

Innovation Nation

Helping to optimize your
business operations

2017
Spring

THE CHANGING FACE OF CUSTOMER INTERACTIONS

BIG DATA AND CUSTOMER RELATIONSHIPS

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DESIGN THINKING – EXCELLENT RESULTS DELIVERED IN A RADICALLY DIFFERENT WAY

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People matter, results count.



Jeff Bezos, CEO of Amazon, once said: “In the old world, you devoted 30% of your time to building a great service and 70% of your time to shouting about it. In the new world, that inverts.” In this “new world,” customers value the quality of customer service as much as price and quality of products. They expect first-class service, and have no patience or loyalty for companies that don’t provide it. In addition, the continued rise of web, mobile, social media and the Internet of Things (IoT) means that customers expect always-on, omnichannel customer interaction, on demand – and if they don’t get it, they are more than happy to let the world know in a matter of seconds. This changing face of customer interaction has made it increasingly difficult for companies to deliver the levels of service their customers expect – especially when a heightened competitive landscape makes cost reduction, flexibility, time to market and efficiency an absolute necessity.

At Capgemini, we understand this – and we’ve developed new and innovative offerings that analyze our clients’ omnichannel interactions to help them improve their market position and overall business performance. To this end, the Spring 2017 issue of **Innovation Nation** focuses on how our clients are benefiting from our new software-as-a-service Customer Interaction Service offering, which provides a comprehensive assessment of their customer service performance, along with a targeted action plan to drive revenue growth, reduce the cost of customer service and deliver enhanced customer satisfaction.

Thomas Saint-Hilaire, who leads our Prosodie digital platform team, talks about Cloud-based customer interaction management, and how our new offering is enabling our clients to improve their market position and overall business performance. He also gives advice on why it is so important for companies to manage their customer journey effectively, and how companies need to make the most of their big data to enrich their customer’s journey.

Our Technology Talk section features an interview with Lee Beardmore, Chief Technology Officer at Business Services about how we use “Design Thinking” to develop solutions for our clients, while Christopher Stancombe, Head of Industrialization and Automation, shares some key insights on how customer expectation of the “intelligent organization” is about to skyrocket and the knock-on effect for outsourcers.

We also bring you expert insights on the impact of automation on today’s enterprise, a closer look at our Sarasota delivery center in Florida, as well as blogs by our regular panel of experts, collated from across the business on topics such as ways in which contract management services are embracing digital, taking advantage of cognitive procurement, and the benefits insurers should be getting from their third-party administrators.

Finally, don’t miss the special feature at the end of the issue that showcases just a few of the Corporate Responsibility & Sustainability (CR&S) activities our people and centers have been involved in around the globe.

I really hope you enjoy this edition of **Innovation Nation** and hope that you find the insight and thinking in this issue both fascinating and exciting. As always, most of these articles are all available on our website and we welcome your opinion – so please visit and share your views online.

Aruna Jayanthi

Head of Business Services

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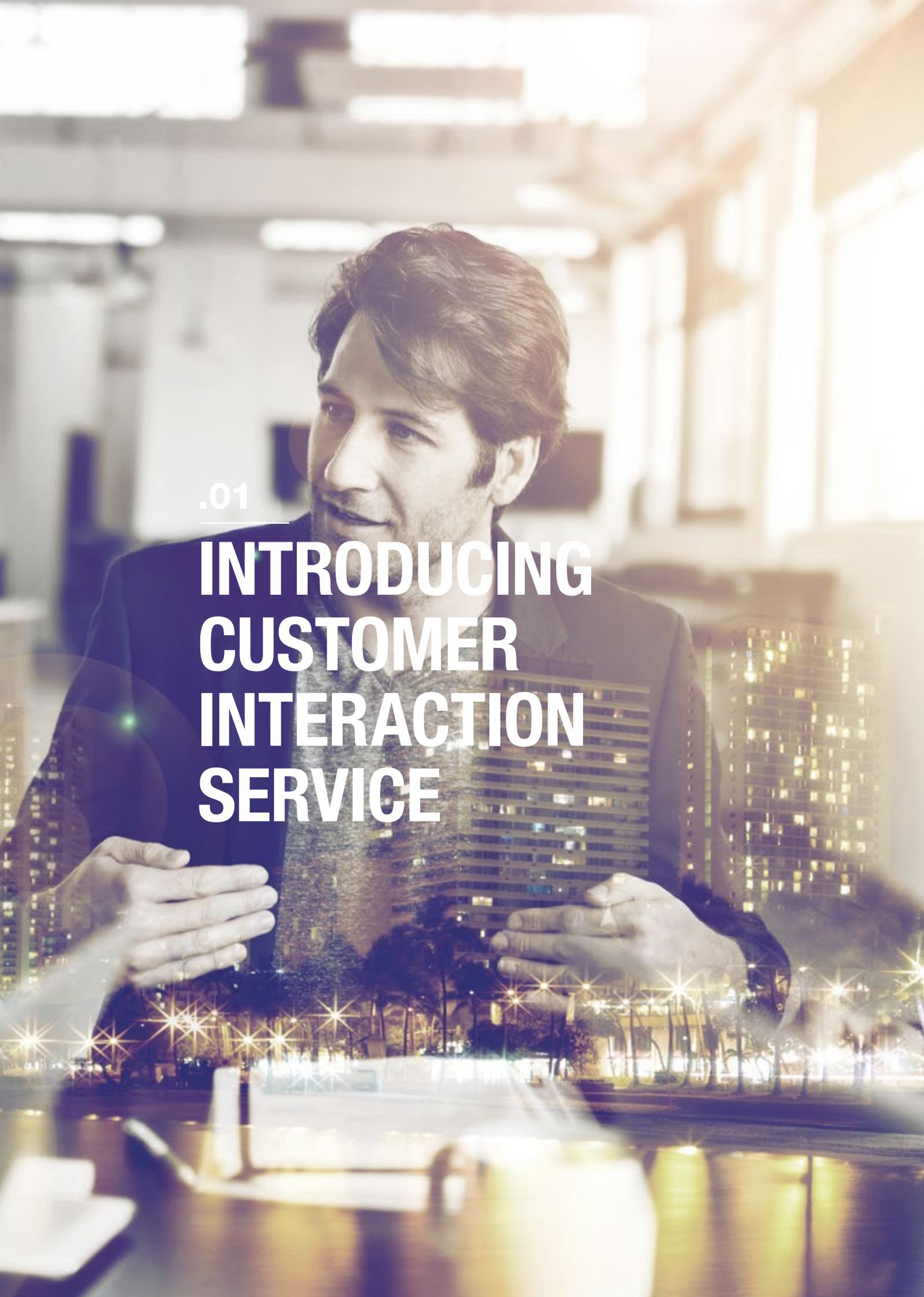
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Capgemini Community



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INTRODUCING CUSTOMER INTERACTION SERVICE





MEET THE EXPERT

Thomas Saint-Hilaire

Consulting, Analytics and Digital Platforms, Business Services

Location: Paris, France

Area of expertise: Customer Interaction Management

A bit about me: I started my career 20 years ago with Capgemini Consulting France before joining Prosodie-Capgemini last year. During this time, I've had a strong focus on innovation and applying digital technologies including the internet, mobile, cloud, big data and Artificial Intelligence (AI) to transform our clients' enterprises.

Achievements: My main ambition at Prosodie-Capgemini is to deliver a comprehensive service offering to our customers through these digital technologies covering every aspect of customer engagement – customer touchpoints (calls, emails, chat, social, mobile), self-service (chatbot through text and voice), customer data management, performance monitoring and customer journey mapping.

Awards/recognitions: I led Prosodie's first implementation of our own AI-powered chatbot solution called "Concierge."

Following the launch of Capgemini's Customer Interaction Service, *Innovation Nation* caught up with Thomas Saint-Hilaire, who leads the Prosodie digital platform team at Capgemini, to talk about how our cloud-based Customer Interaction Service can help them improve their market position and overall business performance.

Innovation Nation: Hello Thomas. Could you start by telling us a little bit about Capgemini's new Customer Interaction Service offering and the business challenges it addresses?

Thomas Saint Hilaire: Customer Interaction Service (CIS) is a software-as-a-service (SaaS) solution that analyzes a company's omnichannel interactions, enabling them to improve their market position and overall business performance. It provides marketing, customer relationship and customer experience directors as well as chief information officers with a comprehensive assessment of their customer service performance, along with a targeted action plan and estimated gains to drive revenue growth, while reducing their operating costs and ultimately delivering enhanced customer satisfaction.

What's involved in the approach and how quickly can clients expect to see results?

The approach is to bring together the power of our strategy and transformation consulting, design and hosting of front-office solutions and IT systems integration. We start by performing an evaluation of the company's maturity level relative to the market. We then use our client's interaction data to highlight the strengths and weaknesses of their customer service model performance, using benchmarks from more than 200 companies across all industry sectors and specific data analytics. Finally, we build a more efficient action plan and estimate associated gains – all

of this through an innovative interface that enables better visualization of reports and user-friendly navigation. This approach enables companies to understand how to cost-effectively and seamlessly interact with our customers across a variety of channels – and they can expect to see results in just six weeks.

