

# Driving **EFFICIENCY** into your business

It's a tough market out there. Uncovering innovative ways to improve your back office functions will make a huge difference to your bottom line, as well as enabling your service to stand out from the pack.

Back office functions such as payroll and HR may not seem like the first areas of your business you would be applying innovative thinking to. However, taking such a view could prevent you from tapping in to a massive area for improving operational performance, through the use of groundbreaking analytical technology.

Application Service Management (ASM) tools analyse processes at a very granular level to uncover ways to improve response times and do away with waste through lean principles of continuous improvement. As a result, service delivery and subsequent end-user experience are enhanced while infrastructure costs are reduced.

## Seeing the bigger picture

When organisations embark on back office improvement initiatives, the biggest challenge often lies in being able to articulate existing business operations, as Mike Tsykin, CTO International Support and Development at Fujitsu Australia, notes: "Obviously, you cannot improve what you cannot see. Therefore, we are applying an innovative service visualisation tool to analyse how components in a particular process are performing, and whether there is an opportunity for improvement."

Service visualisation looks at how efficiently business processes are performing by monitoring all of the systems interfaces and

noticing anything and everything that changes – in real-time. It is able to eliminate months of time and labour-intensive exploration, and let organisations immediately discover what often remains invisible and therefore gets overlooked.

And how is this put into practice? One of Australia's largest insurance companies is now taking a more sophisticated approach to how it analyses the various stages of a transaction. Tsykin explains: "When you make an insurance claim, what appears like a simple call may actually involve a multitude of steps within that organisation. Service visualisation monitors how smooth that process is: the response time at each stage and the time taken to complete the transaction. It also detects unauthorised actions, determines best practices and jump-starts process improvement initiatives."

Similarly, another customer in the automotive industry needed to monitor, measure and report on the end-to-end response time performance of a major new application, as well as the infrastructure supporting it. State of the art service visualisation technology allowed for data to be collected on the interaction between the user and application. "This data was then analysed in real-time and it provided an overall performance matrix of the application. Viewed via the web, this visualisation allowed for a detailed examination of the various application components. If a poten-

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tial problem was spotted, then an email or text message alert could be sent out,” Tsykin says.

“This level of visibility and proactive response is especially relevant in outsourcing agreements with agreed service levels. A certain number of transactions may need to be completed in a specified time. By having real-time information at hand you’re able to quickly pinpoint any problem areas and take corrective action before those service levels are jeopardised or the end customer experience is impacted,” Tsykin adds.

### Stacking up the evidence

One of the UK’s major utility suppliers is reaping the benefits of another ASM technique – Business Process Management through Evidence (BPME).

Graeme Wright, Associate Director, Business Consulting, Fujitsu, explains how debt collection within the utilities industry has always been a huge problem: “In the UK alone, utility suppliers are owed in excess of £2 billion by their customers. Evidently, this creates a massive cash flow problem. Most large companies have legacy applications, some developed 30 years ago, that aren’t integrated with other data sources in the business. Subsequently, nobody has a full or accurate view of the complete process. It makes the collection of information for debt management almost impossible.

“It was crucial, therefore, to start looking for new, innovative ways to solve what is an enduring, industry-wide problem.”

The typical utilities debt recovery workflow is a laborious and time consuming one. Customers are called to alert them to the outstanding debt and sent follow up reminders in the mail. A separate debt recovery department might then send an agent to the customer’s home. After a few months, the case will then be passed to a specialist debt collection agency. Evidently, this is expensive and, all too often, an unsuccessful

process.

“What makes BPME so unique is that it is capable of interrogating historical evidence to provide a detailed and accurate map for improvement. Understanding where the delays are is vital to expediting the process. We can then make recommendations – in this case, the deployment of mobile devices to field agents, which link directly to accurate information about the customer. This enables them to track all developments using just one system,” Wright explains.

After only a few months, BPME enabled the business to add greater rigour and intelligence to the recovery process. The business can better prioritise the monies to be collected – based on the ability and propensity of the customer to pay – and bottlenecks in the back office have also been discovered and flagged for resolution.

### The next level

Having access to this level of detail is imperative for making informed decisions and driving your organisation towards operational excellence. The goal now is to take these techniques to the next level of predictive monitoring. For example, when a service level looks likely to be broken, an alert should be raised before a bottleneck has time to form. As Tsykin puts it: “At Fujitsu, we take predictive monitoring very seriously indeed. Research is in progress at the Systems Engineering Research Centre in Australia, at Fujitsu Laboratories in Japan, at Fujitsu Services in UK and elsewhere – so we expect results in the near future.”

Believe it or not, it’s an exciting time for the back office. Companies must innovate if they want to raise the bar and differentiate their offering. Applying these new techniques will allow them to have increased IT availability, more accurate control for systems management, and ultimately offer a more reliable and consistent service to end-users.

### WHAT NEXT?

For further information  
please contact :  
[graeme.wright@uk.fujitsu](mailto:graeme.wright@uk.fujitsu).