

IBM Cognos Performance Manager Demo **Customer Service Transcript**

Now you can improve performance and create more significant and sustainable business advantage than ever before.

A new best-practice decision-making approach from IBM breaks corporate performance into specific business functions, each containing information sweet spots that can transform companies from being middle-of-the-pack to industry leaders.

Better information is the vehicle that drives leadership-producing actions. Let's see how...

Customer service performance makes good companies great. How you service customers defines your company's reputation. And existing customers aren't just your lowest cost sales prospects; they're your best salespeople, recommending your products or services to others.

Customer Service plays a critical balancing role. You're the advocate for the customer within the company. And you're also an advocate for the company with your customers.

As a Performance Manager in Customer Service, you understand the importance of this role. You must outperform in areas that your customers value, such as ... consistently delivering on time ... turning negative experiences into positive outcomes ... meeting and exceeding service expectations ... and cost-effectively making service a key part of the overall value you provide.

Here's how the IBM Cognos Performance Management Framework can help Customer Service managers achieve those goals ...

Improving customer service requires immediate access to actionable information. This dashboard highlights on-time shipments, one of several metrics common to both Customer Service and Operations. You can see there is a capacity problem in Texas and also problems with late shipments.

Drilling further, you see Contractor 1 is a big concern for several reasons. First, their circle is large, indicating they're responsible for more shipments than others. Second, when they're late, it's by more than double the number of days of any other contractor. You now have the information you need to collaborate with Operations to determine when this will be fixed, and understand its impact on customer delivery.

While monitoring dashboards is a great way to oversee what's happening, creating business alerts can deliver instant information about exceptions that impact customer service as they occur. You can set alerts on any metric or data point, so you are notified of changes and can react quickly.

Your portal acts as a launching pad for reviewing Customer Service sweet spot data and related data from other departments. You can access data cubes and analyze shipping performance, comparing destinations, products and contractors to identify trends. Cross-department access to information helps improve performance company-wide.

A true performance management system clearly demonstrates these cross-department interdependencies. Here you see that your order fill rate metric influences inventory, and ultimately revenue and units sold.

Missing service level agreements, or SLAs, can directly or indirectly cost you revenue. This chart shows you're improving the rate of missed SLAs, while at the same time, handling four times the volume of transactions versus when you began; you're obviously trending the right way here.

This metrics view tracks three important Customer Service sweet spots, showing you that Units Returned, Return Costs and Days to Service are all within targeted ranges, but what is troubling is that each of these are trending down.

Looking closer at Units Returned, you see the dramatic turnaround since you switched suppliers in February due to quality issues. You also see you're comfortably ahead of where you want to be and that recent fluctuations are likely cyclical noise, and not worth "fixing." Sometimes, good performance management is knowing what is safe to leave alone.

Here you see that overall Sales Revenue is below target. The good news is that while your Units Returned metric influences Sales Revenue, your recent discovery shows that you're not causing the problem. Sometimes, good performance management means knowing what you're *not* responsible for.

You then drill into Return Costs, seeing that the picture isn't quite as rosy as with Units Returned. While you're currently within tolerances, there's not nearly the buffer, and it's been choppy. It's worth finding out why this is happening. You suspect it might be product related, knowing that some products inherently cost more to restock and manage than others.

Looking at another information sweet spot, Complaints, you see customer feedback is poor and trending downward in virtually every region. You know that delivery and customer service are generally good, except for product returns. Part of your role as customer advocate is to investigate product quality to see if it's causing an increase in returns and complaints.

Here are your return quantities versus order quantities by product. You decide to compute the percentage of each product returned. Adding conditional formatting to highlight "high" return percentages makes it easy to call out and communicate the problem product lines. You know from past history that these lines tend to cost more to restock than others.

This historical chart for days to service tells a similar story to your Units Returned report. You're well within your tolerances, and the slight upswing is nothing to be worried about now. But you will want to check it next reporting period.

Delivering full orders based on customer demand is another sweet spot for service. Under-delivering to your customers can mean broken SLAs, and SLA penalties. You can see the improvement processes put in place six months ago continue to work out. You're delivering fill rates at the desired 92%.

Another information sweet spot to monitor is On-Time Customer Shipments. SLAs are also at stake here, and this chart shows you're in the target zone.

You've quickly been able to monitor and analyze the key metrics that drive Customer Service performance, and can feel good knowing your department is doing its part to help others reach their objectives.

Select the onscreen link to discover the potential of Performance Management for your organization! Attend a Performance Management Experience Workshop or email us for additional information.