What are the most common areas in which companies struggle the most to manage their customer interactions and why?

The way in which companies deliver customer service is changing. Gone are the days of face-to-face customer interaction during normal opening hours. Instead, the rise of web, mobile, social media and the Internet of Things (IoT) means customers expect always-on, omnichannel interaction, on demand – and if they don't get it, they are more than happy to let the world know in a matter of seconds.

Customers expect always-on, omnichannel interaction, on demand – and if they don't get it, they are more than happy to let the world know in a matter of seconds.

The challenge of this changing face of customer interaction has made it increasingly difficult for companies to deliver the levels of service their customers expect – especially when a heightened competitive landscape makes cost reduction, flexibility, time to market and efficiency imperative.

The main issue for customer interactions management is to be able to understand the customer journey, and it's basically a question of data – the vast array of channels that companies manage, which involves interactions with customers, generates an abundance of data. Companies are not equipped to acquire, combine and analyze less-structured data generated from digital channels, such as email, chat and social media, with more traditional data related to sales or customer profiles. This is precisely what Customer Interaction Service aims at.

Why is it so important for companies to effectively manage the customer journey? And how do they know if they are getting it right?

The customer interaction journey is key! Customer service performance is all about connecting any given customer with the proper resource (whether an agent with the appropriate skill or a specific self-service) through the proper channel, taking into account his or her own characteristics (e.g., customer segment) and the nature of his request. In doing so, companies can ensure that the customer's request is properly responded to, with the lower possible cost-to-serve. Self-care penetration, average call duration and first call resolution are typical KPIs, but assessing the efficiency of the customer journey is more than just KPIs – it demands reconstructing what the customer wants to achieve.

Customer service performance is all about connecting any given customer with the proper resource through the proper channel.

Can you offer an example of what “good” is?

To me, “good” is the balance between cost-to-serve, customer satisfaction and revenue. For example, we recently implemented Customer Interaction Service at one

Data holds every single needed insight to improve customer service.

of the largest French governmental agencies, correlating data from phone calls, face-to-face interviews, emails and customer segments. Having been able to expose the full customer journey across the different channels, we demonstrated how difficult it is for this agency to meet customer request through a single interaction, especially when email is involved. This finding contributed to the decision to implement a new email solution.

What advice do you have for business leaders looking to improve the way in which they interact with their customers?

Rely on data! Data holds every single needed insight to improve customer service, and in most cases, data is available within the company. All that is needed is an effective way to aggregate, analyze and benchmark it to enable better decision-making – which is the whole aim and purpose of our Customer Interaction Service offering.

Finally, could you talk a bit about the future of Customer Interaction Service?

Customer Interaction Service is currently mainly focused on customer interactions – that is, what takes place between the customer and the company. We intend to develop our view of contact center internal operations, to be able to better promote efficient tools such as Robotic Process Automation (RPA) and Customer Relationship Management (CRM).

CUSTOMER INTERACTION SERVICE

An exhaustive diagnosis and targeted recommendations based on your interaction data analysis, benchmark and our know-how in transformation



Contact centers will support an average of **9 channels** by 2017



71.5% of contact centers say analytics enable better agent performance



58% of contact centers are not able to measure cross-channels customer journeys



77% of contact centers can provide evidence of cost savings from improved customer experience

6 weeks of **benchmark** and data based assessment

with

A **personalized** action plan

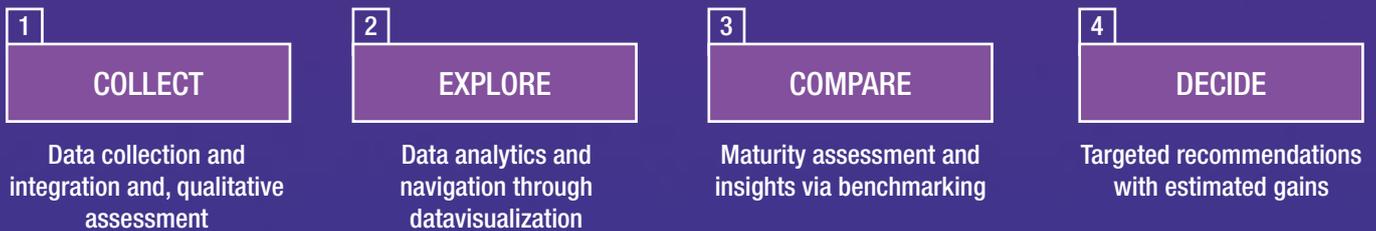
to

😊 Revenues

↗️ Cost-to-serve

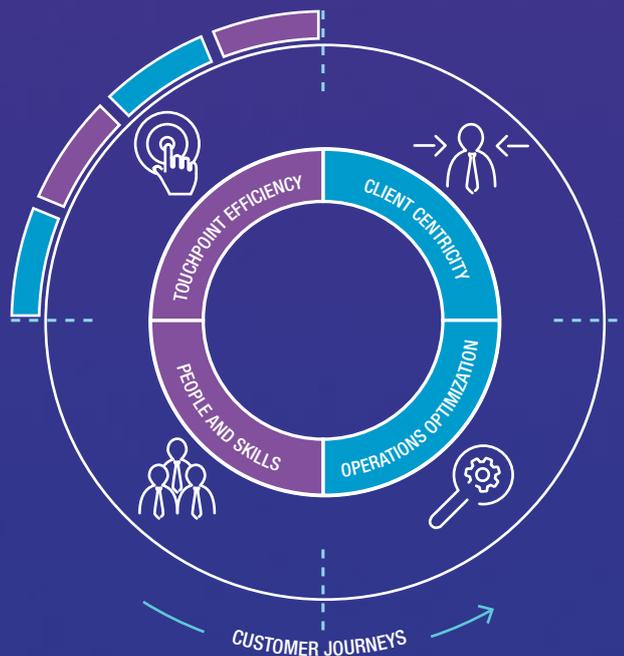
📊 Customer satisfaction

4-key step methodology



Visualize your **maturity level** on a **5-key lever** analysis framework

- Expert
- Proactive
- Reactive
- Beginner



Start **exploring** now!



BIG DATA AND CUSTOMER RELATIONSHIPS – A LOT OF DATA, NOT ENOUGH ANALYSIS

Thomas Saint-Hilaire

Consulting, Analytics and Digital Platforms,
Business Services

The vast array of channels that companies manage for interactions with customers generates an abundance of data. And when you combine the less structured data generated from digital channels such as email, chat and social media with more traditional data related to sales or customer profiles, there is an enormous opportunity to enrich the customer experience. So why are only a small number of companies leveraging this data to enhance their customer’s journey?

This isn’t a technological problem. There are solutions that offer reading and data storage along with tools to analyze and understand the information. It’s also not a skill problem – there are trained data scientists and data analysts available to do the job. The obstacles lie elsewhere.

THE REAL CHALLENGE WITH BIG DATA

This issue isn’t with the tools or the people, it’s a question of transformation. François Bourdoncle, co-founder of Exalead and co-manager of Arnaud Montebourg’s “Big Data” plan, explains it as an “active principle” of the digital revolution.¹ The channels of interactions and the services offered to customers are very often managed in silos by different departments that are not sharing their data.

In many companies, the way information is distributed and analyzed is very disjointed. And often the process for making the data pertinent and to assess its value requires a cross-disciplinary approach. This is because customers use various interaction channels to obtain information, access services, buy products and express their satisfaction, but data they generate during their journey is often captured in different systems. Customers

follow their own interaction logic and it is the companies that have to adapt to reconstruct their messages in order to really listen to them!

BETTER UNDERSTANDING CUSTOMERS THROUGH BETTER ANALYTICS

The right analytics tools allow you to correlate various pieces of information regardless of where they originate. For example, customer satisfaction can be measured in terms of waiting time on the phone, which decreases the longer a customer is on hold. But interestingly, when the waiting time becomes too long, the reverse is also true. It may seem counter-intuitive, but as we observed with one of our customers, a waiting time that is too short can affect the perception of the quality of service.

The analysis can also be conducted by correlating different channels to evaluate the transfer of workload from one channel to another. So, for example, poor service quality on chat or email will transfer a heavier workload to the telephone and physical channels.

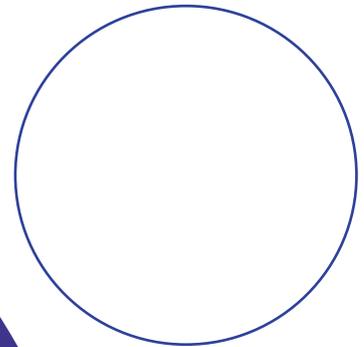
¹ <http://business.lesechos.fr/directions-numeriques/digital/transformation-digitale/0203619915778-un-plan-big-data-pour-contrer-les-geants-du-net-101611.php>

Analytics tools also enrich customer knowledge and allow us to refine contact segmentation. The data obtained from the customer journey allows us to better analyze behaviors and further define the best use of the data, as customers of the same segment can behave differently depending on their use of digital devices. To be able to analyze the data properly, companies often need assistance and more importantly, the right tools.

