Deloitte.

State of Louisiana
IT Consolidation

Customer Engagement Plan

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Current State: Customer Engagement Approach

Customer Engagement Approach

Customer Engagement is currently an informal process, and a customer engagement approach has not been established or standardized across agencies to help address customer needs. There are some agencies that have resources dedicated to Customer Engagement roles, but the roles are not consistent across agencies.

People
- Most departments do not have resources dedicated to customer engagement or relationship management
- In the departments that do utilize an established Customer Engagement approach, the staffing levels are relatively high because of the high volume of work, suggesting high demand for this service

Process
- Few departments use a formalized proactive process to gather information, requirements, or collaborate on solutions
- In the departments that have a customer engagement approach, they also have defined processes to support these efforts

Technology
- No single tool is used across the departments to conduct intake and prioritize requests
- Automated surveys are sent out to monitor customer satisfaction with helpdesk services provided by OTM, OCS, OIS, and other services

Customer Satisfaction Survey Results

In 2009, a Customer Satisfaction Team was assembled to create a process to evaluate customer satisfaction with Office of IT (OIT) services. This team created a survey that has been sent out for the past four years to customers after requests are submitted via Ask Louise, IT-10, and to the OIT sub-department (OCS, OIS, and OTM) help desks.

The majority of surveys are submitted anonymously, so there is no way to determine the satisfaction for individual services, ticket types, or help desk representatives.

Customer Satisfaction (2011-2012)
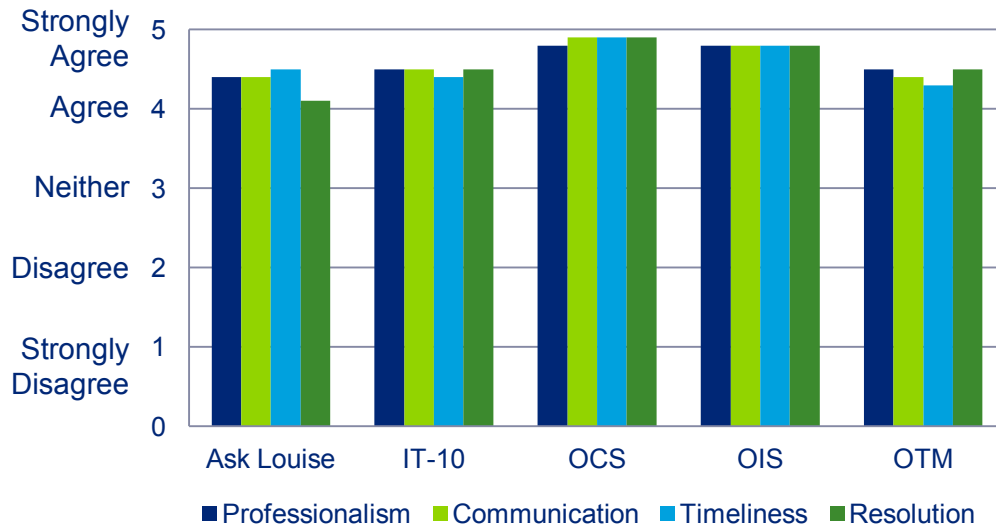
Key Observations

- Overall, IT customer satisfaction is extremely high* compared to other organizations

- Customer satisfaction has remained high in each of the years that the survey was issued

- Customer Satisfaction Survey indicates that:

  - Staff professionalism is good

  - Procurement services through IT-10 and OCS fare well in all the four aspects of survey

  - OCS has the highest satisfaction survey

* Public Sector Industry average is 4.7 according to HDI 2013

Future State: Customer Engagement Plan Recommendation

Benefits of Customer Engagement

Effective Customer Engagement leads to benefits for not only IT and their end-users, but also for the State as a whole.

Benefits to All Departments

- Provides a means for IT and agencies to reach understanding and agreement on the quality of services that are required
- Creates common expectations that help IT and the agencies interact, avoid conflict, and jointly revise measures as needed
- Provides simple and quantitative means of measuring and evaluating IT's performance
- Motivates IT and the agencies to change behaviors to drive efficiencies
- Helps ensure the value of internal service provision versus other options
- Can help to drive lower costs, improve morale and increase service delivery

Benefits to End-Users

- Helps to drive better service (e.g. faster response to, and resolution of issues; improved accuracy)
- Enables increased understanding of what services will be provided, and what can be expected
- Incentivizes IT to meet or exceed service level expectations and continuously improve
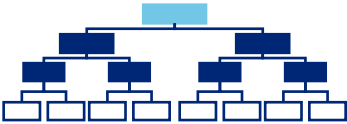- Aligns customer needs to IT delivery

Benefits to IT

- Provides a means for IT to measure performance
- Helps IT leadership identify where they can keep costs low while maximizing efficiency
- Allows IT to make informed and appropriate organization and governance decisions (e.g. capital investments, software acquisitions, training, methodology implementation, staffing)

Elements of the Customer Engagement Plan

The aim of Customer Engagement is to facilitate effective delivery of IT services to the end-users. The Customer Engagement Model should be supported by structure, processes, decision rights, channels and indicators aligned with the strategy of the agencies to meet the customer needs.
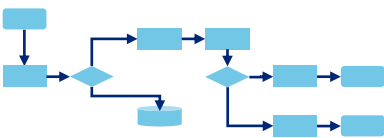
Structure

