Synechron

Whitepaper

The Art of the Flow

Utilizing ServiceNow's Innovative Capabilities across your front, middle and back-office functions.

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The Art of Flow

Flow is incredibly powerful, particularly when it is seamlessly integrated with a frictionless, valuable, and compelling user experience. Whether it's same-day delivery for an item you thought was unique, making an urgent payment to your child from your phone and receiving a prompt thank you message, an engaged customer, an optimised provider, and a successful business are the outcomes.

Financial Services provide some of the best and worst examples of flow. In banking, low-latency, high-volume trading and exchange platforms perform miracles every microsecond and insurance aggregators create marketplaces to demystify and compare complex policies. Conversely, some of the simplest tasks, such as customer onboarding, changing an address, or processing a life policy payment, can leave customers and employees frustrated and disenfranchised. These touchpoints can create a lasting negative perception.

In this paper, we delve into the barriers, enablers, and solutions for enterprises to achieve flow. At Synechron, we are committed to solving these challenges, connecting the enterprise, and assisting organisations in achieving flow excellence with ServiceNow.

Barriers to flow

There are numerous reasons why flow fails within an organisation, particularly concerning customer engagement. All financial service organisations, to varying degrees, contend with technical debt, siloed structures, data and process islands, and product complexity. While legacy technology is often blamed, we frequently find that best-of-breed solutions lacking enterprise integration and internal conflict are equally responsible for disrupting flow.

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The efficiency of a turbine is commonly measured as (Thrust * Velocity)/Power. However, in a business context, it's essential to recognise that much of the power we apply does not directly impact the top line. To explain why, we need to delve deeper into this dynamic and its implications for businesses.

The power in this equation, represents the resources and investments financial service organisations have committed to developing their IT. Projected to increase significantly over the next few years, it will reach an estimated $957.6 billion by 2027*. This projection indicates a compound annual growth rate (CAGR) of 8.5%*. Understanding how this power is utilised within businesses is crucial for optimising efficiency and ensuring sustainable growth.

By examining the factors driving this increase in power and its distribution within organisations, we can better comprehend how to leverage resources effectively, drive business success, and develop insights and strategies for technology leaders to navigate this evolving landscape effectively.

* Forecast: Enterprise IT Spending for the Banking and Investment Services Market, Worldwide, 2021-2027, 2Q23 Update

** Economist Group https://www.sas.com/content/dam/SAS/documents/marketing-whitepapers-ebooks/third-party-white papers/en/banking-in-2035-global-banking-survey-report-113203.pdf

The majority of this investment will be directed towards Digital Transformation, AI & Automation, Enterprise Software, Security, and Compliance. It is crucial that this investment is targeted wisely. However, few investments will yield as much organisational benefit in terms of cost and perception as the modernisation and optimisation of customer interactions. Notably, this ranks second in priority** to cybersecurity over the next decade.

Flow to utility

We find ourselves in an extraordinary era of technology, where tools, capabilities, capacity, performance, and platforms are readily available in a connected world. This allows us to create value, excitement, and enjoyment almost instantaneously, and share it with the majority of the planet. Waves of innovation are becoming larger, more frequent, and compelling.

While we should be cautious of the hype cycle and pragmatic about new technology trends, it's important to recognise that some will benefit our organisations immediately, some will become pervasive, and some will disappear as quickly as they arrived. The industry has a strong tendency to inflate the near-term and underestimate the long-term potential of technology disruption. However, there are some strong trends that can be capitalised on, and the rise of enterprise platforms such as ServiceNow is one such trend.

Wardley mapping is a technique that has been around for nearly two decades, used to visualise where your business stands today and direct the flow of investment capital. Oriented towards the consumer and organised

with a time dimension along the x-axis evolving from Genesis, through custom-built, to product, and to utility, with the y-axis representing value.

Twenty years ago, a new fast data centre project aimed at gaining a competitive edge may have attracted significant capital investment. Today, few CFOs would approve such a project, as the wide range of resilient services offered by cloud providers firmly position this in the utility space. This shift to utility releases capital to focus on delivering value to the business/consumer, where the organisation seeks to compete.

This same technique can be used to map the advancement of enterprise workflow platforms. Organisations no longer need to assemble the components that give them a competitive edge. Chatbots, NLP, Voice, Process Optimisation, Workflow blueprints, rules & decision processing, low-code, data models, channel integration, AI, reporting, and analytics are all available in enterprise-class reliable platforms that have been robustly tested and connected within the secure perimeters of most organisations.

The ServiceNow platform encompasses all the capabilities required not only to run IT but also to support the business in delivering end-to-end customer engagement, including back-office workflow and orchestration, underpinned by an enterprise data model.

Joining the flows

The convergence of cloud computing, enterprise workflow, a unified data model, and integrated Data & AI presents an exciting prospect. This digital transformation accelerator will enable businesses to redirect capital towards differentiation, rapidly and responsibly simplifying their operating environments.

Delving into the enterprise across front, middle, and back-office functions, as well as technology, we can begin to explore the opportunities and unpack recent technological advancements to support the case.

Technology

ServiceNow has emerged as a clear leader in nearly all areas across technology value streams, as defined by the IT4IT framework. From Enterprise Architecture, Strategy & Portfolio, IT Service Management, Security Risk and Compliance, to FinOps, ServiceNow provides customers with a structured and integrated set of solutions to efficiently manage IT operations and support industry trends such as the shift to cloud computing.

ServiceNow has played a pivotal role in helping organisations cope with the increasing cost pressures on IT, and withstand the heightened scrutiny in regulation & governance. One of ServiceNow's key differentiators is its single-platform, data model approach. Acquisitions and investments are refactored to achieve commonality in tooling, and data conformity to the Common Service Data Model (CSDM).