MAKING THE MOST OF YOUR BIG DATA TO ENRICH YOUR CUSTOMER'S JOURNEY

The good news is that there are customer interaction services that enable you to better analyze the performance of your customer relationships. The insights that can be gained through in-depth statistical analyses of the detailed data regarding your customers and their interactions will enable you to make the most of your big data while enriching your customer's journey.

The good news is that there are customer interaction services that enable you to better analyze the performance of your customer relationships.





New ways of interacting with your customers to **deliver** the levels of service they expect

The way in which companies deliver customer service is changing. Gone are the days of face-to-face customer interaction during normal opening hours. Instead, the rise of web, mobile, social media and the Internet of Things (IoT) means customers expect always-on, omnichannel interaction, on demand – and if they don't get it, they are more than happy to let the world know in a matter of seconds.

Capgemini's Customer Interaction Service provides a comprehensive assessment of your customer service performance, along with a targeted action plan to drive revenue growth, reduce the cost of your customer service and deliver enhanced customer satisfaction.

For more information, visit us at: www.capgemini.com/business-services/customer-interaction-service



VISUALIZING CUSTOMER INTERACTION DATA FOR ENHANCED CUSTOMER SERVICE

Reynald Chapuis

User Experience and Digital Director, Pôle emploi

Innovation Nation caught up with Reynald Chapuis, User Experience and Digital Director at Pôle emploi, to learn how France's leading employment agency is gaining more insights into their customer interactions.

Innovation Nation: Welcome, Reynald. To get started, could you give us a brief introduction to Pôle emploi?

Reynald Chapuis: Pôle emploi is the leading player in the French labor market. We help jobseekers find employment and support companies in their recruitment efforts – correlating data from phone calls, face-to-face interviews, emails and customer segments.

What are some of the key challenges Pôle emploi has faced in managing customer interactions in recent years?

Pôle emploi currently manages more than 400 million interactions each year for nearly 10 million people across more than 10 different interaction channels. We've already digitized a large part of our services but find that our traditional channels such as the telephone are still strongly used. So, our main challenge is to better manage the experience of our customers in order to improve our services and their level of satisfaction.

How are you tackling this challenge?

We determined that we needed to be able to better visualize our customer interaction data, and asked Capgemini to analyze and benchmark the performance of our service to our clients and provide a pragmatic and personalized action plan to achieve measurable results. After framing the scope of the analysis, Pôle emploi teams collected the data and Prosodie-Capgemini teams carried out the analysis and presented the results in just six weeks.

What were some of the results of the project?

The main result was a more tangible awareness of our level of interaction with jobseekers and the quality of those interactions. We learned that the main reason people contact us is for benefit payment, and that this is the most expensive interaction to process. We also discovered that we have to work on the quality of our data, and thanks to the market benchmark, we realized that we need to decrease waiting time on the phone to 45 seconds.

What are the next steps on your journey?

Based on the results of Capgemini's Customer Interaction Service report, one of our main priorities will be to minimize duplicate interactions with customers, enabling us to become more efficient and improve the quality of the user experience. And because we now know that 20% of our users generate more than 40% of the interactions, we want to identify who these individuals are and better understand their activity. We will also focus on developing Pôle emploi connect, our ID API, to be able to better share and collect new data.





THE HYBRIDIZATION OF CHANNELS – MAJOR TRENDS IN CUSTOMER EXPERIENCE

Thierry Spencer

Associate Director, Academie du Service

Outside Perspectives

Innovation Nation recently met up with Thierry Spencer, renowned French author and blogger to gain an insight into some of the major trends impacting customer experience in 2017.

Innovation Nation: Customer experience is a fascinating subject. Could we start by looking at some of the trends that you expect to see in 2017?

Thierry Spencer: Well, there are four main trends that we're currently seeing in the customer experience space. The first is that the customer is making less and less effort in their individual customer journey to solve their problems. And in France, the average customer effort score has been in decline for the last three years.

The second trend is that the mobile phone is creating a new customer centricity, which is making it easier to consume services such as Uber and Amazon Prime. Thirdly, the customer is increasingly expecting a real-time customer relationship with the companies and organizations they consume from through channels such as callback, chat and social media. For those organizations that have adopted the technology to be able to deliver this real-time customer relationship, this is resulting in a much more engaging and satisfying customer experience. And from millennials to baby boomers, everybody expect this kind of synchronicity.

Finally, the fourth trend we're seeing is that we can expect a more intense and personalized relationship with the customer due to a more mature use of the data in the relationship.

Are there any major differences in the customer interaction trends in France and what's happening across other parts of Europe?

According to a recent study we created and ran at the Academie du Service in the UK, British customers are more satisfied with the quality of service than French customers, although it has improved and continues to improve in France over the last four years. In addition, global organizations in the UK are more mature in terms of the user experience, which opens the way to a more seamless customer experience.

There are also two common features in this study. First, is the agility of employees. Although in France there is the same level of dissatisfaction in the eyes of the customer, French employees are not as self-reliant enough to adapt to the customer as they are in the UK. And second is the consideration symmetry. British and French employees don't consider their satisfaction to be as high or equal as the satisfaction of the customers they serve, which is a challenge for management in France and the UK.

Looking at the bigger global picture, what are your predictions for the world of customer interaction in 10 years time?

Imaging the future is quite difficult because the present is always in motion. But the first major trend is what I call the hybridization of channels – there will be more digital in stores and more human relations on the internet and web channels, via chat or videoconferencing, for example.

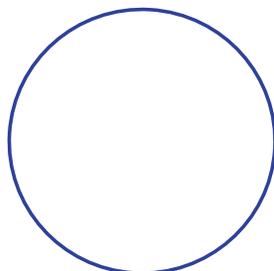
The second major trend is the rise of Artificial Intelligence (AI) and algorithms, and the use of the Internet of Things (IoT) enabling an effortless and seamless experience for the customer. And the third trend is that the customer will have more autonomy in their journey, with organizations having to train their employees to offer customers a richer experience with more added value.

Thierry Spencer is a renowned author and blogger with more than 20 years experience in Customer Relationship Management (CRM). He makes regular appearances on French television and in the printed media to contribute expert opinion on the changing face of customer interaction.

You can read his blog (in French) at:

<http://www.sensduclient.com/>.

There will be more digital in stores and more human relations on the internet and web channels.





A woman with curly hair and glasses, wearing a yellow cardigan over a dark polka-dot top, is holding a white tablet. A man with glasses and a tan blazer over a blue shirt is pointing at the screen. They are both smiling and looking at the device. The background is a warm, orange-toned wall.

.02

TECHNOLOGY TALK



DESIGN THINKING – EXCELLENT RESULTS DELIVERED IN A RADICALLY DIFFERENT WAY

Lee Beardmore

Chief Technology Officer, Business Services

Innovation Nation sat down with Capgemini Business Services CTO, Lee Beardmore, to get a peek behind the scenes of how Capgemini is using Design Thinking to develop solutions for our clients.

Innovation Nation: Hello Lee. To start, could you explain the concept of Design Thinking?

Lee Beardmore: Design Thinking is a way in which we create pattern breaking, upstream innovation. It has a creative bias that is not solely focused on problem solving but also anticipates market needs. In many ways it's a mindset supported by an approach that leads to products and services that are both viable and technically feasible.

This is very evident in the refresh of some of our key services, including Order-to-Cash (O2C), which has been transformed into the more comprehensive Digital Customer Operations (DCO) offering; Purchase-to-Pay (P2P), now known as Digital Buyer Operations (DBO); Record-to-Act (R2A), or Digital Intelligence Operations (DIO); and Human Resources Outsourcing, which has become Digital Employee Operations (DEO). It is worth highlighting the collaborative nature of these activities, the R2A refresh, for example, was carried out jointly with two of our clients.

Design Thinking is a way in which we create pattern breaking, upstream innovation.

How is Capgemini using Design Thinking in the Business Services product development process?

Well, each year we embark upon product refreshes. However, in 2016 we took a more radical approach to product development rather than the more evolutionary approaches of the past. We decided to apply a "digital by default" mindset to product design and development, in order to instill an ethos of technological advancement given the impact of digital technology on the full stack of service delivery. In Design Thinking terms, we are anticipating the unmet and unarticulated needs of our clients and the market. This allows us to empathize with the challenges before framing the scope and creating the ideas that will ultimately be converted into tangible products we take to market.

Can you share a specific example of how Design Thinking has been applied in delivering these solutions?

Our virtual delivery center is a good example of Design Thinking employed to create a radically different delivery vehicle for business operations. Working with the strategic intent of creating a digital workforce, we have redefined the concept of the business process outsourcing (BPO) delivery center to become an "as-a-service" construct that can elastically scale up and down to meet the processing demands of our clients.