Organization, Systems and Capabilities

- Macro Functions
- Resources (e.g. people and capabilities quantity)
- Infrastructure

Process

Activities, Roles and Responsibilities

- Key processes based on an ITIL framework
- Demand Management
- Processes supporting decisions

Relationship Channels

Customer Engagement
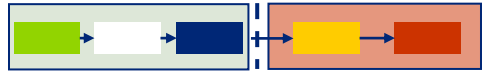
- Structured program of relationship actions focused on
  - Agency interfaces
  - Operations
  - Problem resolution
  - Training
  - Communications

Decision Rights

Management and Control

- Management Rights: Inform, Decide and Notify
- Control Rights: Ratify and Sanction

Indicators

Monitoring

- Agency strategy and portfolio
- Objectives, indicators, service demand, and goals
- Service levels

Structure – Customer Relationships

IT needs dedicated customer engagement roles in the organization structure to establish a trusted relationship between IT and the participating agencies. By establishing clear roles and responsibilities, the central IT organization and agencies will hav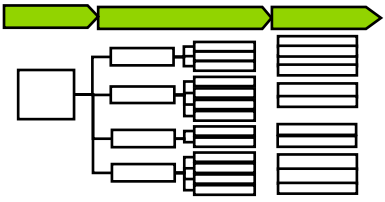e open lines of communication, a defined understanding of the role, and improved interactions and service quality. (More on the organizational structure for customer engagement can be found in the Organizational Model deliverable).

Benefits of the IT-Customer Relationship Role:

- A trusted advisor relationship for the agencies for IT services.

- A dedicated stakeholder in IT to represent the priorities and imperatives and manage realistic expectations for all parties.

- Agency representation that aligns IT to deliver agency specific priorities with alignment to the IT strategy and technology roadmap.

- An approach to support evolution in the organization to address changing and evolving business requirements and priorities.

- A true partnership between agencies and IT, with a clear understanding by all parties of the value and expectations of IT.

- Robust business cases that comprehensively quantify costs and all potential benefits including the estimated improvements in sales/profitability and efficiency.
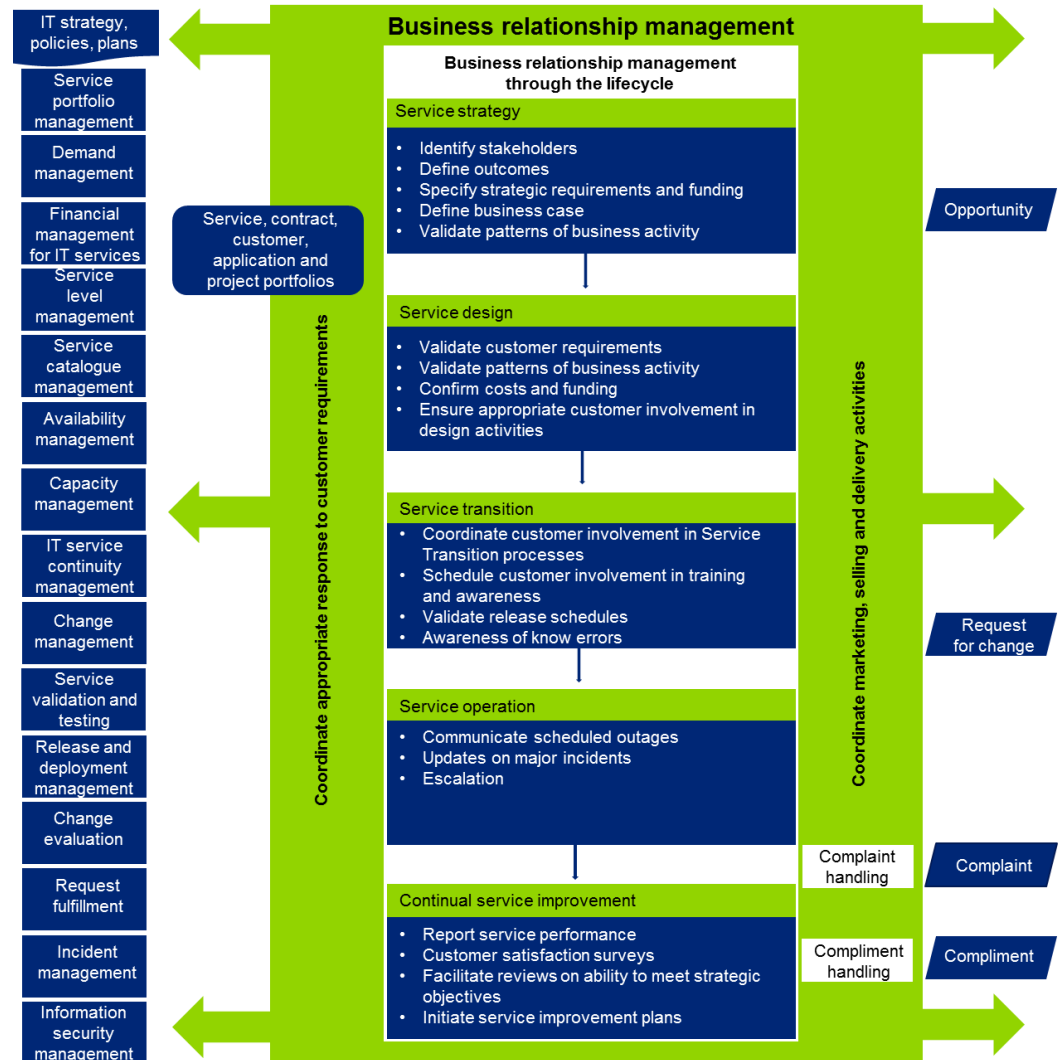
Process – Industry Framework

Customer Engagement is another term for Business Relationship Management (BRM) in the industry leading ITIL framework. More on the process for running Agency Relationship Management can be found in the Operational plan deliverable.

