



# **The Bridging the Gap Tool Kit**

**Version 1.0**

**International Process and Performance Institute**

## Purpose of the Bridging the Gap Tool Kit

The purpose of the **Bridging the Gap Tool Kit** is to give you an actionable approach to leading and applying technology against core business issues of the organization.

*Technology is not a differentiator... but how we use Technology can be.*

The most successful organizations use technology to differentiate. But they don't buy technology to differentiate, they *apply* technology to differentiate. The secret is in the application, and that is the secret to Bridging the Gap between IT and the business.

We all know the *GAP* exists; and "gap" is about the best word we have for describing this disconnect we know is there. There is definitely something amiss between IT and the business. You can feel the *difference* whenever these two aspects of the organization converse.

But while many approaches strive to create new linkages between IT and business the gap still remains. We need a unifying force, a common denominator that sits outside of both entities. That common element is the Customer – or we would say the outside-in perspective of the Customer.

What happens when we put this common denominator into play? Through the use of Successful Customer Outcomes, Moments of Truth and Auditing we can immediately create actionable strategy to not just bridge the gap, but can eradicate it completely.

It's a case of alignment, perspective and of asking the right questions for the right reason. Those questions lead us to:

- uses of technology that explicitly produce the Triple Crown benefits of Increased Revenues, Decreased Costs and Enhanced Customer Service
- a common framework for team work, communication and idea sharing (the customer)
- the challenging of everything we do in respect to the effect it may have on our customers (the very lifeblood of our businesses)

The opportunity is huge. Very few technologists have grasped these basic concepts in a way that can be used in their daily activities. This toolkit changes all of that. For the first time ever, technologists have a simple and proven way to align themselves to the business and the creation of business value.

## **Using Technology to Drive Increased Revenues, Decreased Costs and Enhanced Customer Service**

The most successful organizations in the world know something you don't. They know when to apply technology, how to apply technology and when IT matters in every aspect of their business. They connect technology to the core metrics of Increasing Revenues, Decreasing Costs and Enhancing Customer Service. If technology or an application of technology doesn't deliver on these three metrics then they don't do it.

For example, take a look at Zara, the world's most successful and profitable fashion chain. What technology do they use and why?

Well, for ERP (Enterprise Resource Planning) they use a homegrown application that is only modified when absolutely necessary. They use a global POS (Point of Sale) system running on DOS 3.0.

And they use the latest and greatest technology with wireless devices (cellphones, PDAs, et. al.) rolled into a global real-time network of conversation that zips the latest fashion trends into their designers so that new designs can start being developed the day they are recognized (Zara – from idea to store in 2 weeks).

This example feels extreme to many of us, but Zara's results are *very extreme*. They understand their value proposition to their customers and they focus everything they do – including technology – on delivering against that customer promise.

But most of us don't work for a Zara. What can we do to achieve some of the same results and benefits they have? How can we use technology to deliver against the Triple Crown?

While this toolkit is called the "Bridging the Gap Toolkit" it's really much more. This toolkit can not only help you bridge the gap, it can help you eradicate it entirely by:

Aligning Technology behind SCOs: How can we use technology to help deliver this customer experience?

Challenging MOTs with Technology: What could we do to eliminate these Moments of Truth entirely?

Auditing Technology use: What new Moments of Truth have we introduced? How can we adapt our use of technology to eliminate or at least minimize these?

## **The Three Action Approach to Using Technology to Drive Revenues, Reduce Costs and Enhance Service**

What do you need to know to put this strategy to work for you?

### **Action 1 - Aligning Technology behind SCOs**

*How can we use technology to help deliver this customer experience?*

If we already have Successful Customer Outcomes identified for our processes then we can jump ahead to applying technology in support of those SCOs. If not, then we must craft those SCOs ourselves.

Why do we need to do this? Shouldn't this be the responsibility of the people in the "business" side of the organization?

The only way we can truly bridge the gap between technology and business is to establish that common ground around the customer. This is a critical step. If we aren't willing to establish this basis then we cannot address the "gap." If someone else hasn't done it, then it may be necessary for us to step up to the plate and do so. One way or another, getting SCOs in place is a requirement for aligning technology to customer value.

### **Crafting Successful Customer Outcomes**

Here are seven actions you can take whenever you are working on building your own SCOs.

- 1) Move yourself into the shoes of the customer
- 2) State what the successful outcome of the process would be *as if you are the customer speaking*.
- 3) Make sure each statement is actionable and meaningful.
- 4) Beware of weasel words! They sound nice but they don't have any real meaning.
- 5) Rephrase your SCO by starting it with "I," (speaking as the customer) and see how that changes it.
- 6) Bring one or more customers in and have THEM tell you what there SCO would be!