At the physical level, it includes technology products from our portfolio (Robotic Process Automation, cognitive, analytics and application accelerators), however, in addition to the physical manifestation of the virtual delivery center, we have paid care and attention to the delivery method such that its emphasis is on being transformative rather than simply improving efficiencies of the status quo environment. Our methodology seeks to eliminate unnecessary work, optimize existing assets, augment our client landscapes with automation technologies and finally to include robotics as a means of improving remaining systems and process inefficiencies.

What are some of the key success factors that ensure these digital solutions deliver value to our clients?

A sound digital business model will make use of best-of-breed platforms and tools if it is integrated, tailored, deployed and managed using a proven methodology executed by a knowledgeable and experienced team. It also depends on a shift in mindset – an awareness that digital transformation isn't just about an evolution of process and technology, but of how the whole organization works, focusing throughout on the needs of its stakeholders.

Among these stakeholders the organization's employees are key – without their engagement and buy-in it's unlikely the effects of the transformation will be fully felt by any other group and by our customers in particular.

What aspects of Design Thinking have helped shaped your approach to product development?

When we develop our products, we focus on the following characteristics:

- We work with the ready acceptance of ambiguity and an uncertain future.
- We describe future scenarios that are radically different to current operating models.
- We readily accept the impact technology has and will continue to have on traditional BPO revenues.
- And we accelerate digital transformation as the primary driver of change.

Creativity is obviously important, although we place great emphasis on tangibility to ensure our products meet the needs of the industry we serve. Collaborative developments with existing clients form a key element of our approach. This invokes a much more dynamic approach, with prototyping and refinement prior to a product launch.

Historically shared service and BPO operations have enjoyed multi-year consistency with Continuous Improvement programs finding ways to advance efficiency and control operating costs. Such programs have generally been executed within the parameters of our existing contracts.

Many of our clients are looking for creativity and ideas with a focus on solutions rather than problems.

Recently however, many of our clients are requesting “innovative ideas” and “where do we go next” to advance their business operations. The requirement is for creativity and ideas with a focus on solutions rather than problems. It's about painting a picture of what the future may be and then match needs with what is technically feasible.

What are some other ways Capgemini is using Design Thinking?

Design Thinking is not a new discipline to Capgemini. We've run Accelerated Solution Environments (ASEs) for many years, where we closely collaborate on ideation of a future state in which there is a loosely defined strategic intent. The “Scan, Focus, Act” methodology of these ASEs largely echoes some of the key principles of Design Thinking where strategic intent is supported by divergent and convergent thinking followed by exploration of the tangible. Many of our Business Services contracts include ASEs as a vehicle for collaboratively advancing our clients' businesses.

Capgemini University runs several “Business Priority Week” sessions per year that bring together the power of Capgemini Group and address client challenges in a collaborative way. Two good examples of design thinking output during our Business Priority Weeks are the creation of the Business Services Virtual Company Offering with one of our clients, and a merger and acquisition strategy for another. More recently we have created the Applied Innovation Exchange (AIE), our Group-wide and highly collaborative, technology-centric ideation and design approach. In Business Services, we participate in many AIE sessions as a means of advancing our current and potential clients' understanding.

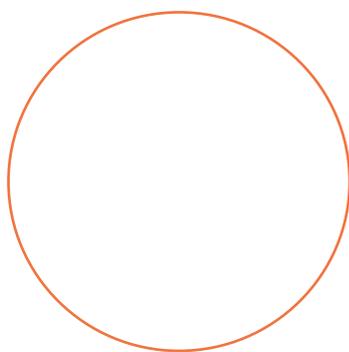
We unify the ASE and AIE methods and spaces into a specific “innovation lab” concept offered to our clients to deliver a sustainable focus on innovation in cost

performance and customer experience. In addition to our own physical spaces, we create mobile versions of the ASE and AIE that are embedded into our client organizations.

And finally, could you give us some concluding thoughts on Design Thinking?

Living in a world of accelerating change, we need a way to robustly convert our ideas into the kinds of products and services that our clients expect and demand. In an uncertain future, Design Thinking provides the forum to generate ideas collaboratively with our clients and technology partners, which are then converted into viable outcomes, and which will hopefully deliver excellent results in a radically different way.

Design Thinking provides the forum to generate ideas collaboratively with our clients and technology partners, which are then converted into viable outcomes.





WELCOME TO THE AGE OF THE INTELLIGENT ORGANIZATION

Christopher Stancombe

Head of Industrialization and Automation

We are on the verge of a significant change in our expectations of what a business is and how it acts.

It has been accepted for a long time that a company should act “responsibly.” That the business should behave ethically and meet the test of acting like a “reasonable person.”

I would argue that we are now seeing signs that expectations are growing. “Responsibility” is taken as a given. We are now looking for “intelligence” in our businesses. Not simply making use of “business intelligence” products. Rather, a time when it will become normal for the business itself to act as an “intelligent person.” Intelligent organizations will need to ensure that the technology they have in place has the capacity to learn and improve with time, and without human intervention.

The customer expectation of an intelligent organization is about to skyrocket, and with it, the expectations organizations have of their outsourcers.

KNOWLEDGE WILL MOVE FROM THE COLLECTIVE TO THE INDIVIDUAL

Despite standardized approaches to information sharing, and the ubiquity of collaborative technology, we still accept that most important corporate knowledge is housed inside the collective human brains of a company. Brains that can change jobs, move away, forget and retire. It’s reliant on the memory, knowledge and experience of a group of employees.

We have to agree that this puts organizations and industries at risk of losing valuable experience, and makes it more difficult to share knowledge.

But machines have evolved from simply recording data from our daily interactions with them, to being able to analyze that data at scale. Organizations are now powered by learning machines that are able to display a kind of artificial intelligence that is greater than the sum of its component parts.

The knowledge and experience previously held by a collection of employees will now be owned by the intelligent organization.

With increased digitization and adoption of automation in corporations, I believe that the knowledge and experience that was previously held by a collection of employees will now become the property of the individual, intelligent organization. A central data repository and advanced analytics will work to create meaning from thousands of events across a business – a shared organizational “brain,” if you will.

In 2017, intelligent organizations will ensure that the data in their own “brain” is not just up to date, but accurate and auditable. They will need the capacity to apply advanced analytics to this data and use it to guide business actions and machine interactions.

ROBOTS WILL LEARN TO BE MORE PERSONAL

Our interactions with robots are going to get more personal in 2017. Chatbots are becoming more widely adopted, with end-users checking the time with Siri, or planning their shopping lists with Alexa. At Capgemini, our own recent experience at our service desk saw CSAT scores improve from 3.47 to 4.12 following the creation of a chatbot.

I believe we will see a new wave of benefits, one in which chatbots can learn and improve every interaction, as robots continue to move from the back office to the front office. As robotics become more widespread, and

organizations continue to link artificial intelligence (AI) interfaces to the corporate “brain,” we can expect our everyday interactions with companies to advance, not deteriorate. This gives us an indication of what the next wave of human/machine interactions will look like. Intuitive, organic, purposeful – and personal.

Interestingly, although the language capabilities of chatbots are still quite rigid, this has proved to be a benefit to the collective “brain,” and ultimately contributes to an improved customer experience. Because end-users need to select a stream to categories their question, the data collected by a chatbot is immediately captured in a more structured way.

LEARNING WILL BE ACCELERATED THROUGH ANALYTICS

Better structured data makes it easier to analyze the corporate brain and its performance, accelerating its ability to learn. This is because we can deploy advanced analytical tools like IBM’s Watson to learn from the data gathered, augment it with external data and use it to better guide business issues like demand forecasting. Armed with the right intelligence, it will be possible to model a variety of scenarios with enough speed and accuracy to give confidence in decision-making.

We recently used the analytics capabilities of Watson on a supply chain forecasting project. What we learnt from the analytics led to better management of resources, more accurate staffing and improved anticipation of gaps, rotations and fresher intake. But being able to leverage this corporate knowledge also relies on being able to run advanced analytics on enormous sets of data. We also need to be able to supplement and enrich this data with information from outside the organization.

OUTSOURCERS WILL BE EXPECTED TO DELIVER ZERO DEFECT

Getting a large enough data set to find meaningful insights might still be a challenge for many companies, and even if their own internal data is complete enough to run analytics

on, their insights might suffer from a lack of external, contextual information, or wider industry data.

Historically organizations have looked to outsourcers to provide outcomes beyond their own grasp. This is only set to increase as outsourcers become custodians of huge corporate data lakes. Outsourcers will be expected to use this intelligence to go beyond what has been contracted, and to be more proactive about problem solving.

Outsourcers will be expected to use digital intelligence to be more proactive about problem solving.