ITIL identifies two purposes of the BRM process:

- **Management of relationships:** The BRM process is responsible for establishment of agency relationships between the service provider and customer; and

- **Identification of customer needs:** The BRM process is responsible for understanding customer requirements and ensuring that IT is able to deliver on these needs. As needs change over time, the BRM process is responsible for communicating changes required and developing change requests with the agencies that will ultimately result in required changes to IT services.

To facilitation interaction, the customer engagement plan should use the ITIL model as a framework.

IT strategy, policies, plans

Service portfolio management

Demand management

Financial management for IT services

Service level management

Service catalogue management

Availability management

Capacity management

IT service continuity management

Change management

Service validation and testing

Release and deployment management

Change evaluation

Request fulfillment

Incident management

Information security management

Service, contract, customer, application and project portfolios

Coordinate appropriate response to customer requirements

Coordinate marketing, selling and delivery activities

Business relationship management

Business relationship management through the lifecycle

Service strategy
- Identify stakeholders
- Define outcomes
- Specify strategic requirements and funding
- Define business case
- Validate patterns of business activity

Service design
- Validate customer requirements
- Validate patterns of business activity
- Confirm costs and funding
- Ensure appropriate customer involvement in design activities

Service transition
- Coordinate customer involvement in Service Transition processes
- Schedule customer involvement in training and awareness
- Validate release schedules
- Awareness of know errors

Service operation
- Communicate scheduled outages
- Updates on major incidents
- Escalation

Continual service improvement
- Report service performance
- Customer satisfaction surveys
- Facilitate reviews on ability to meet strategic objectives
- Initiate service improvement plans

Opportunity

Request for change

Complaint handling

Complaint

Compliment handling

Compliment

Process – Demand Management

Providing a process for customers to request new projects and make sure they are aligned with the strategic objectives is an important part of the Customer Engagement role. The role of BRM will include intake, facilitation, and communication of portfolio management processes, as detailed in the Portfolio Management deliverable.
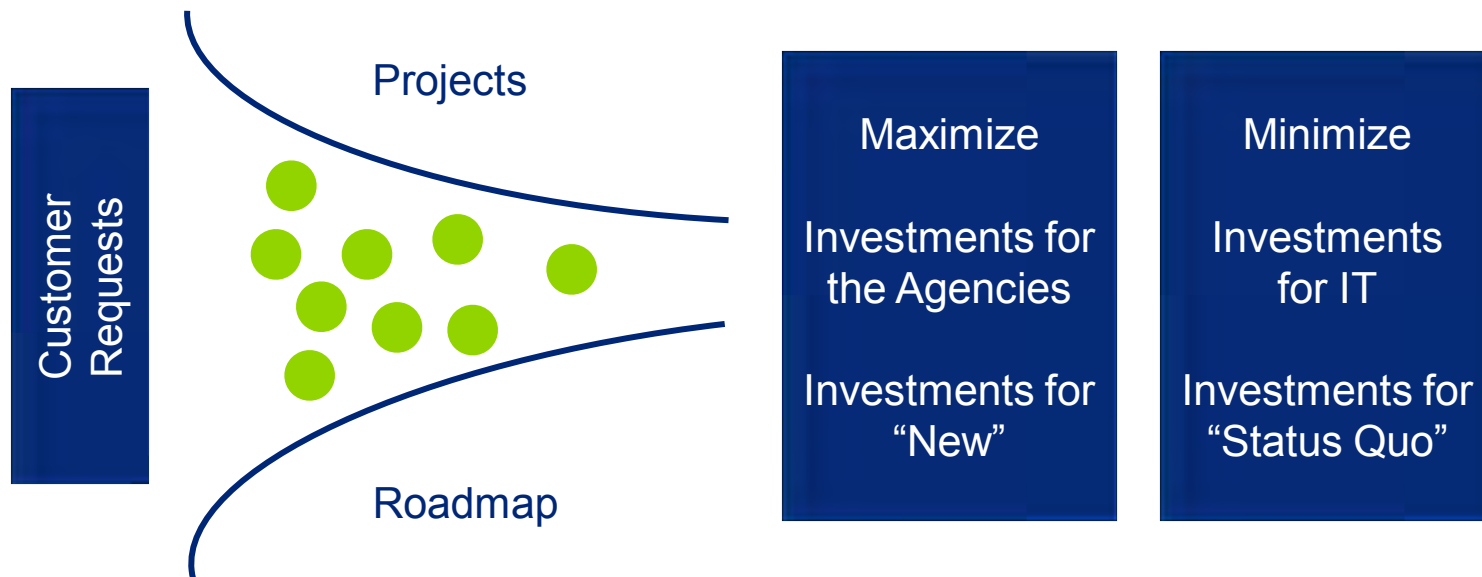
Managing the customer demand in IT is about leveraging the right assets and resources to deliver the results that enable the agencies to function and to grow

Hence, the IT Customer Engagement must align strategies and priorities of the agencies while balancing expenditures to "keep the lights on"

Relationship Channels – Communications

Effective communication is imperative to fostering understanding and building the relationship between IT and end-users. Central IT can support communication with the following activities.