7) Make sure your SCO is making the customer's life easier, simpler and more successful. This is the "acid test" of a good SCO. Get this right and your process objectives will immediately start driving your processes to become truly exceptional ones!

Going back to our examples, how might the customer phrase their Successful Customer Outcome for the insurance example? Perhaps they would say something like:

*"I want to get the insurance I need as quickly and easily as possible – and at a fair price – so I can get on with other things I need to do."*

Hmmm... is this an actionable SCO? Yes. The actionable elements are "insurance I need," "quickly and easily," and "fair price."

We can define what each of these are for our customers then take action in our organization to deliver against them... and we can measure them to make sure we are doing the right thing – right!

### **Challenging Our SCOs – Are They Really Ready to Drive a Successful Strategy?**

To help get this outside-in Successful Customer Outcome activity into clearer focus, we offer five elements that should be considered (and tested) for any SCO that we create:

- 1) Our SCO is the reason for our process's existence.
- 2) Delivering our SCO is our number one priority.
- 3) Our SCO comes from the customer's perspective, *from the outside-in perspective*.
- 4) Our SCO is actionable and its performance is something we can monitor or measure.
- 5) Our SCO makes our customers' lives easier, simpler and more successful. This is the reason we are here and everything we do should be aligned to this goal.

These five elements will always be present when we get the SCO of a process nailed on the head.

Sometimes this can seem to be very hard, and you may find yourself slipping back into the details (and complexity) of your organization. Yet SCOs are

simple things and by keeping our focus we can avoid these pitfalls when crafting our SCOs.

## **Building Successful Customer Outcomes that Lead us to Success**

Now, when we get down to actually creating our SCO it turns out that the best way to do this is by asking leading questions that can build context around the SCO. This is a way of leading us to the SCO we seek.

The basic set of SCO questions is as follows:

- 1) Who is my customer?
- 2) What is my customer's current expectation?
- 3) What is the process that the customer is engaged in (from their point of view)?
- 4) How does what we do affect customer success?
- 5) The SCO (what does the customer *really* want from us)?

Let's look at an example so we can understand the importance of each of these questions.

## **Applying Technology to SCOs – Creating Customer Value**

Successful Customer Outcomes give us a set of actionable statements that we (the organization) desire to deliver to our customers. Not only do we want to deliver against these actionable statements, we also need to deliver against them consistently and reliably.

The basic activity of using Technology in alignment with the customer is to review each of the SCO statements and challenge ourselves: How could we use technology to satisfy this customer need dependably and reliably?

That question is easy for us to understand. But before we jump out and start cranking up the technology engine consider this:

**Fitness of Use** – Whatever we do it must be something that makes the customer's life simpler and easier. We can't expect our customers to learn new things (except in rare cases). Instead, we must offer them intuitive experiences.

**Can it go away?** – We should the reason why each SCO statement exists. Is there a way we could use technology that would obviate or eliminate the need for us to even address this customer need? What would that look like?

**Target Customers** – Are we thinking about our target customers? Anything we do must be appropriate for our target customers. If it isn't making our target customers' lives simpler, easier and more successful then we shouldn't be doing it!

Does it spawn other Interactions? – This is a very big issue. Does the use of technology we envision spawn other customer interactions? If so, we are perilously close to causing more issues than we are helping. Does the use of technology spawn other interactions for us – the people in the organization? This is again a warning sign. Creating additional internal work, skill and knowledge requirements will lead to unreliable deliver of the customer value proposition in most cases.

## **Action 2 - Challenging MOTs with Technology**

*What could we do to eliminate these Moments of Truth entirely?*

Moments of Truth are the customer touch points in our processes. While some Moments of Truth are needed for most customer processes many are not essential to the customer.

Using technology to eliminate Moments of Truth is a powerful but little used concept. That has begun to change.

Now more and more IT professionals are tackling business issues head-on, and Moments of Truth are a key part of their transition from back office “support” to front line value creation.

If we don’t have the Moments of Truth in a process identified for us, then the first step in this Action is to identify them. Either way, before we can begin to apply technology to business issues using Moments of Truth we must know have the Moments of Truth in the process identified. From there we can begin challenging them through the applied technology.

## **Understanding and Identifying Moments of Truth**

What are Moments of Truth?

Anytime a customer comes into contact with any aspect of the business, however remote, there exists a Moment of Truth. There are five main types of Moments of Truth:

1. person to person
2. person to system
3. system to person
4. system to system
5. and person to product



(This last category may involve the direct interaction with a piece of machinery, say a vacuum cleaner or a car.)

