

Handling customer problems and service: Part 5 of our 5 part IBM Good Decision! Webcast Series

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Peter Craft: Good morning, good afternoon or good evening, depending on where you are in the world and welcome to today's webcast, Part Five of a five-part webcast series entitled, "Five jobs you can do better with intelligent decision automation." Today's webcast will focus on handling customer problems and service. And it is brought to you by InformationWeek and IBM and broadcast by United Business Media, LLC.

I'm Peter [Craft], today's moderator. To make sure this event is as interactive as possible, I would like to make a few announcements before we begin. First, you can join our interactive Q&A session at the end of the event by submitting your questions at any time during the webcast. Just type your question into the "Ask a Question" text area which is below the media player window. Then click the "Submit" button.

Second, the slides will advance automatically throughout the event. If you would like you may download a copy of the slides by clicking on the "Download Slides" button which is located below the presentation window. Third and final, if you are experiencing any technical problems please click on the "Help" link below the media player. That will take you to our webcast help guide. You can also contact live technical support help line. And their number is located within the guide as well.

Okay, that's it for the announcements, now onto our presentation, "Five Jobs You Can do Better with Intelligent Decision Automation, Part Five: Handling Customer Problems and Service." Joining me today is Brett Stineman, Senior Product Marketing Manager, IBM WebSphere. Brett, over to you.

Brett Stineman: Thank you very much. And welcome to everyone who has joined us. If you have been part of the previous set of sessions that we have done in this series, I hope you have found those to be useful. I think this last one is a great way to cap off this particular series on five jobs you can do better with intelligent decision automation.

So I am going to really focus on the area here of how you better handle customer problems and improve service to customers.

I think maybe the best way to begin is to say regardless of whatever industry or sector that you are in, customer service is a priority, I think something that all of us have to deal with on a daily basis and from the other perspective of the customer, it is all about the interactions that they have with the companies that they deal with, or with the agencies or other types of organizations that they deal with. And it is not just about the interactions, it is about the quality of the interaction. I think quality is really the key word.

Now, what does that mean in terms of how they are interacting? There are certain things that customers are looking for. And I've got three specific areas here that I mention. The accuracy of how a company or an organization is responding to that customer. Do we have the insight as to what is our previous history with that customer? How can we provide information as precise and personalized based on whatever is happening at that moment?

Secondly, consistency. Customers want to be able to interact across different channels. Sometimes they want to be able to do it in person, over the phone sometimes, through the web. And the customers expect that they can have a consistent experience regardless of the channel that they are interacting with and across.

And then lastly, responsiveness, right, we all as customers, we want immediate feedback. We want to have proactive assistance. And if I am dealing with a company and there is some issue with a service, and that company understands that, I want them to be able to respond very quickly to that. And so these three factors are ones that you will see across the examples that I'm going to present over the next 20 minutes.

Now before I get into those examples, I would like to talk about a couple technologies that will come up as I present these particular customer case study examples. So, first of all, let's just think about as any organization, you have got various IT systems that you rely on. And those systems operate across what we would call Business Networks. So sometimes those are organizational within a company, different divisions, different departments. Sometimes they are systems that are actually outside of our organization we are interacting with. There's different people that we need to talk to and be able to correspond and communicate with. So this business network actually can get quite complex. And we want to be able to deal with information that is passing across it. And that's what you see on the left hand side here.

Now, I'm going to build out here a couple different technologies that we are going to focus on that will help us in terms of our interactions. So first off is business event processing. This is technology that will basically provide improved situational awareness and response by looking at patterns of data that will be coming in across that business network.

Secondly, business rules management. This is really focused on improving the quality of automated decisions. It takes input from various systems and then runs that data against business policies and specific definitions of rules that need to express how you want to respond to various situations.

Thirdly, business process management. This is all around orchestration of people and systems. And a business process management system is going to use what is being provided to it by business events and business rules and other data from various systems to help move that process along correctly and efficiently as possible.

And then lastly, analytics. And analytics really applies to all of this. It is taking that data that is coming in across all of these various technologies and systems and using it so that you can continuously improve decisions and the processes that your organization runs and is critical to your organization. So, thinking about these various technologies, let's look at some customer examples and how companies are really improving customer service.

So my first example is in telecommunications. And this is a global telecommunications company – large base of customers. Almost 100 million customers. And basically the problem that they were dealing with was the ability to make their call center employees as productive as possible and to provide the best information to the customer as quickly as possible. So they had a couple of problems. One, they are dealing with a very high call volume; lots of calls coming in – over 25,000 customer service representatives taking those calls. And, these customer service representatives were running into several issues. One is, first of all, they had to get trained up and become productive. And so there is a certain amount of time that you need to ramp them up and get them going. And then you have a turnover rate. So, I think this is something that is seen quite a bit in call centers. You have got people who are coming in and leaving and so your knowledge base as people become experienced if they leave, you have basically lost that knowledge base. Now you are having to replace it with somebody new who is going to have to get trained up.