IT Newsletter

- IT will send out a monthly newsletter from the CIO to keep end users informed and build their relationship with the IT team
- The IT newsletter will provide end-user focused content including new techology, training opportunities, changes to the service catalog, results of surveys, and results of Continual Service Improvement process

IT Webpage

- IT webpage will provide IT service catalog as well as content including new laptops/mobile devices, new applications, information on workshops/training, and technology leading practices
- IT webpage will also provide lists of ongoing service outages and upcoming planned service outages

Service Catalog

- A clear and user-friendly service catalog will allow end-users to better understand available IT services
- The service catalog will ease service procurement by allowing users to use and procure IT services without direct BRM interaction

IT Service Board Meetings

- Agency liasons will interface directly with IT leadership and Customer Engagement representatives during regular IT Service Board Meetings
- Large IT service changes are discussed with agency liasons to determine impact to end-users

Relationship Channels – Surveys

Customer Satisfaction Surveys should continue to be sent out after every customer engagement with IT (help desk tickets, Ask Louise, etc.), as well as annually to determine overall IT customer service satisfaction.

Key Survey Recommendations

- The post-service surveys sent should be tied to the service desk ticket number
  - This allows deeper analysis that can determine customer satisfaction with each service desk staff member, determine incident rates for each service, and determine satisfaction for resolutions to each service offering
  - The annual IT customer service satisfaction survey should be sent to all users and be kept anonymous

- With tickets tied to each survey, IT should have a framework to analyze service management KPIs on an ongoing basis

- Annual surveys should have more questions for a deeper IT customer satisfaction understanding; incentives such as a raffle can be used to encourage staff to submit the longer annual survey

Relationship Channels – Survey Methodology

Conduct Surveys	Data Aggregation & Organization	Analysis & Conclusions	Actions

Incident Based – IT conducts short surveys after service requests and incidents
Frequency: Upon service ticket completion
Benefits: Honest, immediate feedback tied to tickets

Annual – IT customers provide formal feedback through broader, anonymous annual survey
Frequency: Annually
Benefits: Actionable input aligned with client organization goals; strong gauge of client satisfaction

IT aggregates and organizes data in an intelligible and informative manner, providing the KPIs and other metrics required for analysis.

Analysis allows IT to make conclusions about the following:
- Quality of services
- Personnel competence
- Training & development needs
- Feasibility of State goals
- Customer relationships

IT uses the data-driven conclusions to develop future goals, State initiatives, and activities.

For example, if the data illustrates a perceived lack of expertise in a specific area, IT could begin a training program for practitioners to improve those specific skills.

1. Understand client environment
2. Collect and validate benchmark data
3. Generate and analyze benchmarks
4. Develop recommendations

Gartner — iTHC — Forrester — Computer Economics — AMR Research

IT Benchmarking Lifecycle
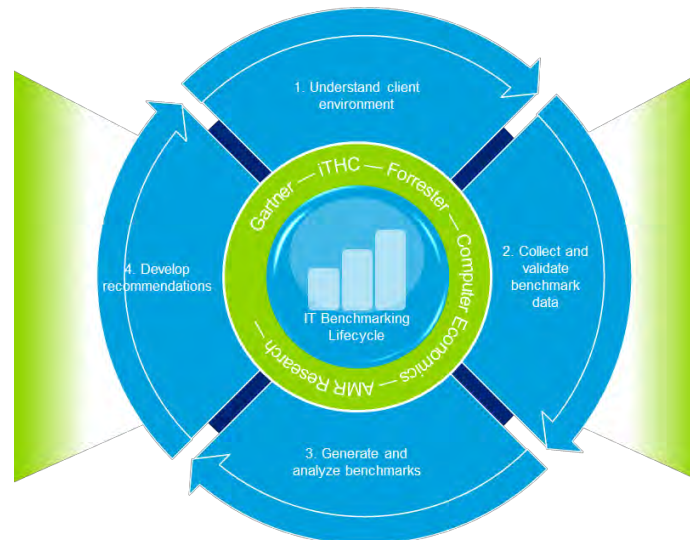
Relationship Channels – Training

Training services should be offered to better equip end-users with the knowledge they need to effectively use IT services. Training will increase end-user satisfaction through a deeper understanding of the available technology services IT provides. It can provided through a variety of services.

Training Services

- **Training to maximize application investment**– IT can offer optional training services for application capabilities. This will enable better adoption of the currently installed applications and maximize the investment in application capabilities.

- **Training for Basic Services** – IT can offer periodic training services for existing software, including ERP and Microsoft office, as well as training for mobile phones, video conferencing, and other basic services.

- **Reserved Training Courses** – Departments can reserve in-depth IT training courses for services not covered in the regular training series, including Unix, Windows, programming, networking, or application training.

Decision Rights – Enterprise IT Service Board

Enterprise IT Service Board meetings should be held monthly with all Customer Engagement stakeholders to discuss key topics in Customer Engagement. As a result, IT and the agencies will be better aligned for IT service delivery and satisfaction. (For more on the Enterprise IT Service Board, see the IT Governance Model Deliverable).