Any contact with the Customer is a 'Moment of Truth' in so far as we have the opportunity to create a moment of magic, or conversely, a moment of misery.

Moments of Truth first really came onto the management radar screen in the early 1980's due to Jan Carlzon's noted leadership efforts in "turning around" several large European airlines, most notably SAS, where within a year of his taking over the CEO position SAS was back in the black and earned a reputation as one of the world's best airlines. He accomplished this through a basic management of Moments of Truth.

Carlzon has spelled out his management and staff motivation philosophies in a best-selling book, Moments of Truth, which has since been translated into 18 languages.

Where do Moments of Truth occur? Everywhere. Examples of where Moments of Truth occur include:

Respond to a query	For security reasons
For scheduling purposes	To make a purchase
To make a confirmation	To change something
As an information service	To service or repair something
For our marketing purposes	To request an action be taken
To solicit information	From services provided by partners

## Taking the Challenge – Eliminating MOTs through Applied Technology

The challenge is simple; how can we eliminate this Moment of Truth through the application of technology... without creating any NEW Moments of Truth?

This is a real business issue we are now addressing. What's interesting about this issue is you are not going to find the answer in anything you buy – period. The only way to eliminate Moments of Truth is to identify the specific application of technology that will achieve the goal – eliminating the Moment of Truth.

How hard is this? It's not easy, and yet it is.

Compared to many of the complicated engineering challenges IT faces the scope for eliminating Moments of Truth is typically quite small. Yet the

answers are far less obvious so in that respect addressing business issues through eliminating Moments of Truth is quite hard. But it can be done.

Can we identify ways to eliminate Moments of Truth with technology? Of course we can, we just need to try. This is the new frontier of IT value creation.

### **Action 3 - Auditing Technology use**

What new Moments of Truth have we introduced? How can we adapt our use of technology to eliminate or at least minimize these?

This is probably the biggest and most painful part of successfully bridging the gap between IT and business. How often do we make a technology investment that results in the creation of new Moments of Truth?

For example, credit card fraud detection. We are continually expanding our use of technology in automated fraud detection.

But what happens when a fraud trigger occurs? It stops transactions on the account, right? All transactions? Yep.

Each time a fraud trigger occurs we have to contact the customer (Moment of Truth). The customer, by the way, does not want us to contact them about potential fraud. The customer wants fraud protection to "just work," and they don't want to think about it – at all.

That may be hard for us to successfully deal with but consider this: if we change our fraud protection technology what will the effect be on the customer?

Guess what. We are now likely to trigger fraud alerts under situations that did not trigger them before. Does the customer notice? YOU BETTER BELIEVE IT!

The customer notices that their normal behavior is suddenly being treated as abnormal behavior. "What's wrong with my credit card provider? I'm not doing anything differently but suddenly I'm getting hassled with false fraud alerts! Those IDIOTS..."

Of course we are not idiots. The change is methodically, logically, rationally and reasonably thought out to create better protection for the customer. But they don't know that (and they DON'T WANT TO KNOW THAT by the way), they just want a safe, hassle-free life.

Also consider recurring payments. Most credit card owners have one or more recurring payments, some that have been running for a long time. What happens to them?

Under current fraud protection schemes these charges will bounce if customer doesn't address the fraud alert or if they haven't transferred the payment to another account.

But why do we do that? Is our use of technology so crippled that we can't even segregate what is obviously not fraud from what might be fraud?

These are the kind of business issues that technology can address. How do we address them? By challenging everything we do with the question:

*Will this application of technology create ANY new Moments of Truth?*

By identifying any new Moments of Truth that would be created by our application of technology we can then challenge ourselves to adapt our technology strategy to eliminate them wherever humanly possible. This is the only way we can successfully support our customer strategy and be a valuable participant in the business issues the organization faces.

## **The Bridging the Gap Tool Kit Template**

### **The SCO Questions (only required if the SCO does not already exist):**

1) Who is your Target Customer? -

---

---

2) What is their Current Expectation? -

---

---

3) What "process" is your Customer Really Engaged in? -

---

---

4) How does what you do affect your Customers' Success? -

---

---

### **The SCO**

5) What is the SCO (what do your customers really want from you)? **(only required if the SCO does not already exist)** –

a -

---

b -

---

c -

---

d -

---

e -

---

f -

---

g -

---

## Aligning Technology behind SCOs

SCO Statement	Applied Technology to support SCO Statement	Customer Value Created

## Challenging MOTs with Technology

	Moment of Truth	Technology Application to Eliminate Moment of Truth
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

## Auditing Technology use

	New Moment of Truth	Plan Adaptation Eliminate Moment of Truth
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

Describe your results – (optional: useful for Success Stories and validation)

---

---

---

---

---