Ten Tips in Ten Minutes Successful transformation to a Customer-Centric Intelligent Enterprise

Markets are changing fast, with important implications for every consumer business, in every sector, in every economy. The single biggest driver is **pervasive computing**, which is accelerating globalisation, convergence, competition and causing significant changes in consumer behaviour and expectations.

What's coming next is even more disruptive. Disruption is the new normal. The response of most organisations is to embark on some form of **digital transformation** to reduce operating costs, improve customer experience and remain competitive. Data and analytics capabilities are at the very heart of digital transformation and organisations are investing heavily in this area, particularly on technology.

However, many organisations are discovering that transformation are not delivering the expected benefits in the expected timescales. Here are ten tips that explain why:

- 1. Clear and realistic view of **decision improvement benefits** achievable and how you will **measure. Do** you have the data to do what you want?
- 2. Define key **capability requirements by the desired business strategy and objectives**. Requirements must be thoroughly examined for their ability to deliver the desired financial outcomes and triaged
- 3. **Velocity**; configure the change programme to deliver in time-boxed bursts, aligned to benefits Fully explore **benefits and risks of build Vs buy strategy** for time-to-market and operating efficiency
- 4. **Operating costs**: be clear on how it will operate and what this will cost (not just buy costs) Especially be clear on availability of skills and costs of resources to both build and run
- 5. Understand that this is an enterprise-wide undertaking and configure accordingly (engagement)
- 6. **Business kpi holders need common goals and metrics**, must be suitably trained or educated to understand how new capability might change approaches or strategies and consideration should be given to decision arbitration processes and managing the inevitable internal political conflicts.
- 7. Operating model for Decision Management. Probably the most difficult component to get right, as addressing the cultural, organisation and process changes required to transform to customer-centricity is very hard work. Many organisations pay scant attention to this factor and subsequently pay the price, with returns on investment in technology under-performing expectations. The Decisional operating model should be considered as two, inter-related parts: Decisions for Business and Decisions for Customers. The second of these is the most challenging to effectively implement and run. This becomes particularly difficult the larger the enterprise is and the more it is entrenched in a product/function organisation model. Product/Offer Development and management must also be well integrated, and in tune with, the new agile, flexible and adaptive decisional operating model. There is no point in having the ability to optimize and micro-manage billions of decisions with customers if product or offer sets are simplistic or under-differentiated. Channel owners have to be engaged up-stream in the decision process in order to suitably integrate or arbitrate their targets and constraints and ensure channels are enabled for the outputs from the decision process.
- 8. Integrated insight and decision science. There are four capabilities to integrate: BI (or reporting), Diagnostics, Prediction and Optimisation, Decision Management & Personalisation. Without suitable integration, an organisation will fall prey to data and insight silos and cottage industries that prevent the establishment of 'one source of truth'. In the rush to digital transformation, the creation of Digital data and decision silos is a particular mistake to avoid.
- 9. The democratisation of data and insight is essential in business enablement and the creation of an Ondemand Insight ecosystem, featuring a 'corporate memory'; self-service access and insight distribution can significantly speed adoption, effective exploitation and increase the efficiency of insight and analytical production.
- 10. Don't let IT surf the fad: the goal is better customer decisions and analytics is at the heart of this and analytics is a business function. Decisions need to be developed, understood, managed, amended and deployed by business users so don't put decision management into a black box. By all means use open source tools and cloud computing but ensure all methodologies are available within a structured environment and that the tool set can be fully integrated into the E2E decision process. Nothing works without the right data: establish an agile and fast-paced data development and management competency and process. Create both analytical and operational domains, giving the ability to report, diagnose and model 'offline' before committing decisions into the 'online' operational channels, be that push or interactive.