These additional activities will be expected to be “invisible” to the business. The costs of preventative maintenance, exception managing and other peripheral activity will be hidden and then minimized through a “zero defect” approach to ticket handling. This seamless experience will be delivered thanks to robotics that will learn and improve with every interaction, creating a smarter corporate “brain,” and a more intelligent organization as they do.

This article by Christopher Stancombe, Capgemini’s Head of Industrialization and Automation, was originally published in Professional Outsourcing magazine and is reproduced by kind permission.

PROFESSIONAL
Outsourcing
RESOURCES

New ways to optimize your operations through **innovation** that drives business value

Most businesses aspire to becoming a “digital enterprise” in order to enter new markets, adopt new channels and compete with agile new competitors. However, legacy systems, manual processes and analog thinking are all barriers to embracing “digital,” not to mention the lack of awareness around what transformation will entail.

Combining machine power with business vision, Capgemini’s Automation Drive optimizes your operations and increases business value through harnessing the power of automation to deliver new and innovative ways of working. Our suite of tools and services enables your business to embark on a new journey – rethinking and reimagining the way you do business.



AUTOMATION DRIVE
Machine Powered, Business Reimagined

**CHANGING HOW
WE WORK – THE
IMPACT OF
AUTOMATION ON
TODAY'S
ENTERPRISE**

Throughout history, new technologies have changed the shape of the labor market – both destroying and creating jobs in a process that the economist Joseph Schumpeter described as “creative destruction.” As the maturity of autonomic, artificial intelligence, machine learning and cognitive techniques increases, we are now on the cusp of another wave of creative destruction.

New methods of automation are creating an era of constant innovation in which business processes are being redesigned, rewritten and – where possible – eliminated. The traditional outcomes sought by IT departments (increased productivity and cost-effectiveness) are being married with new drivers like business agility and creativity. Businesses need to do new things. People want to work differently. Automation is making it possible.

Capgemini introduced Automation Drive earlier this year, which combines machine power with business vision to deliver new ways of working, drive innovation and increase business value. Our Suite of Tools and Services enable organizations to embark on a new journey – rethinking, reimagining the way they do business.

NEW WAYS OF WORKING

The concept of automation can sometimes be viewed in a negative light. In the press and analyst community particularly, we often see stories about “predicted job losses” as the “robots take over.” Capgemini’s view is more optimistic. Automation is not as simple as replacing man with machine; it is about businesses using advancements in technology to optimize their operations and orchestrate new and innovative ways of working.

This is the path that the software industry set us on many years ago with the introduction of basic scripts to automate repetitive tasks. Automation has now reached a maturity

that allows us to do far more. We apply four levels of automation, each building on the previous with smarter capabilities that release more human capacity:

- **Reliability, availability and serviceability (RAS)** – design principles used to make systems more resilient through powerful script-based techniques.
- **Tool-based automation** – use of sophisticated tools to execute critical tasks and processes, reducing manual effort and optimizing staff utilization.
- **Autonomic systems** – systems that can manage themselves, thereby attaining a higher degree of operational efficiency.
- **Cognitive Computing and Artificial Intelligence** – self-adapting and self-aware systems capable of performing a broad variety of intelligent tasks, emulating human intelligence and influencing key business outcomes.

Automation uses advances in technology to optimize business operations and orchestrate new and innovative ways of working.

Client Case

A better flu forecast accuracy through predictive analytics.

A company in the global medical devices manufacturing industry needed to refine their inventory planning to capture market demand. With the implementation of our Big Data—SAP HANA-based solution, part of our Automation Drive Suite, they were able to better visualize demand and improve Demand Forecast Visibility. Through predictive analytics, flu forecast accuracy rose to 88%.

BECOMING A DIGITAL ENTERPRISE

A primary goal for businesses today is to become a “digital enterprise,” so they can enter new markets, adopt new channels and compete with agile new competitors. However, the legacy of old systems, manual processes and analog thinking can be a barrier to this. Furthermore, there can be a reluctance to embrace digital change due to a lack of awareness around what the full transformation will entail.

We believe that automation should be viewed positively in terms of what it will enable:

- Transformation of processes to compete with digital competitors
- Redirection of resources from repetitive tasks toward higher-value business activity
- More creative and fulfilling job roles for employees
- Agility, competitiveness and new ideas throughout the business

Automation is a key enabler of the digital enterprise – and your future success.

TAKING AN INTEGRATED, PRACTICAL APPROACH

Automation is here today and is making a difference for forward-looking businesses. Organizations that don't embrace it are set to fall behind, so action is needed now. We believe an integrated approach to automation is required that:

- Drives operational improvements
- Manages the impact on human effort (positively)

In this document, we explore how such an approach could be achieved and what it means practically for both staff and senior business leaders. We also set out some examples of how automation is being used today, and how it is evolving the way businesses are thinking and operating.

Automation deserves your attention now.

WHAT CAN AUTOMATION REALLY DO FOR MY BUSINESS?

When you automate a routine or repetitive task using software or robotics etc., you gain immediate certainty over how that task will be completed. You eliminate human error, you know when it will be performed and how long it will take. You are guaranteed a level of performance. All of this gives you greater control and understanding over your operations, which you can then optimize to improve efficiency and quality. When it is done well, automation can also highlight to the business a whole host of inefficient processes that can be redesigned or eliminated—things that often only exist because “we've always done it that way.”

Client Case

Robotization of dispute processing driving efficiency, quality and control improvements.

A global shipping and logistics company automated repetitive processes like sorting, data exploration and template population. As a result, our client saw benefits spanning both IT and Business, which included:

- 87.7–99.5% improvement in quality
- 30% increase in offshore team utilization
- Dispute resolution time reduced from 5.9 to 1.4 days
- Customer Experience Ranking from #5 to #1 in Europe

Automating dispute processing drove efficiency, quality and “improving control.”

Automation also allows complex operations to be performed at massive scale. This means you can generate business insights at a level that was unimaginable before. Think about the masses of customer data being generated through social media, multi-channel interfaces, Internet of Things (IoT) etc. Only through an automated approach to aggregating, managing and segmenting that data can it be of any use. Only through intelligent analytics, clever algorithms and deep-dive exploration can the business use it meaningfully.

Automation enables businesses to embark on a new journey – rethinking, reimagining the way to do business.

HOW WE DO IT: A ONE PLATFORM APPROACH TO AUTOMATION

Capgemini’s Automation Drive strategy is enabled by our partner Automic One Platform solution, which provides key capabilities around service orchestration, release automation and workload automation.

This has driven particular benefits for our automation of SAP, including:

- 20–400x performance improvement in custom and standard reports
- 4-hour reduction in invoice production
- 95% reduction in system copy post-processing (35 days to 1 day)

We are now implementing this for several of our clients, which is helping them to improve decisionmaking, drive business agility, outsource non-core functions, improve efficiency, reduce costs and effectively address their governance, risk and compliance requirements.

WHICH PARTS OF MY BUSINESS SHOULD I AUTOMATE?

It is easy to picture automation in the context of a production line, with a robotic arm welding parts to a car, for example – but this is just one element of what automation can do. For example, the software industry has been delivering automation for years through things like ERP and CRM – taking manual repetitive tasks out of the hands of humans.

In today’s era of cloud, mobile and IoT, this idea of software-based automation has exploded. It is now being applied right across the organization, from the production line to the back office to all manner of customer-facing channels.

Automation does not deliver value to specific parts of the business, or have a more dominant role in specific industries or applications – it has its place across all areas of all business (albeit at varying scale and differing levels of maturity). Integrating powerful automation tools into every process and application drives innovation and leads to a competitiveness advantage.

Across all types of organization, Line of Business heads are building compelling cases for automation projects to drive their KPIs. They are taking these to the C-level for sponsorship and endorsement. Consequently, automation is finding its place as a key enabler of the move to a digital enterprise.

Capgemini Case

Better fulfillment and forecasting of our resources supply chain capacity with IBM Watson

Levering our partner technology, offered through the Automation Drive Suite, Capgemini was able to implement cognitive services to improve our resource supply chain. Benefits achieved by our company included:

- Improved operational fulfillment
- Better forecasting – 6-month visibility on supply and demand

These translated to better management of our resource bench, more accurate staffing, the ability to anticipate gaps, simplified rotation and intake of resources.

HOW WE DO IT: SMART RPA

Capgemini has partnered with Celaton (a specialist Artificial Intelligence company) to strengthen our Robotic Process Automation (RPA) offer, another key solution within our Automation Drive suite. Our approach is to evaluate end-to-end processes that adhere to certain specific characteristics, and adjust them for straight-through processing to minimize exceptions and improve productivity.

Examples of how automation can be deployed in a typical large organization:



In the back office – using RPA to automate huge numbers of mechanistic, repetitive, mundane manual tasks like invoice processing, and taking it further with artificial intelligence, we can learn how to complete processes more efficiently



In the field – using IoT sensors to detect and alert you to maintenance issues, before they disrupt day-to-day operations



In the data center – deploying code to spin up and configure new servers automatically, in response to peaks in user demand



For business intelligence – augmenting massive IoT datasets with other data streams to reveal new insights on business operations, customer behaviors etc.