And within this particular company, many different systems have been built up over time. And so the call center reps were actually having to navigate between different systems to find information, and on

top of that they were using what were called inquiry guides based on different problems. And they would have to navigate to these various different inquiry guides and have to know which one to look up to figure out the right place in that inquiry guide in order to find information.

And the result of this was what we call a classic Pareto principle problem. A minority of the calls were resulting in a large majority of the time spent. And for those particular types of calls, about 20% to 30% of the calls, you have a customer service problem because it is taking a long time to resolve the problem. There may be several handoffs taking place where people are being shuffled around to different parts of the customer service organization to get an answer.

And so what they decided to do was build what they call their Next Generation Knowledge Management platform. And the idea of this platform is two-fold. One is bringing the information to the call center rep instead of having the call center rep having to go out and find that information. And then secondly, being able to make sure that if that person isn't the right knowledge worker for this particular problem, that when it gets handed off that hand-off happens in such a way that the customer feels that it is really a seamless transition and they don't have to re-explain themselves. They get sent to the right person in as few transitions as possible.

And the way they did this was using a combination of business process management and business rules management technologies from IBM. Now, from a business process management standpoint, the idea was to provide a unified user interface to the customer center representatives. Not making them have to navigate to a lot of different systems. Instead, creating a layer on top of those systems using business process management where a call center rep can actually have that information pulled in to a single UI that they can use to provide information back to the customer.

As well as using business process management to help deal with escalations and routing issues where the customer needs to be handed off to somebody else and making sure that that happens properly, if there needs to be a follow-up after the fact, that that has timers on it, alerts, that people are getting back to customers in a timely fashion. And then also they can keep track of all of these various calls and really do some analytic understanding of what is going on, so using things like business activity monitoring in order to better understand what are the kinds of calls that are coming in and how can they better deal with those in the future.

From a business rules standpoint, they were actually pushing information, guidance and best practices into that user interface that I talked about that is the business process management piece, using

underlying business rules that actually push the right information to the call center employee at the time of the call. So by entering some information that information gets passed back to the business rules engine. It runs the data against the appropriate business rules in order to push the right information back to the call center employee.

And what they have seen by doing this is they can much more easily deal with those harder types of calls, the ones that are taking the majority of the time, can get dealt with faster, they can also get newer employees ramped up and productive as quickly as possible.

The next example is basically, I would say it is the inverse of what we just saw here. So, in this example it is more about self-service. How do you empower the customer to find the information that they need on their own. Now, the company this is based on is basically what I would call an intermediary. They represent a collection of around 3,700 timeshare resorts around the world. They have 3 million members that use their service to be able to trade their property for another property on a given week for vacations. So, this is all about vacation properties where you may have a set week at a specific location each year or several times a year. But you may not want to go to that specific location the next time that you are going on vacation and you want to go someplace else.

So this company actually provides the ability to trade your particular property with a different property. The issue that they were dealing with was that from a customer standpoint there was very limited set of capabilities that were available to customers via the web. So, when a customer – they can go and look up what are the various properties around the world and kind of what are the various levels/tiers of properties so they can get some idea of maybe what might be available for them. But they would have no idea as to what is available for a specific time period. And other factors specific to their situation. They can just kind of look at an inventory of everything that is out there.

In order to actually trade their property to go someplace else, they would have to call into the call center and they would have to work with somebody who would look at their particular situation and then determine what would be available for a specific time or in a specific other geographical location. And they were getting a lot of feedback from customers that this is quite frustrating to do. And that customers wanted to be able to do this on their own using a self-service channel. So, what they ended up doing was building out what is called their Enhanced Search capability on their site. And it uses a combination of search and rules technologies to help the customer determine what's available and actually perform the full exchange from doing the search all the way through making the request, getting the confirmation in one transaction without having to then call into somebody.

And, it also helps them if you are trying to do more – maybe you don't know specifically where you want to go, you just kind of know I have a specific time period I want to go. So it will actually help guide people to find what is available under a number of different search parameters.

Now, we are going to show you a couple of quotes from customers based on the implementation of this Enhanced Search system. So you can see one customer saying, "This works the way I think when I am trying to plan a vacation. " Another customer saying, "Never again will anybody be able to say there is no place for me to go," based on talking to a call center employee and they are saying, well, we are not seeing anything. The customer can really determine what's available and do it all on their own. And I think this is quite powerful.

And, again, for certain cases the customer wants to be able to talk to somebody and there are other cases the customer wants to be able to do it on their own. And there is an expectation that they can do either one and really get the same experience.

