENTS CUSTOMER PRICING

The map of the pricing process was enough to make your head spin. There were multiple teams and organizations involved in everything, and virtually all of them had to be involved in each and every pricing change. With so many "humans-in-the-loop" – and the corresponding inconsistencies – it was virtually impossible for them to automate as much as they knew they should.

Sutherland redesigned the process end-to-end, keeping in mind the roles of all the humans-in-the-loop. The result?

Turnaround time for the typical bid shrunk from

*21 days to 3*

# 3 / **Un-Silo Your Data,**
## Integrate Your Analytics

*Let's take the straight jacket off the back-office! Yes, let's automate the mundane. But let's also 'data enable' the rest of it so ops can play a bigger role in delivering CX.*

*Nikhil Anand,Sr. VP, Sutherland Digital Business Services*

Data is the glue that holds the front- and back-offices together. And it is the un-siloing, integrating, and sharing of that data end-to-end across all your processes that allows for customer alignment.

As you drive automation, transformation, and customer alignment in the back-office, you must also be looking specifically at what's driving the market-facing experience at the front. That data needs to be readily available so you can act on it – ensuring mistakes aren't repeated and become systemic.

A rich set of data enables the new job roles you create to be more proactive, setting their incumbents up for success – identifying where there is friction in the process and hurdles to their performance.

Indeed, it's the whole data loop – the one connecting the full customer journey process end-to-end across the organization – which ensures both the back-office and front can be integrated and united into a single customer-aligned "One Office" of its very own.

Without un-siloing and integrating various data types from various sources, there can be no end-to-end alignment around common objectives. And the achievement – or lack thereof – cannot be measured. Without the data sharing that feeds rich, AI-driven analytics, there can be no sure progress toward shared experience and operating objectives.

# 4 / Optimize for Adoption

Lazy minds like to think that changes they deem improvements will simply be adopted naturally, according to their clear, obviously apparent merit. But you and I know that the world doesn't work like that.

If the tools and changes don't make the work easier for employees, odds are they won't adopt them – regardless of how good they're supposed to be for the company and its customers. If it's frustrating – if it adds friction to their tasks – it's out. Yes, training helps. A lot! But it's ease of use and the benefit to the worker doing the job that really matters.

The rate of adoption also depends on the strength of the common objectives set across both the back-office and the front. And the adequacy of the measures in place to gauge their achievement. Those measures shouldn't just be function specific, but they should span the breadth of the enterprise value chain.

The measurement data will have the final word on whether you're doing all you can to drive necessary adoption.

# GLOBAL LOGISTICS LEADER GETS EMPLOYEES TO EMBRACE PROCESS SIMPLIFICATION

There was an "onshore" organizational structure and an "offshore" organizational structure. There were as many "in-country" organizations and processes as there were countries of operation. Multiple sales and service providers proliferated. The current state seemed to shout for end-to-end process transformation.

Sutherland redesigned processes and workflows, simplifying the work – and choices – of employees. In doing so, their job performance and satisfaction improved too. The result?

User embrace of the redesigned workflows drove an additional $150M in working capital.

# BACK-OFFICE EFFICIENCY IS ABOUT MORE THAN NEW PROCESSES – JUST ASK EMPLOYEES

An optimized back-office delivers unrivaled competitive advantage. But designing enhanced systems cannot just be about what a new solution can do. It must also be about understanding who will use that solution, and how to get them to embrace it.

The overall experience has become a fundamental aspect of digital systems and significantly impacts business outcomes. Many customers will abandon systems that are difficult to navigate. When designed with the experience in mind, they see better acceptance, fewer errors, and higher sales.
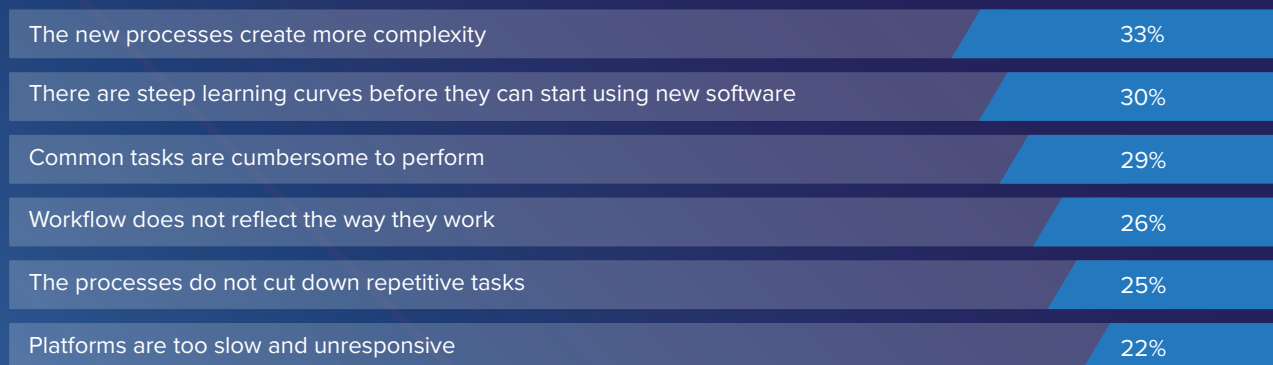
It's the same for employees.