On the service desk – where agents are freed from answering routine enquiries by virtual agents that can understand and respond appropriately



Across customer-service channels – whether it be through virtual chat agents, natural language processing that directs customers to the right department, or voice technologies that speak answers to questions and instructions

Automation can add value right across the business. It is therefore important that the platform you adopt is capable of serving the whole spectrum of potential automation projects – from the infrastructure layer right through to your customer-facing channels.

AUTOMATION IS JUST ABOUT REDUCING COSTS, ISN'T IT?

Cost reduction will be an outcome of your automation strategy (most change programs look to reduce costs in some way), but it should not be the principal driver.

The wider business goals of transforming to a digital enterprise, ensuring competitiveness and driving growth will be at the heart of your strategy, and the key outputs will be:

- **Increasing agility** – so you can respond to, or create, disruption in the market, and stay ahead of your competitors
- **Improving efficiency and quality** – so you can deliver better performance to internal and external clients, driving up your reputation
- **Strengthening resilience** – so you can pursue growth with the assurance that your foundations are robust

These are the core elements around which to build a business case for automation, because they link so closely back to the overarching business strategy. Getting it in place will require upfront investment, so articulating the return on that investment will be critical.

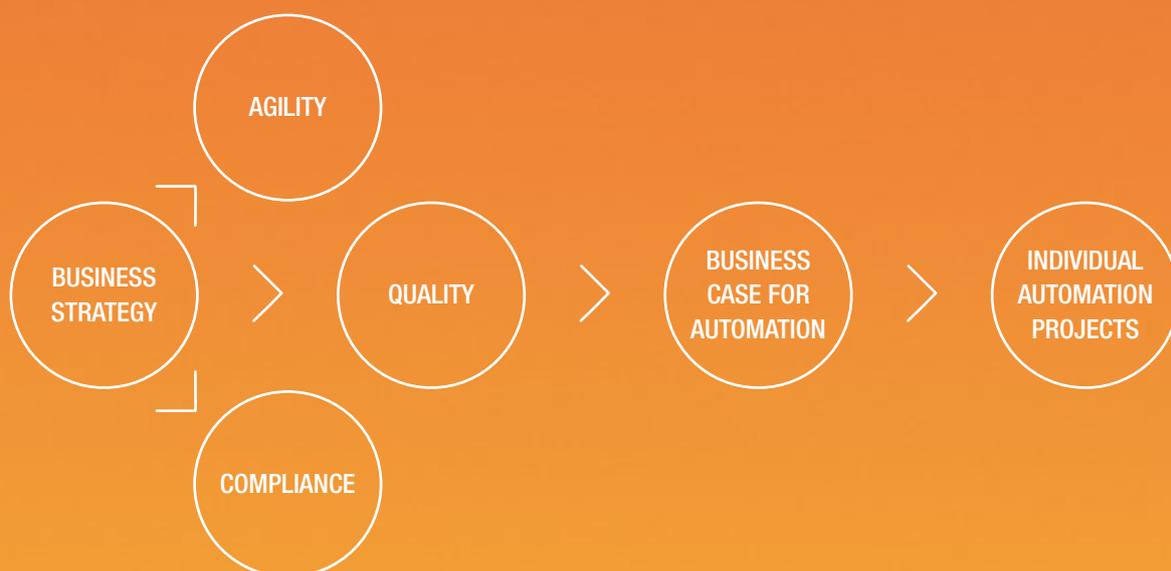
Client Case

Smart, self-service test automation solution for complex enterprises.

Capgemini used a smart, self-service test automation solution offered through our Automation Drive Suite for a client with a complex enterprise. By utilizing intelligent scheduling and load balancing for continuous testing our client achieved:

- 98% testing effectiveness with defect forensics and automated governance
- 85% regression automation through scriptless automation
- 20–25% faster cycle time

Cost savings may form a part of this ROI calculation – for example at a project level, where you can estimate the productivity gains of automating a specific set of back-office processes. The most valuable return, however, will come from reinvesting and redeploying the resources that you liberate through automation. We cover this in more detail over the next few pages.



HOW WE DO IT: INTELLIGENT SELF-SERVICE TEST AUTOMATION PLATFORM

The Capgemini Automation Drive suite includes a self-service testing solution which helps us achieve regression automation through scriptless automation with minimal skill dependency. Combining proprietary accelerators and IP, commercial testing packages and open source stack, our Intelligent Test Automation Platform complies with open services to drive excellence across the software development lifecycle. The solution includes intelligent scheduling and load balancing for continuous testing, as well as providing automated optimization through coverage analysis and self-correction mechanisms.

WHAT IMPACT WILL AUTOMATION HAVE ON MY PEOPLE AND CULTURE?

This question often arises during discussions on business automation. It tends to prompt concerns about the impact on the workforce (“I will lose my job to a machine”), about changes to managerial structures (“My department will probably close down”) and the sustainability of established organizational cultures (“Our ethos is all about people – we do not want to lose that”).

These are all valid and understandable concerns. Yet they have all been played out before in previous eras of big technology change – from the introduction of computers, through to advances in software, to the email/internet revolution and, more recently, in the drive to cloud and mobile.

Automation will undoubtedly change the way businesses operate and how people work – but not necessarily in a negative way:

- People will be freed from repetitive tasks to be more creative and do more fulfilling roles
- People will have the opportunity to upskill and take their career to a higher level
- Workforces will not necessarily decrease in number, but the nature of the jobs within them will
- Automation will create new things for people to do
- People will need to oversee, manage and develop automation in line with business strategy

Adam’s weekly routine:

- 40 hours on the Service Desk, responding to Level 1 incidents
- Tied to his keyboard and desk, solving a constant flow of tickets
- Limited opportunity to develop his skills or knowledge

Until...

- An automation solution is deployed for Level 1 tickets
- Adam is enrolled on an upskilling program
- He leaves the Service Desk to work as a Project Manager
- His salary, and job satisfaction, increases
- The business spends less on expensive PM contractors

When done right, automation will benefit both the business and the workforce. The best return on automation investment will be achieved by investing the initial cost and resource savings into innovation funds and upskilling programs. These programs will provide the foundations for the business to achieve its growth and transformation objectives, delivered by a workforce that is freed to take on more interesting, creative and innovation-centric job roles.

Client Case

Supply water and water recycling services to more than six million customers through end-user automation using "self-manage," "self-heal" and "Eva –Virtual Assistant."

A water supply and recycling company with more than six million customers needed to automate their end-user services. Using tools from our Automation Drive Suite which “self-manage” and “self-heal” along with “Eva – Virtual Assistant” the company was able to positively impact the end user experience:

- 82% success rate of dialogs with Eva
- 25% reduction in P2 known errors and alerts due to self-healing
- 20% incident reduction due to self-managing capabilities

A positive people culture will drive competitiveness. By freeing staff from repetitive tasks and poor processes, they will be more motivated and more innovative. Businesses will be rewarded for accommodating the needs of a new, liberated workforce with a program that responds to the evolution of technology.

WHO SHOULD TAKE OWNERSHIP OF AUTOMATION IN MY BUSINESS?

Because automation is driven by technology, you would be forgiven for thinking that it sits under the remit of the CIO. However, as we have seen, automation is not just "the next thing being rolled out by IT," it is becoming a strategic imperative that touches every part of the organization in order to drive growth and transformation objectives.

Therefore, ownership has to be shared across business units, with collective buy-in from directors, LOB heads, managers, and delivery staff. The CIO has a key role to play in delivering the automation platform on which individual projects can be implemented, but the outcomes and metrics associated with those projects should be owned at BU level.

If you are looking for one person in the organization with accountability for driving through an automation strategy, it would be your Chief Transformation Officer or someone with executive responsibility for delivering change programs. Some organizations may appoint a Chief Automation Officer to elevate the importance of automation. This would certainly issue a strong message of intent to the rest of the business.