Okay, so the third example I'm going to talk about is in the public sector. And this is what is called a Human Services Modernization Program. This is a local government, major United States city. And they are dealing with people that were asking for various social services and one of the things to understand with social services is for any given citizen given if they are having certain hardships, they may be eligible for a number of different services. And those services can be provided at different levels of government as well as through non-governmental organizations. So, someone might be eligible for some type of a federal program, a state-level program, local or regional-level program. They may be eligible to get some services again from non-governmental agencies.

And this typically can become quite difficult to navigate through. A lot of time can be spent, and this is why this particular government went through this modernization program which was people were having to spend a lot of time calling to different agencies to understand if they were eligible. They were getting routed around. People get very frustrated in having to spend large amounts of time and getting potentially inconsistent information from different people. So what they did was they wanted to set up a front end so that the citizen can enter certain set of information. That information can then be run against a set of business rules to determine what are they eligible for and to provide them the information, the referral information so that they can get to those right resources as quickly as possible.

So, this is a business rules based solution that does a number of different things. Let me build this out here. First of all, automated eligibility determination, as I mentioned before, it looks at all of the

different potential services that are available and determines which one that particular citizen is available for based on their current situation. As new services or as new regulations come into effect, those can be very easily implemented into the system so that as new requests come in they are getting the latest and greatest information.

And then it helps to provide the best choice among different options. So it can really help to guide the citizen in the optimal way that will help them to get help quickly. And then provides a lot of transparency as to why certain decisions are being made so it can actually provide back to the person who is making the request why they are eligible or not eligible for different programs.

And so this, again, is more of a self-service model – help people on the front end. Put in the information. Get back a set of information via the web. That then helps them to go and talk to the right people and give them the information that they need in order to actually pursue those various services that they may need.

The next example I am going to talk about is in the financial services sector. So, here we have a retail bank where they have a set of customers, so they have systems that are going through all of their customer accounts on a daily basis. And they are identifying certain high risk accounts based on patterns of what is going on with the customer at that particular time. It could be a series of overdrafts. It could be a number of different things where they are determining if there is high risk – late on a certain payment.

And so what they were doing was they were determining which were these high risk accounts, they are passing that information to the local branch where the customer had opened their account, and they were letting branch personnel have to basically go to that and determine what was the next action to take with the customer. Now, what they are finding was this is actually taking a large amount of time so they are spending an hour and a half or more each day, they had certain branch personnel that were spending an hour and a half or more each day going through each of the cases and determining how they were going to deal with them. And what they were finding after that was there was a lot of inconsistent decisions, because this is really what I would call an ad hoc approach.

Each person is basically empowered to make a determination as to what to do. And what happens in one branch versus another can be wildly divergent in terms of the approach they may take to similar situation.

So, a couple of things they wanted to be able to do. One was reduce the amount of time that people were having to spend going through each individual case. And the reason for this is so that those branch employees could spend more time interacting face-to-face with their customers. They felt that was a more valuable use of their employee's time.

Secondly, they wanted to be able to deal with a consistent enforcement of the regulations they have to deal with, and of course in financial services there are a lot of regulatory mandates, as well as to provide a set of best practices so that under similar situations customers are being dealt with in a consistent manner. And so, again, using this system they are able to determine status and priority of various high risk customer cases. They are able to recommend and explain client actions. What's the right action to take to the branch financial advisers?

And then lastly, they are able to even generate personalized emails that can be used as actions that the branch personnel can actually use to send out as follow up. And so being able to automate this, what they found was actually saving their employees on average of one hour per day for each adviser. And you can see at the bottom on the right, you multiply this out by 13,000 advisers on a daily basis. That's a huge productivity gain that is being made. And, again, the goal of this is to have those people spend more time interacting directly with customers face-to-face.

Okay, one more area I am going to touch on and this is in healthcare. And when we are talking about customer service, obviously patient care is, I think, a huge area where focus is being put into how can we provide a better experience to the customer and be more proactive in how you deal with those patients. And there are two specific examples we have here. So the one across the top is what I call Prescription Support. So this is an alert notification system that looks at information about the patient and about various prescriptions that are being given to that patient and identifying where there is a potentially harmful combination of pharmaceutical drugs or where a dosage may not be appropriate given the age, weight or other factors of the patient.

And, again, think of this as a decision support system. This is not saying you have to do this, but it is providing nurses, doctors and other medical professionals with information at their fingertips that will alert them when there is a potential for an issue they should really look into and determine what the right course of action is.

And we have actually seen this implemented by a couple of our customers and in one case they are actually delivering those alerts directly to handheld devices. And you can see the benefits, right? So immediate feedback helps give those medical professionals vital decision support that they need, especially when you think of the number of different pharmaceuticals that exist and it is virtually impossible for any person to really understand all of the complications or combinations and types of interactions that may occur based on different prescriptions that are being given.