Participants

- Key stakeholders from select departments
- Customer Engagement representatives from IT
- Central IT and DOA Leadership as needed

Topics

- Service Levels metrics and catalog review
- Ideas for new major projects
- Survey results and analysis
- Customer complaints
- Continuous Service Improvement Plans

Results

- IT will be more aware of customer needs and concerns
- Services in catalog will be updated, deleted, added, and/or renamed
- Survey results will be understood by both IT and agencies
- Common customer complaints will be addressed with service improvement plans

Indicators – Service Notifications

Service notifications are some of the most critical communications sent to end-users by IT. For both planned and unplanned service outages, a clear and consistent process must be established to effectively notify users of service disruptions.

| **Consistent, Prompt Notifications**	- Service notifications should be approved by designated IT managers - Notifications should be sent to affected users within 30 minutes of unplanned disruptions and at least 2 business days prior for planned disruptions, with a reminder the day of the planned disruption - All planned disruptions should be discussed in regular Change Control Board meetings to determine impact to users - Service restored messages should be sent promptly after service has been restored and verified
Effective Communication	- Service notifications should only be sent to affected users to minimize the chance that users will begin ignoring notifications - Service notifications should be in a consistent, IT branded format containing the following details: - When the disruption will occur - Reason/Cause of the disruption - What is happening - Who is affected - What is being done to resolve the issue - What end-users need to know about the potential resolution

Indicators – Service Improvement Plans

A Service Improvement Plan (SIP) should be created for each delivered service that falls consistently below the agreed-upon SLAs. SIPs define changes to services, plans for change implementation, and updated SLAs. SIPs are developed from the following indicators.
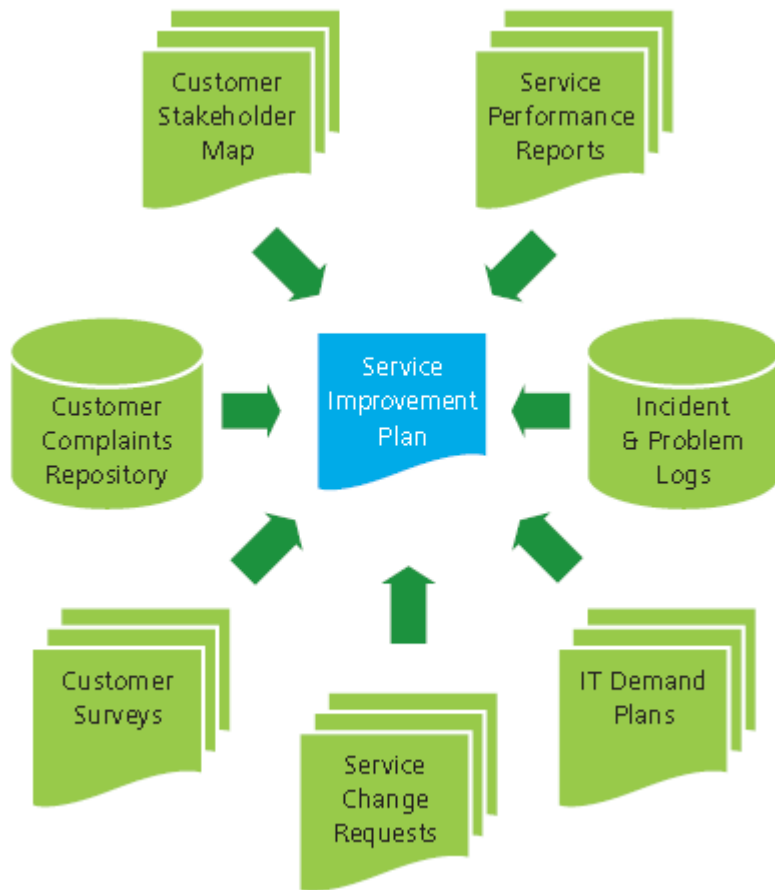
- **Service Performance Reports** record current performance against agreed upon SLAs during the assigned period.

- **Incident & Problem Logs** record the current and historical incidents and problems in the live service environment. Incidents and problems can be analyzed to identify trends that indicate a systemic problem in live service that must be resolved through a formal SIP.

- **IT Demand Plans** enable the IT service organization to size the required level of business- as-usual (BAU) support and project support, and thereby match resources to meet these requirements.

- **Service Change Requests** are customer requests for new or updated services.

- **Customer Surveys** provide an analysis into customer satisfaction for individual services and help desk technicians.

- **Customer Complaints Repository** provides a consolidated view of formal complaints and remediation actions. Analysis of these can indicate where systemic problems exist.

