# ADOPTING AND EMBEDDING PROCESS INNOVATIONS TO DRIVE CUSTOMER CENTRICITY

#### **INSIGHTS FROM:**











## MAKE IT PART OF YOUR BUSINESS

TIPS TO HELP YOU PUT THE CUSTOMER AT THE HEART OF OPERATIONAL EXCELLENCE

Digital disruption, robotics, big data, Artificial Intelligence – these are just a few of the technological trends currently driving change across businesses today.

And while many organisations are already responding by transforming their operating and processes to become more agile, flexible and innovative, one objective remains constant: driving customer centricity.

So what strategies can organisations use to alter and transform processes to better support the end goal of delivering an excellent customer experience?

To answer this question, the PEX Network recently caught up with five key influencers in process innovation to find out the strategies they are each using to embed customer centricity in operational excellence.

Ahead of **OPEX Week Australia 2017** Woolworths, Bupa, ANZ, Optus and Virgin Australia share insight into their businesses approach to putting the customer at the heart of process design and advice for other organisations who are looking to drive customer centricity through process innovation.

## WHAT STRATEGIES ARE YOUR BUSINESS **USING TO PUT THE CUSTOMER AT** THE HEART OF PROCESS **DESIGN AND DELIVERY?**



Oscar Lira,
Business Process
Excellence Manager,
Woolworths

Two years ago, we started with the creation of Mercury II, a truly end-to-end process-led transformation program aiming to deliver a consolidated view, solution design and implementation of holistic business solutions that would have put the customer as the center and driver of all initiatives. It became the biggest and most ambitious transformation program within the retail industry in the southern hemisphere.

Two years later, we have not just delivered projects with substantial economic benefits impacting our customers and our business in a win-win environment, but we have also become spearhead to every corner of the business so that today, not only within Transformation but even the more intrinsic BAU operations have been embedded with a culture of end-to-end process excellence.

The strategy has been so successful, that in the most recent communications session from our new CEO,

he defined the vision of end to end process excellence as one of the top 5 strategic priorities for the future of our business. We started with Mercury II, and now the next step will be to spread and embed all its guidelines, framework, strategy and process design to the broader business. Not only that, but also the entire Woolworths organisational structures are being restructured from its core to support this vision."



Eugene Law,
Head of Business
Planning and
Improvement,
Virgin Australia

Over the past six years, Virgin Australia has built a strong market presence in every segment of the Australian aviation industry – including corporate travel, leisure, low-cost, regional, charter, cargo and loyalty – with a firm focus on bringing more choice to aviation customers.

Virgin Australia Cargo, which was launched in 2015, clearly demonstrates Virgin Australia's focus on delivering choice to customers. We are a fresh offering in a market dominated by established players, and we have gained a clear understanding as to how we could meet customer needs with the support of our extensive network and innovative technology.

For example, we have supplemented our regular passenger transport network, which primarily operates during the day and evening, with an overnight freighter network. By doing so, we offer a fully integrated solution that enables cargo customers to aggregate their freight during the day, transport them overnight and to their final destinations the next day.

In less than two years since the launch of Virgin Australia Cargo, we have secured a major partnership with TNT and approximately 200 other cargo customers by giving them real choice in the airport-to-airport cargo market, a market that hadn't seen a new offering like ours in many years.





Kellie King, Head of Lean-Transformation, Bupa

BUPA 2020 is the vision and our purpose is for people to Live Healthier, Happier, Longer Lives. To do this there are four priorities, Profitable Growth, Diversified Growth, Being One Bupa, Customer Transformation, with three enablers People, Technology and Innovation.

We have three Transformation Programs, Customer, Aged Care and Functional (Back office) that are creating step change in the business improvement journey by becoming a data and digital business that is customer centric and enables Bupa to be One.

We are using Lean and Human Centred Design at the heart of process design and delivery. The outcomes are that we now have mapped all the customer interactions and understand pain points that give insights into how the future designs need to be aligned with those journeys."



Nina Muhleisen, Head of World Class Delivery Model, ANZ

ANZ's continuous improvement journey started many years ago and over this time we've had varying levels of engagement in business improvement. There are also numerous methodologies being used, depending on function and department, and varying levels of capabilities.

As a result, over the past year we have been bringing all these different methodologies together to remove silos across ANZ. In particular, we're focusing on our technology service operations to start with and then we will move into the front-line shortly after. To be the best bank we can be, we need to have a standardised and consistent way of operating. No matter where our customers reach us or engage with us, continuous improvement needs to be embedded in everyone and everything we do.

We call this our World Class Delivery Model. This covers not only business improvement, but all aspects of operations management. It is broken down into eight core practice areas which are all fundamental to its successful adoption. Business improvement sits across all of these eight core practices."



