



It is widely accepted that customer experience alongside expansion of profit margins now needs to be the key focus for every business in order to remain competitive. The shocking fact is that the operational side of customer experience is rarely talked about. How do the most successful organisations go beyond great client facing service and do everything in their business well?

The simple answer, they don't, someone else does.

The customer experience landscape is the broadest it has ever been and organisations are increasingly being stretched to their limits when it comes to achieving their true purpose. To excel at their core business functions, market leaders have embraced outsourcing and turned to experts in specific non-core functions to deliver the best possible result.

Ahead of Shared Services & Outsourcing Week 2014, I spoke to Michelle Cox, Director of Business Process Outsourcing, HP Enterprise Services, South Pacific about meeting customer expectations through business process outsourcing (BPO).



Michelle Cox

Director of Business Process Outsourcing,
HP Enterprise Services, South Pacific

Michelle, an expert in BPO could make anyone excited about the subject. In this interview, Michelle speaks about key issues facing CFOs, COOs and CIOs: the convergence of B2B and B2C, forming strategic partnerships, digitisation, multi-channel interaction and the ultimate customer.



DISCONNECTED INTERNAL SYSTEMS AND THE LINK TO CUSTOMER EXPERIENCE

According to  Forrester,

42%



of service agents are unable to efficiently resolve customer issues due to disconnected systems, archaic user interfaces, and multiple applications.

The speed at which consumers are demanding and collecting information is increasing and Google's 'Zero Moment of Truth' is now more real than ever. CFOs, COOs and CIOs are quickly realising that providing service through traditional channels is simply not going to cut it. Michelle explains:

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Our enterprises in mature markets have significant investment and are steeped in traditional channels, but their customers want to take up more modern, more agile channels.

Here's a really simplistic way of trying to get people to get their heads around what BPO is: years and years ago, organisations used to have their own cleaners. Organisations at some point realised, we don't want to be really good at cleaning. If we're an insurance company, we want to be really good at underwriting because that is our core business, that is going to bring profitable returns. So organisations realised all of a sudden you could give that to someone else who wanted to be really damn good at cleaning.

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Enterprises have made significant investments and are steeped through their investment in legacy systems in traditional channels, but their customers want to take up more modern and agile channels and so they need to find ways to meet this customer demand. One solution that is available to them is to work with a BPO Provider who can partner with them to overcome these challenges.

Here's a really simplistic way of trying to get people to get their heads around what BPO is: "years and years ago, organisations used to have their own cleaners. Organisations at some point realised, we don't want to be really good at cleaning. If we're an insurance company, we want to be really good at underwriting because that is our core business, that is going to bring profitable returns. So organisations realised all of a sudden you could give that work to someone else who wanted to be really damn good at cleaning". That someone else would now be considered an Outsourcing provider as they provide a service to the Insurance company that they need, but that enables the Insurance company to focus their resources and efforts on their core business "underwriting".

Over time businesses start to realise that the processes they are running may be getting caught up in old legacy systems that end up costing a lot of money and are operationally draining. By focusing resources into non-core activities, core functions often don't get the attention they deserve. When the resource is people, they end up being less-efficient and less motivated due to the level of non-core tasks they have to conduct, and when internal motivation fails, so does customer service. By improving the process for internal customers, you also improve it for external customers.

DIGITISATION & MULTI-CHANNEL INTERACTION

According to a report by *Information Services Group (ISG)*, Global public sector outsourcing outpaced the private sector by 46% in Q3 of 2013 and with Australia one of the top three players, it is no wonder that the public service is a major focus for HP. Michelle explains some of the challenges the sector faces:

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“One of the real challenges facing organisations is the fact that a large portion of their existing bases, particularly if you think about government, still have a very strong paper footprint. This slows them down, particularly when their customers are demanding multi-channel interaction.”

“We have a very positive story for organisations who want to leapfrog those going slow, to take them from their current mode of operation into an integrated multi-channel environment that starts to eliminate the paper and redundant channels quickly and at the same time, eliminates a number of other costs.”

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With the B2B and B2C channels converging, it is no longer about giving the best service in your sector – it is about giving a service that rivals the best that individual has ever had. In fact, according to *Nielsen-McKinsey*,

33%



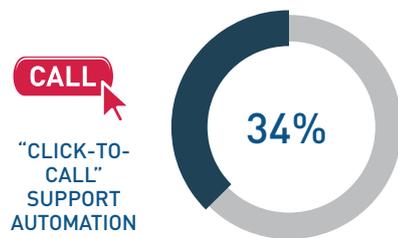
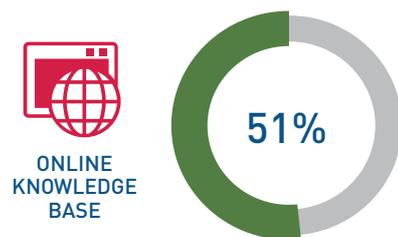
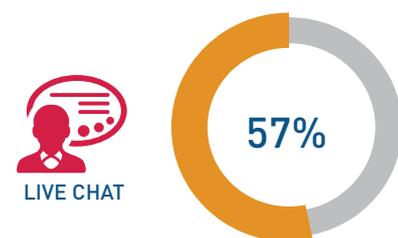
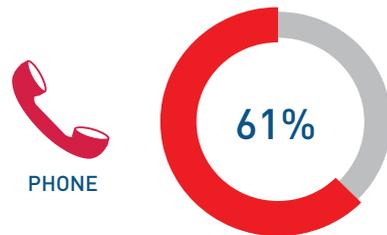
of consumers would still recommend a brand that provides fast but ineffective service.

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“Consumers no longer compare the service of, for example, one bank to another bank. They compare the service of the most impressive customer service experience they’ve had in any sector with the one they are being served by their provider right now.”

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Econsultancy recently published figures highlighting that consumers prefer assistance via the following channels:



With statistics like this, it is no wonder organisations are turning to service leaders like HP in order to compete in this multi-channel environment.