When employees are forced to use clunky, outdated systems or navigate through confusing processes, it leads to frustration, reduced productivity, and disengagement. On the other hand, when they have access to intuitive, user-friendly technology, human workers are more efficient and effective, and enjoy greater job satisfaction and engagement.
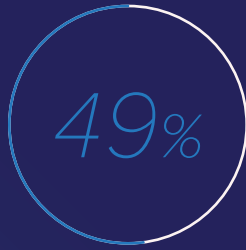
Don't just take our word for it. We surveyed **600 users** of digital systems in their day-to-day work. These are employees from large US and European organizations **(5,000+ staff)** across a range of sectors, from entry-level to senior management.

The verdict? The workforce understands the benefits of digitizing processes, but they will only engage if new systems are a good fit for their workflows and can save them time. In other words, the business will only truly benefit from a digital transformation if the user is front of mind.
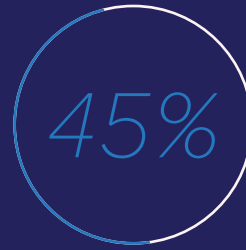
---

## Most Pressing Employee Issues With New Digital Systems / Tools

| | |
|---|---|
| The new processes create more complexity | 33% |
| There are steep learning curves before they can start using new software | 30% |
| Common tasks are cumbersome to perform | 29% |
| Workflow does not reflect the way they work | 26% |
| The processes do not cut down repetitive tasks | 25% |
| Platforms are too slow and unresponsive | 22% |

## Employee Frustration Hurts Efficiency
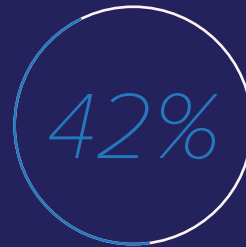
**49%** *Believe many new systems are unnecessarily complex*
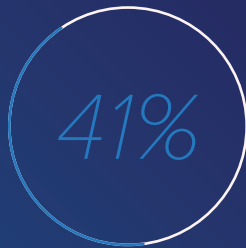
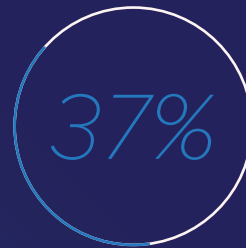**45%** *Are likely to stop using new processes altogether if experience is poor*
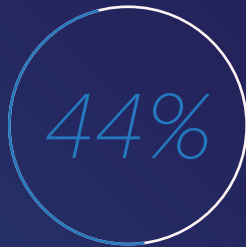
**44%** *Confirm that their organization adopts multiple digital systems, and they don't integrate well with each other*

**42%** *Decide to no longer use a new process*

**41%** *Consider integrated solutions awkward to use and slower, resulting in work taking longer to complete*

**37%** *Say they already work with too many systems, contributing to overall complexity and stress*

## What Employees Expect From Digital Solutions

| | |
|---|---|
| Responsive and fast | 58% |
| Ease of getting started | 46% |
| Minimum steps to get what they need | 45% |
| Great tech platform with good user interface | 33% |
| Holistic process across all facets of their work | 17% |
| As much automation as possible | 16% |

# A Summary of the 4 Keys to CX-Focused
## Back-Office Transformation

Here's a quick summary of both what you need to **know** and what you can **do** to maximize your chances of a successful CX-focused transformation of the back-office.

### The core of what you need to know...

/     Customer experience focus is as critical to the back-office as it is to the front.

/     You can't automate everything away. Job-role reinvention is critical to success.

/     Data is the glue that binds the front- and back-office together. Analytics gives alignment.

/     Employee adoption is never guaranteed. It must be won and regularly measured.

### The core of what you need to do...

/     Redesign for CX from the very start of your transformation effort.

/     Embrace the end-to-end reinvention of job roles.

/     Un-silo your data and integrate your analytics.

/     Optimize for adoption with the right objectives, training and measurement.

**TRANSFORM THE BACK-OFFICE**

# The Sutherland Approach

*Poor customer experience, whether the customer is internal or external, is often a leading indicator of processes and technology that don't match the needs of the organization, leading to operational inefficiencies at a later stage.*

*Sutherland can be a strategic partner across all sectors, transforming business processes with our proprietary processes and tools, and delivering measurable improvements in digital performance. We deliver outcome-driven results via a combination of process redesign, task allocation, talent deployment, and digital automation. And we optimize key functions to deliver guaranteed savings and results.*

## Want to learn more? Let's talk.
## We'd love to hear from you.

### We make digital
### human™

sutherlandglobal.com
sales@sutherlandglobal.com
1.585.498.2042

Sutherland is an experience-led digital transformation company. Our mission is to deliver exceptionally designed and engineered experiences for customers and employees. For over 35 years, we have cared for our client's customers, delivering measurable results and accelerating growth. Our proprietary, AI-based products and platforms are built using robust IP and automation. We are a team of global professionals, operationally effective, culturally meshed, and committed to our clients and to one another. We call it One Sutherland.

## SUTHERLAND®