- **Customer Stakeholder Map** provide an overview of the key customer relationships based on ongoing interaction through the Customer Engagement process

Indicators – Operations Measurements - Quarterly

After the customer relationship management function has been successfully implemented, there are several key ongoing activities that define the yearly operations for customer engagement. Each of the important quarterly customer engagement activities are listed below.
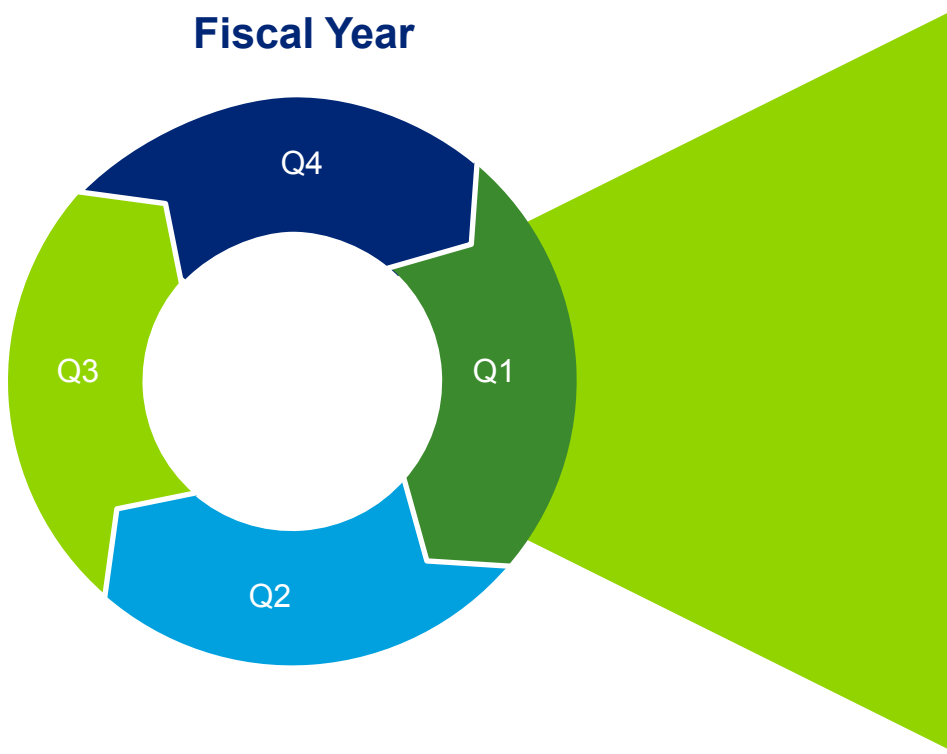
Fiscal Year

Each Quarter of Fiscal Year

- Host monthly IT Service Board meeting with IT stakeholders and representatives from each Department

- Review existing services and identify potential new services with Department and IT stakeholders

- Review KPIs and SLAs to ensure to determine overall customer satisfaction and areas for improvement

- Develop Service Improvement Plans for areas with low customer satisfaction*

- Send IT Newsletter with end-user focused content

* See slide 25

Indicators – Operations Measurements - Annually

In addition to the quarterly Customer Engagement activities, several activities should be performed annually. The annual survey and its results will help determine long term improvement plans that can be used to address common customer complaints or concerns.

Fiscal Year
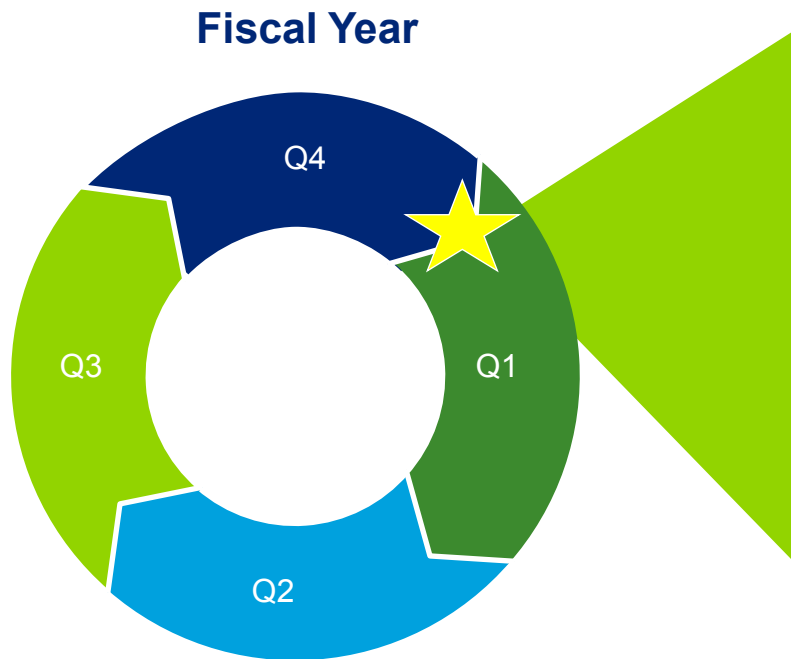
Annual Activities

- Send out anonymous annual IT customer service survey to all end-users

- Analyze survey results and determine opportunities for improvement with IT stakeholders and Customer Engagement representatives

- Develop Service Improvement Plans for areas with low customer satisfaction

- Determine long-term Continuous Service Improvement plans

Implementation and Next Steps

Implementation and Next Steps

In order to begin bridging relationships and developing an effective, collaborative working relationship between IT and the agency divisions, the State should implement a dedicated customer engagement function.

The detailed implementation plan is documented in the Statewide IT Consolidation Project Plan deliverable.