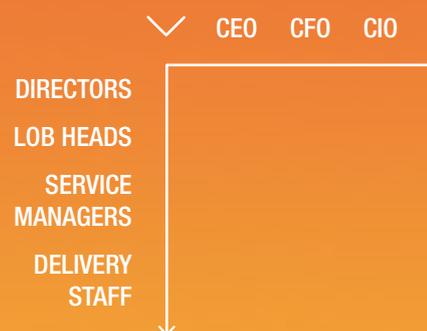
ESSENTIALS FOR AUTOMATION SUCCESS

- Single point of accountability to ensure momentum
- Board sponsorship to deliver credibility
- Structured program to provide transparency
- Common principles to allow collective buy-in

Given that ownership is spread across different business units, and different flavours of automation will exist across them, the accountable officer has to be someone

Driving buy-in for automation across the board and through the business

CHIEF AUTOMATION OFFICER



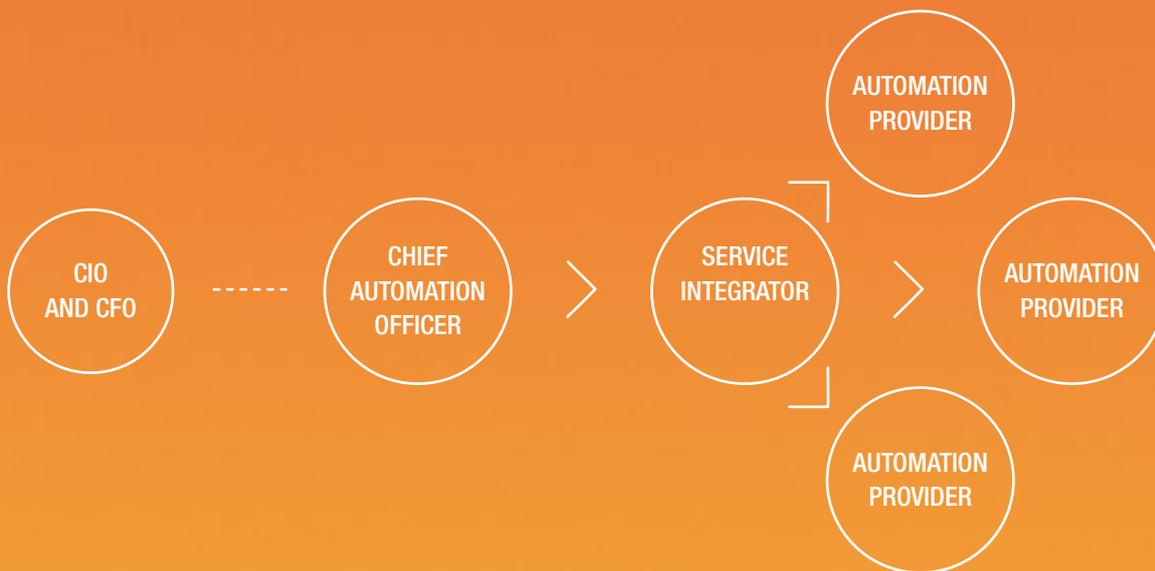
who can unify. Core skills will be the ability to navigate departments and cultures and bring people together around collective principles.

An automation culture can't be achieved in silos; it needs a structured, common program that will feed in to the organization's overall digital transformation strategy. Having an accountable officer – a "change agent" or someone with executive powers – will help deliver quicker, better results.

Typically, you would expect the CFO and CIO to be key supporters of the automation strategy. The accountable officer should be working closely with them to free capital for investment and to implement a robust platform on which automation initiatives can be delivered.

Furthermore, there is a role for external support, such as a Service Integrator, to orchestrate change and bring different stakeholders together. An SI can also provide a vital connection to the supplier market (often dominated by start-ups, of which up to 90% typically fail*) and serve as a trusted advisor on who to partner with.

* Startup Genome Report Extra on Premature Scaling, a 67-page analysis that was coauthored by researchers from UC Berkeley & Stanford



WHAT IMPACT WILL AUTOMATION HAVE ON OUR SECURITY AND COMPLIANCE?

The idea of a piece of software, a virtual machine or an artificial agent having access to critical business data can provoke different feelings.

From a cautious position, there can be concerns over the security of that automated process. Could it be hacked? Will it become corrupted? What if it exposes the business to risk? Does it compromise our compliance with regulations? And if processes are being hosted in the cloud, what assurances can our cloud provider really deliver?

The flipside of this is that automation eliminates perhaps the biggest threat to security and compliance: human error. When done right, automation will reduce the risk of data leaks because processes are followed precisely by a machine, without deviation or distraction. Furthermore, automation will bring a transparency to your operations that serves compliance perfectly – you will get a complete digital audit trail to hand over to inspectors with full confidence.

The concerns around cloud tend to focus on potential data breaches and compromised credentials from within shared server/storage environments. However, the industry is increasingly being dominated by just a handful of cloud providers (Amazon, Microsoft, Google) who are investing massive resources into alleviating those concerns.

How we do it: securely managing complex IT systems



Cappgemini use HP Operations Orchestrator (HPOO) to manage various IT systems as part of our Automation Drive suite. Along with automated provisioning and management, it provides us with



self-healing, self-optimizing security of systems, which ensures robust governance over services. For our clients, HPOO has yielded a 50% improvement in the accuracy of IT changes versus manual execution –



reducing the impact of human error.

Looking further forward, as cognitive computing and machine learning become more pervasive, security threats will be detected far earlier. Deep system monitoring and predictive analytics will identify threats and prompt an intervention before any impact on operations.

BEST PRACTICE TIPS FOR IMPLEMENTING AUTOMATION

Best practice has to reflect the conditions of the age. Where once it was accepted practice to spend time evaluating a range of products from different solution providers, to issue lengthy RFPs and consult as widely as possible before implementation, the rules have now changed.

The digital revolution has torn open traditional business markets. Start-ups are disrupting business models and becoming market leaders quicker than ever. Established companies (and even whole industries) face unprecedented threats to their existence.

You need to be able to react quickly to new opportunities, get new initiatives up and running to win market share, but not be adversely impacted if those initiatives don't work out. Agility is key.

The same is true when thinking about automation projects. Here are some core principles to follow:

- Start small and fast
- Choose a project most likely to succeed (success will breed success)

- Use open standards; don't get tied in to proprietary technology
- Make sure you can swap new technology in and out
- Make sure whatever you choose can be plugged in to your existing platforms
- And that it can be ported across to different platforms if you choose to scale up

How we do it: Applied Innovation Exchange

Underpinning Capgemini's Automation Drive strategy is the Applied Innovation Exchange (AIE), a global platform designed to enable our clients to discover relevant innovations and to contextualize and experiment with them within their specific industry focus. It enables our clients to proactively plan for the various technology and business shifts that are confronting them on a daily basis.

By bringing together a broad community of designers, technologists, sector experts, business and technology partners, academics, research organizations and start-ups, AIE provides the opportunity for our clients to investigate, contextualize and understand the most relevant innovations for their business, helping them to realize the value of business innovation at speed and scale, securely and sustainably using our proven AIE Framework.

www.capgemini.com/AutomationDrive



A woman with curly hair is looking down at a document she is holding. The background is a cityscape with tall buildings, including a prominent tower with a spire. The image has a warm, golden light overlay, suggesting a sunset or sunrise. The text ".03" is positioned above the main title.

.03

CENTERS OF EXCELLENCE

“CENTERS OF EXCELLENCE” — A LOOK AT SOME OF THE INNOVATIONS AND ACHIEVEMENTS FROM ACROSS OUR GLOBAL DELIVERY CENTERS.

EL PASO

Maintaining focus on healthcare processes, our El Paso Delivery Center is continuing to grow with new business opportunities and expanded client services to become a key component of our onshore delivery network.

SARASOTA

Our new delivery center in Sarasota has been operational since January 3, 2017, and is considered the preferred location to manage high-end order-to-cash processes to deliver improved Digital Customer Operations.

GUATEMALA CITY

Our Production, Monitoring and Planning Tool (PROMPT) has made it possible for our Guatemala team to identify which manual, repetitive tasks can be automated to reduce the need for human intervention. This led to a number of Robotic Process Automation (RPA) implementations for clients, including a Media and Entertainment company that now has three robots handling close to 40,000 transactions per month.

ONTARIO

The CEO of a large Canadian financial institution visited our center in Mississauga, Ontario, and lauded the operations and IT team for successfully establishing a straight-through process for printing and packaging documents. Future innovations were discussed for effective utilization of materials and lowering their overall cost profile.

STOCKHOLM

As a PEPPOL Access point, IBX Business Network enabled Helse Vest Regional Health Authority to transform its procurement function resulting in enhanced efficiency, transparency, compliance and control.

KRAKOW, KATOWICE

Capgemini Poland has just received a prestigious award from the Top Employers Institute for excellent results in creating a development-oriented environment for employees. Criteria included preparing an effective talent management strategy, developing leaders, practicing best-in-class on-boarding methods and maintaining a positive culture of work.

MANILA

We are celebrating the first anniversary of our new Manila operation, a 100-strong FTE team of highly skilled professionals delivering Supply Chain Finance services to Unilever, including order management, customer claims and cash application.

NOIDA

Noida is an increasingly attractive destination for Business Services and our operation continues to grow. In 2016 we welcomed five new clients to our center and we plan to double our capacity in the next two years, tapping into the abundant skilled local talent pool and expanding our campus by an additional four acres.

OMSK

We've further developed our partnership with Unilever Russia and integrated their Omsk Shared Service Center into Capgemini's Global Delivery Network.

Center Spotlight – Sarasota

LANGUAGES

English, Spanish,
French, Hungarian,
Hebrew



LOCATION

Sarasota, Florida, USA



FTEs

Capacity of 120+



WHY SARASOTA?