This data model allows IT to gain a comprehensive view of the business, which is crucial for supporting services and meeting the increasing focus from regulators. While the journey hasn't been easy for many customers, the alignment to CSDM 4 is well underway, and the mapping of Business Services to applications and technology components is achievable, especially when aligned with a robust cloud and data strategy.

Customer Experience

The omni-channel capabilities of the ServiceNow platform, combined with customer workflows, playbooks, workspaces,self-service options, security measures, personalisation features, and increasingly advanced AI/ML capabilities, elevate the Service Desk solution to the level of a customer contact centre.

While ServiceNow is already acknowledged as a leader in this area, few customers are harnessing the efficiencies that have been driven over the last decade within their Service Desks.

The personalised, 360-degree customer view, coupled with playbooks, enables efficiency, standardisation, and improved Customer Satisfaction (CSAT) to be quickly delivered without an immediate dependency on replacing core systems.

The impact of AI on the Contact Centre is significant. Today, we have the ability to summarise customer data, past experiences, sentiment, product information, and solutions. Tomorrow, we will have the capability to mine the digital exhaust of client engagements and processes to better serve clients, personalise service, and reduce customer inquiries and repetitions.

Enhanced customer intimacy and insight will lead to more targeted upselling and cross-selling of products and services. The ability to white label, manage acquisitions, and consistently measure and control customer engagement will facilitate rapid expansion and ensure consistency in delivery and service.

Middle & Back Office

Potentially the most lucrative area for improvement lies in the optimisation of middle and back-office processes. The automation of manual processes, along with the shift towards contact centre and self-service solutions, remains significantly untapped.

Islands of data, Excel spreadsheets, unstructured processes, and disparate tooling can all be consolidated and optimised using ServiceNow's Financial Services Operations (FSO) solution.

Within the insurance sector, tools such as AWD have been used for decades to connect policy administration processes. However, these tools have lacked investment, automation, and transparency. The perception that these islands of data are too difficult, too complex, too risky, and too expensive to replace, should now be reassessed.

The combination of data frameworks such as CSDM, automation tools such as Business Process Mining, and rapid workflow enablement are unravelling this Gordian knot.

This streamlining of business processes is becoming increasingly critical, given the transparency now required by regulatory and compliance bodies, coupled with the cost and complexity of operations.

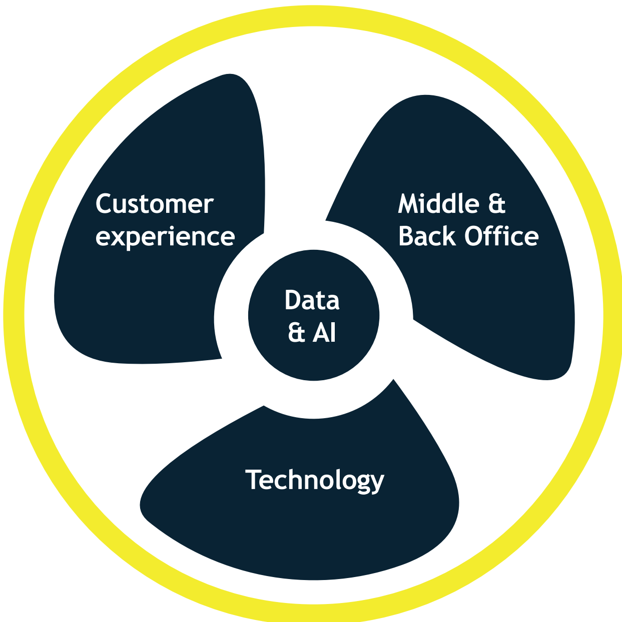
Data & AI

Central to everything is data. The consolidation of an organisation's DNA into a structured and secure model is essential to drive all the benefits outlined above, forming a central part of the organisational data fabric.

"Mapping the organisation within a data model is a complex task, but the capabilities of AI/ML and the rewards it offers make this a realistic and profitable endeavour."

The ServiceNow Common Service Data Model has been extended across several iterations to deliver the supporting data structures necessary to establish a clear topology of the organisation. This Digital Twin of the organisation will enable customers to achieve a unified, real-time view of operations within their organisation, from customer interactions to business services, supporting processes, and underlying technology. It will also act as a catalyst for AI innovation.

Mapping the organisation within a data model is a complex task, but the capabilities of AI/ML and the rewards it offers make this a realistic and profitable endeavour. Today, thin slices of the organisation can be mapped in a matter of weeks to demonstrate this value.



So let’s embrace the flow!

For too long, enterprise platforms have been pigeonholed in their formative iterations. ServiceNow should be recognised as an enterprise workflow platform with an enterprise data model and capability, not restricted solely within IT.

Customers are beginning to realise the value of extending ServiceNow into their Customer Contact Centres and modernising outdated systems and processes in the front office.

These multi-channel capabilities, combined with powerful workflow, all built upon a single data model, provide organisations with line of sight across the enterprise to manage risk, optimise processes, and drive efficiency.

ServiceNow’s innovation, acquisitions, and targeting of the front, middle, and back office deserve attention, as its penetration within the enterprise is set to increase significantly over the next 24 months.

“It’s time to look at removing the dams - data, process, and organisational islands within the enterprise - and deliver flow.”

Synechron

Capture your future faster.

Synechron is an elite ServiceNow partner, experienced in delivering major transformations at scale for clients operating in complex and highly regulated environments - all delivered by our world-class team.

- Transform at scale
- Engineer expertly
- Build in resilience
- Accelerate with AI

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Toby has over 30 years of enterprise IT experience and in a previous role led the ServiceNow Global ITSM transformation & SaaS programme at Deutsche Bank. He is a leader in developing practical innovations including FSO.

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