Identify Customer Engagement Managers → **Train Staff on Service Improvement** → **Implement Customer Engagement Governance** → **Implement and Operationalize Service Planning and Management Group** → **Design Survey Approach Including Roles, Expectations and Service Levels**
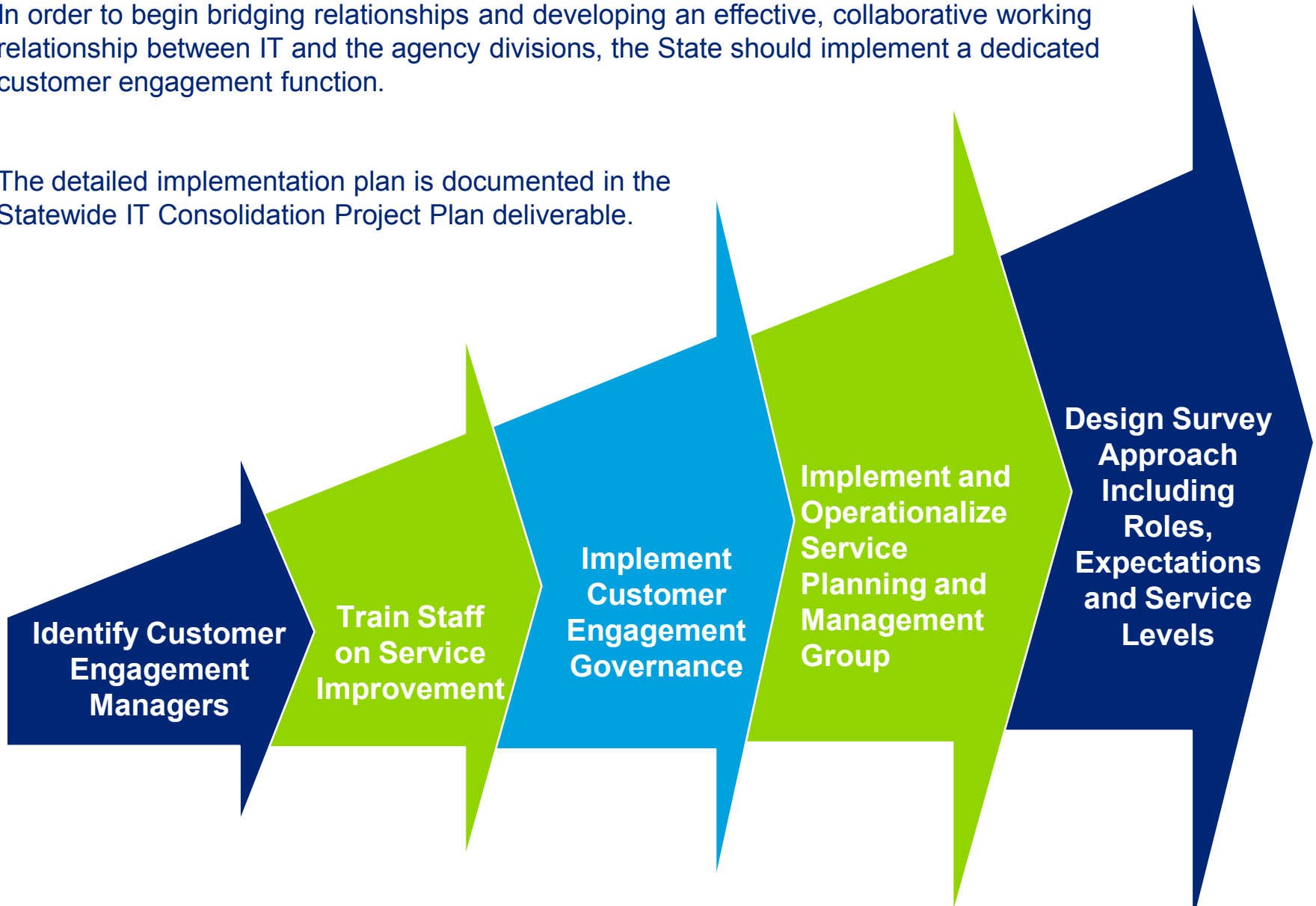
Appendix A: Customer Engagement Management

Gartner's Customer Management Maturity Model

Gartner has long recognized and understood that one of the primary reasons for the inability of organizations to use technology to enable their business, is the ineffective relationship between business divisions and their IT branches. In 2004, Gartner developed the following high-level model (ISCo Model) where they developed a role for Customer Engagement as part of the service delivery of IT services:

Service Delivery Manager

Service Delivery Processes/Roles

Relationship Manager

IT Service
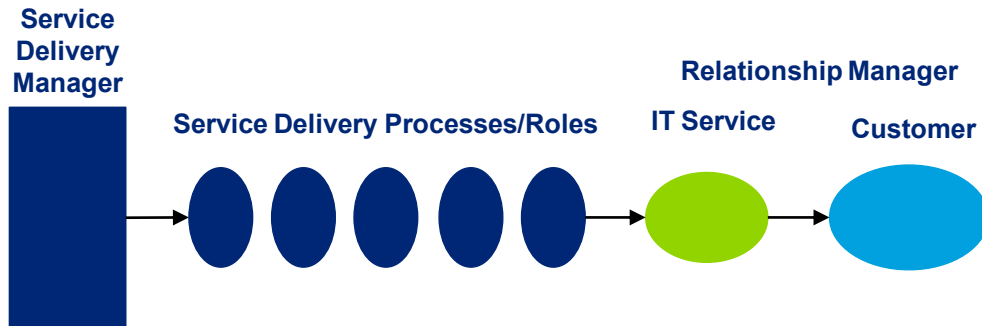
Customer

Source: Gartner (December 2004)

Gartner's maturity model for Customer Engagement has four levels of maturity:

- Inform and Communicate;
- Advise & Influence;
- Coordinate & Integrate; and
- Empowered Advocate.