This results in reduced risk and cost to both the patient and the provider and overall gives them improved patient care.

The second example at the bottom is what we call Post-discharge Care. So, people who have come into a hospital or an emergency room with a life threatening issue such as a heart attack. So in one case we have a proof of concept that we are working with the customer on. Patients who have had a heart attack and have also been smokers and one of the key things immediately upon discharge is you want that person to stop smoking. Smoking is a huge factor in that person coming back into the hospital. They want to be able to reduce readmissions.

Now, in today's world connected devices is the future. And healthcare is no different from any other industry in terms of having many new types of connected devices. And so for a patient this can be a pacemaker, in and of itself as like a little miniature computer in terms of it collecting data and data can be passed on. Insulin pumps – again, there are chips in these that are keeping track of vital information. And so there is a lot of data that is actually being collected and can actually be passed back to the provider. And so what we have seen here in this kind of Post-discharge Care is using a product like WebSphere Business Events to collect that data and look for patterns across the data. So it can be coming from a connected device such as what I talked about. It also can be coming from other sources such as lab results.

Being able to correlate data patterns and use that to identify where there might be something that needs to be followed up on. When an alert comes up through WebSphere Business Events, sending that information to a business rule management system like the WebSphere ILOG JRules that will look at that data and run it against the set of defined policies to determine what is the right type of follow-up action to recommend which can then be passed back to a medical professional. And you can actually customize this monitoring based on the specifics of an individual patient.

And, again, this is really about, again, being more proactive. So, identifying problems before they escalate into a more dangerous and costly treatment situation. Again, reduce risk and cost to the patient, improve patient care. Again, identify the problem early, be proactive, provide the information that will allow somebody to make the right decision in order to follow-up and help the patient.

So, I have shown you a number of different customers and examples. Hopefully you found that beneficial. To basically conclude I do want to talk about one product specific offering we have. It's called WebSphere Decision Server. It basically brings together our business events and business rules technologies in a single offering that can be used by customers in situations like I just explained here or other things around case prioritizations, fraud detection, a number of great applications where business rules and business events might come together.

And kind of to summarize the series that we have had. Why intelligent decision automation? What I think you have seen across these five sessions that we have done is that we have been helping to show that the right technologies used together can help in a number of different ways. They can help organizations become more agile in terms of their automation, flexibility and efficiency. And how they can actually adapt to new changing market conditions.

Secondly around alignment. How can you get your organization to work together to help achieve better business outcomes? And then better personalization. How do you provide the right response to each customer or each transaction or each interaction as needed. And so hopefully you have gotten that out of these sessions. And I am going to provide a little bit more information. I think we are going to go to our Q&A at this point.

Peter Craft: Great, thank you, Brett. Before we do begin with the Q&A, I'd like to ask everyone to please fill out the feedback form that has opened on your computer. To complete the form, please press the submit answer button at the bottom of the page. Thanks in advance for filling this out. your participation in the survey helps us improve future webcasts.

Now let's go on to the Q&A portion. Again, if you wish to ask a question, just type your question into the text box located below the media player, then click on the "Submit Question" button.

The first question, Brett, when would BPM be the right approach for improving customer service versus BRM, business rules management?

Brett Stineman: Yes, so I think in some cases they are great together, but I think it helps to first try to separate them to understand kind of where the strength of each technology is. So for business process management, think of things around how do you improve workflow – handing off of activities between different people or how do you help to better bring different systems together to help move that workflow forward.

Secondly, things around handling exceptions, disputes, other types of requests that are non-standard. You can move those into a business process management system to help make sure that those get taken care of in a timely fashion.

Thirdly, I think, improved visibility of what is going on across each instance of a process that is taking place. And this is where process management, these are kind of the strong points.

On the rules management side, some of the key areas that customers think about when they are implementing business rules management – increased straight-through processing. Where can I automate those repeatable types of decisions where maybe they are being done manually currently. Risk mitigation – how can I make sure that I am making decisions, especially these automated decisions, in such a way that I know that I am meeting both my internal business policy and external regulation requirements.

And then lastly, improved decision support. And you have seen this from a couple examples that I talked about. Sometimes you can't make an automated decision, but you can give people better information in terms of how they should interact with the customer. So I think these are a couple of ways to think about it. In some cases a customer may think, they may see that starting with one or the other is the right approach, and in some cases the combination of the two is really quite powerful.

Peter Craft: Thank you, Brett. Well I'm afraid that's all we have time for Q&A. I would like to thank everyone for attending today's webcast, "Five Jobs You Can Do Better with Intelligent Decision Automation, Part Five: Handling Customer Problems and Service," Brought to you by InformationWeek and IBM.

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