Charles Weiser,
Chief Experience
Office, CX Innovation
Labs,
Optus

Optus has three core objectives in delivering our customers a game-changing experience: providing engaging content, exceptional network experience and simple products and services.

We have created an enterprise approach to operational and customer excellence and each week our stakeholder business units meet to assess our performance and the customer experience.

A customer centric culture starts with the customer and this is reflected in the way business cases are developed. We start by asking the question 'How will this improve the customer experience?' We believe 80 per cent of effort should be put into answering that question. Once we determine the answer, the remaining 20 percent (financials, operational metrics etc) will stack up. We continue to monitor progress and make any necessary changes along the way. And the rest, as they say, will be history."

## WHAT ADVICE **WOULD YOU GIVE** TO OTHER **ORGANISATIONS** WHO ARE **LOOKING TO** DRIVE CUSTOMER CENTRIC

PROCESSES?



Oscar Lira,
Business Process
Excellence Manager,
Woolworths

Process excellence must be a top strategic priority in every company aiming to create real competitive advantage where the concept of "value for the customer" is the Centre of all improvement efforts. Deployment of this vision is only possible if supported holistically from every structural level. Yet, this is not enough, and it must also be supported by "agents of transformation" (as Mercury II in the case of Woolworths) which is capable to maintain a close connection with the business operation, and at the same time provide a cross operational improvement vision and highlighting clearly the impacts for the customer and the business.

The message and the way to communicate it is also crucial to create a culture of excellence. Always work towards clarifying the links between operational excellence and impacts for your customers. If people understand not just "how" but "why" are doing something in a specific way, they will not only pursue the final purpose more accurately but they will feel much more engaged with the outcome.

And when your people feel engaged, they will automatically start contributing to the continuous improvement process creating a "virtuous cycle". In that sense, my last but maybe more important suggestion would be to always "listen", keep your eyes and ears wide open to what the people (stakeholders and customers) have to say; data is absolutely important and core part of any process excellence approach, but listening to the main asset of your business, your people, is vital!



Eugene Law,
Head of Business
Planning and
Improvement,
Virgin Australia

My view is that successful processes and products are outputs of a vibrant corporate culture and dynamic people population, so I believe the starting blocks are to create a 'We Think Customer' ecosystem and keep your people motivated in living that culture and driving service excellence on a daily basis.

"Process excellence must be a top strategic priority in every company aiming to create real competitive advantage where the concept of "value for the customer" is the Centre of all improvement efforts."

Innovative and customer-centric solutions and successes will naturally follow in such an ecosystem. As Aristotle says, 'We are what we repeatedly do. Excellence, then, is not an act, but a habit'.

I can confidently say delivering service excellence is deeply embedded in Virgin Australia's DNA; we live it, breathe it, and we love being Champions of Better.



Kellie King, Head of Lean-Transformation, Bupa

The road to excellence is a journey and you need to be in it for the long haul and focused on outcomes. You need to be able to create a baseline and measure everything! And most importantly employees need to be empowered to act quickly when things aren't working well."



#### Nina Muhleisen, Head of World Class Delivery Model, ANZ

"It's no longer a question of how we put the customer at the heart of continuous improvement, because it's become a part of our mindset – so it is literally everything that we do. When we're talking about process improvement or re-engineering or process design, it really is from a customer's view. It is no longer about the how, but is about how to ensure we're having the conversations and that all team members understand how what they do impacts on the customer.

It also involves creating a culture that embraces change and needs to be in everyone's self interest. We're supporting this through a common tool to capture everyone's ideas, which is accessible and easy to use. Any ideas our employees have, they are empowered to implement them too. This is a really important part of our business improvement journey – the idea that continuous improvement is everyone's role.

It's also important that prioritisation is clear, transparent and consistent. We can't do everything, and therefore we need to be able to explain to our team members what we're doing, why we're doing it and why we can't do some things."



Charles Weiser,
Chief Experience
Office, CX Innovation
Labs,
Optus

"There is no short cut to creating a customer centric culture – and there is no secret to it, either. Success comes from continual trial and error, not accepting sub-standard quality but not waiting for perfection either;

keep to your true north, whatever that may be, regarding how and what you want to deliver to your customers so that you are clearly recognisable for what your company stands for; ensure the senior leadership is constantly out and about with your customers and role modelling the value of active listening and continually improving.

Most companies who have reputations for outstanding customer centric cultures have been doing it for decades – the race for customer centricity is long, play it that way."

### **INTERESTED IN LEARNING MORE?**

Join ANZ, Bupa, Virgin Australia, Optus and Woolworths at **OPEX Week Australia 2017**, taking place in **Sydney** on the **25 - 27 July 2017**.

For more information **download** the brochure here or visit http://www.opexweek.iqpc.com.au

To fast track your attendance simply fill in this **form** and email back to **registration@iqpc.com.au** 