Gartner, in their article, *Three Critical Success Factors in the Business/IT Relationship*, named relationship management as one of three critical success factors. In addition to this article, Gartner also specifically mentions the importance of relationships with IT, and uses it as one of the four criteria of characteristics which distinguish IT departments.

Customer Engagement Process Maturity Model

In order to assess the maturity of the Customer Engagement function, Deloitte has developed the following maturity model for Customer Engagement. The maturity model evaluates the relationship that IT has with the agency divisions, and the processes they follow to develop and maintain those relationships.

As a collaborator, the Customer Engagement process at this maturity is extremely advanced and positions IT as a strategic partner in enabling the agencies strategy. The function is formally integrated into IT divisions. Agency divisions communicate directly to IT divisions. Relationships are developed and maintained through formal, standardized processes. A separate formal Customer Engagement resource will help manage the relationships.

As an advisor, there is a structured and formalized processes. IT and the agencies work as partners, with consistent communication and combined idea development. The agencies view IT as a partner and communicates through the Customer Engagement framework and structure, using dedicated resources. Communication is proactive in both directions, and IT advice is solicited for some strategic decisions.

As a coordinator, relationships are developed but not effectively managed. There are some formalized processes, but many processes remain ad-hoc. Not all processes are adhered to. Communication and knowledge transfer flows both ways, but is still reactive and when necessary. Relationships are dependent heavily on individuals as opposed to roles and processes.

As an informer, the relationship is predominately reactive. Communication flows from agency divisions, in the form of ad-hoc requests. There is limited knowledge transfer from IT to the agencies. There is no management of relationships, and there is no proactive communication between the agencies and IT.

Relationship development and management is non-existent. There is limited to no communication both ways from the agency divisions or IT

Non-Existent
Maturity Level 0

Informer
Maturity Level 1

Coordinator
Maturity Level 2

Advisor
Maturity Level 3

Collaborator
Maturity Level 4

Becoming a Collaborator

Key stakeholders interviewed have identified the desire for the Customer Engagement practice to become a Collaborator. The following tables provide an understanding of the characteristics and benefits of the Target State, as well as the actions IT in partnership with the agency divisions, will need to do to realize its target state.

Key Characteristics of the Target State	Benefits of the Target State
• Customer Engagement resources are seen as an extension of the IT processes, in that they are included as a consultant in day to day as well as key strategic planning sessions. • Detailed service reviews are conducted between the agencies and IT, and identification of improvements related to IT Service delivery are determined and relevant action plans are developed. • Formal processes and tools for measuring customer satisfaction are implemented and results are monitored and reviewed for any trends. • Action plans are identified to improve customer satisfaction and are implemented in a timely manner.	• Trusted relationships are built between IT and each of the Departments' agency divisions, which will enable IT to act as a strategic advisor in the development of technology solutions for key agency strategies. • Service requests are prioritized and IT resource requirements are aligned with agency needs in order to efficiently deliver IT services. • Allows the agencies and IT to work in partnership to gauge how effectively objectives are being met.

Actions Required to Close the Gap

- Processes and procedures should be established for key processes including the development of service reviews, measurement of customer satisfaction, and management of customer complaints and compliments.
- Close the current gap in IT staffing: assign resources to develop the Customer Engagement competency within the IT organization.
- Establish "Customer Satisfaction" Benchmark by conducting a survey of each department's senior management.
- Establish "Customer Satisfaction" Benchmark by conducting a survey of each department's staff's satisfaction with IT service delivery.
- Implement Service Level Agreements (SLAs) with divisions based on IT service needs of each respective division.
- Communicate and publish performance against established Service Levels on a monthly basis.

Appendix B: Sample Survey

Sample Annual Survey

The following is an sample annual survey that could be used for each evaluated IT group.

Please tell us how well the group:	Exceeds Expectations (5)	Always Meets Expectations (4)	Often Meets Expectations (3)	Sometimes Meets Expectations (2)	Doesn't Meet Expectations (1)
1. Demonstrates an understanding of your problems and requests.	5	4	3	2	1
2. Clearly sets expectations for when your problem or request is expected to be worked.	5	4	3	2	1
3. Completes problem or request within the communicated time frame or notifies you in advance if it will take longer.	5	4	3	2	1
4. Provides necessary communication regarding status when requesting status.	5	4	3	2	1
5. Consistently notifies you upon completion of your problem or request.	5	4	3	2	1
6. Effectively addresses your needs over the phone during your initial call (e.g., password resets, questions).	5	4	3	2	1
7. Interacts with you at your workspace in a professional manner.	5	4	3	2	1
8. Understands the importance of more urgent problems or requests and prioritizes appropriately.	5	4	3	2	1
9. Provides your department with desktop hardware (e.g., personal computers, printers, scanners) that meets your needs.	5	4	3	2	1
10. Provides your department with desktop software (e.g., word processing, e-mail, spreadsheets) that meets your needs.	5	4	3	2	1
12. Provides your department with reliable system availability and network connectivity that meets your needs.	5	4	3	2	1
13. Provides efficient services to handle your requests (e.g., procurement, moves, login ID creation).	5	4	3	2	1