Our Sarasota center is ideal for those organizations requiring an onshore presence to manage sensitive interactions and specialized business processes, offering:

- The capability and capacity to handle a wide range of services across multiple industries, including Consumer Products, Retail, Federal, Financial and Healthcare Services.
- Team members with relevant industry experience including collections/billing, accounting, Accounts Payable, Healthcare and Finance.
- Experience in enabling software and platform integration to support high volume portfolio complexities.
- A multi-lingual team navigating that can navigate domestic and international business complexities.

- Robust security, technology and business continuity planning.
- ISO 9001, ISO 27001 and ISO 22301 certified; PCI DSS and HIPAA compliant.
- Easily accessible from any city in the world.
- A large and talented workforce pool.

Our new center in Sarasota is situated in a prime location that is considered the fastest growing business destination in the area. The center is only seven miles away from Sarasota-Bradenton International Airport and adjacent to many hotels, shopping centers and restaurants.

SERVICES

- Collections and Accounts Payable
- Customer Support
- Vendor Management
- E-Content Management

Sarasota is also well-positioned to source urgent project type services that can help our clients bridge gaps in the interaction space.



CLIENTS SERVED

Nine





SARASOTA CALLING

Mario Melgar Reyna

Sarasota Center Director, Business Services

Mario Melgar Reyna, Sarasota Center Director, Business Services, talks to Innovation Nation about the innovation coming out of the Sarasota delivery center and why it has recently moved to a new location.

Innovation Nation: Sarasota has just moved to a new center location. What prompted the move?

Mario Melgar Reyna: The main reason for the move was to improve the quality of our workplace, which has a direct effect on boosting morale among the team and positively impacts the services that we provide to our clients. Another major benefit of our new location to both our clients and our people is that the center is much more easily accessible, and we're now surrounded by range of restaurants and hotels, which makes travel to and from the center much better.

Could you give us a brief insight into some of the services Sarasota delivers and the value we bring to our clients?

Originally the Sarasota delivery center provided Cash Collection services in the Accounts Payable and Accounts Receivable space, such as dispute resolution and refunds analysis. We later evolved our service portfolio to include Customer and Vendor Support, and E-Content Management – and as an example, we deliver these services to a very large retail corporation, assisting their clients to upload products on their dotcom platform. We also offer Supplier Master Data Management (MDM) and Project management-as-a-Service from the center.

As one of Capgemini's key onshore locations, what is the profile of companies that Sarasota is best suited to serve?

At Sarasota, we focus on companies and organizations in the Consumer Products, Retail, Federal, Financial and Healthcare Services sectors, which require a specialized workforce to manage the sensitive interactions and complex business processes these businesses entrust us with. The geopolitical landscape in the US is moving in a direction where we clearly need to be more competitive in our offerings onshore, with our clients expressing a lot of interest to do more onshore. To this end, we're evolving our business to be able to satisfy those needs onshore, as well as identifying more synergies with the capabilities of our IGATE operations to balance the work done out of Sarasota with the work that can be performed out of other locations, and vice versa.

How do you achieve and maintain competitive cost optimization at the Sarasota center?

We do this through successfully leveraging our services onshore at Sarasota with offshore services from Capgemini's other centers around the world. This means that all of our client solutions have an offshore component that we complement with an onshore component. For

example, many of the higher end more complex services as well as services and information that can't be managed outside of the US is being retained and processed onshore. These services then interact with our offshore locations to achieve enhanced cost optimization and maintain compliance with the highly regulated industries that we service.

Could you give some examples of innovation or outcomes that you've delivered to clients?

From an innovation perspective, we leverage our tools and platforms to our clients – including our process automation tools. These platforms often include Webcollect and Query-to-Resolve (Q2R), and more recently a successful automation project involving UiPath that we implemented for a large Healthcare IT service provider to address small-balance invoices that can become a challenge down the line in collections. This particular implementation enabled us to generate interaction with small-balance invoice customers in the collections space, with an incredible success rate.

The main challenge in this case was the ageing of low balance invoices. Just to explain – small balance invoices start to age because typically the priority for most organizations is to focus on getting high balance customers to pay on time – and our people were spending a lot of time managing these small-balance invoices. We worked out a way to leverage UiPath to automatically retrieve, consolidate and email high volumes of these small balance invoices to generate interaction with our client's customers. And we did this for two reasons – firstly, to make the customers aware of the balance that was outstanding, and secondly to generate interaction to ascertain whether any additional clarification or documentation was needed.

This was an extremely successful implementation because it increased the level of interaction and gave us a success rate of 37% of engagement with these small-balance invoice customers, and targeted over 40% of our balance portfolio. This led to a situation where our collections analysts had more time to invest in cash-driving tasks, and to carry out more research on high-balance disputed invoices.

With all the disruption happening in the marketplace, how are you developing the knowledge and skillsets of your teams?

We have an ongoing program of learning and development that we use to expand our skillsets across the center, which includes the Capgemini University's global curriculum framework and database of mainly online learning and development courses. We're also leveraging our delivery network to share best practices, which enables us to stay on top of the newest tools and methodologies that are being implemented.

What's next for the Sarasota delivery center?

To summarize, it's growth – enabled by innovation, the subject matter expertise we have in our team here at Sarasota, and the immediate availability of talent we have in our labor market to support scalable business solutions our clients require. We're also in the process of hiring dedicated onshore Robotic Process Automation (RPA) resources as an extension of our global RPA practice, which will enable a lot of benefits to our clients that are going down the automation and robotics path. And finally, we're continuing to identify synergies with our operations across North America and determine the best location to provide our services from – and clearly Sarasota is a key location for the region.



A man in a light-colored suit is looking down at a tablet device he is holding. He is in a modern office environment with large windows in the background. The image has a greenish-yellow tint. The text ".04" is positioned above the main title.

.04

EXPERT INSIGHTS



DO-IT-YOURSELF – THE IMPORTANCE OF CUSTOMER PORTALS

Andrzej Hutniczak

Europe & APAC Engagement Executive, Business Services

Do you remember how you used to book an airline ticket? The usual way was to use a travel agent, who found deals for people and were paid a commission by the airline. Sounds like a lifetime ago doesn't it?

People find their own deals today. We search the airlines directly or visit price comparison websites to find both the price and schedule that suits us best. We make our own purchases, money transfers and payments when and where we want. Obvious! But why? It's not only because we can – the technology makes it possible – but also because it's human nature. People like to do things for themselves.

In this “do-it-yourself” world, one phenomenon that I find really interesting is the way in which buying behaviors that were traditionally considered B2C (business-to-consumer) are increasingly found in the B2B (business-to-business) environment.

Buying behaviors that were traditionally considered B2C are increasingly found in the B2B environment.

A recent McKinsey research study¹ mentions that “although customer-experience improvement is typically associated with B2C players, it is at least as critical in the B2B setting. While the nature of B2B relationships makes the reform challenge more difficult, with regard to customer and journey complexity, the competitive advantages and significant bottom-line gains that flow from it make the effort worthwhile. There is great potential in the B2B realm in using concepts such as self-service, online interfaces, and automated decision rules.”

Based on this, we have to ask ourselves a fundamental question – if we're in business and we haven't yet provided a similar “do-it-yourself” option, what's our reason?

WHY MANY B2B COMPANIES ARE SLOW TO ADOPT...

While most consumer-driven B2C organizations already have the portal box ticked, I can think of several reasons B2B companies may cite why they haven't got on board:

- We don't see the need. We're not a consumer goods business.
- It won't be used. Why create something that might not be used by our clients?
- Online customer portals are so impersonal. We value the direct relationship we have with our clients – and they value it too.
- The business case is not there. If the adoption is low, we'll just incur cost.

... AND WHY THEY MAY BE LEFT BEHIND

I understand these concerns to some extent, but there's more to it. The digital revolution is re-shaping the market, and the enterprises that understand and leverage it to their benefit will not only survive, but also flourish. These are organizations that know communication is a two-way thing. They understand that customer portals don't just provide self-service facilities such as virtual agents, but enable other means of real engagement such as enabling a customer to interact with a live agent when the query is more complex.

¹ Source: McKinsey & Company: Customer Experience, Creating value through transforming customer journeys | Winter 2016

The enterprises that understand and leverage the digital revolution to their benefit will not only survive, but also flourish.

Enterprises that understand the importance of the digital customer experience are already well advanced on this journey and have implemented customer portals. They are able to serve “Generation DIY” – those who live through a digital interface and want everything to be available online anytime, anywhere – and probably haven’t called a travel agency in years.

Let’s take each of the above referenced arguments in turn:

- **Lack of need** – implicit in this argument is the notion that the sole function of customer portals is to enable a fast-moving consumer goods (FMCG) style purchase. “If I’m not an online consumer business I don’t need a portal.” In fact, self-service portals not only provide customers with a means of purchase, but with a route to information and engagement. A B2B organization’s clients are people too, and people are consumers with consumer expectations. They bring these expectations to work with them and look for levels of customer service they find outside work. Statistics show if their needs aren’t met, they’re disappointed and the B2B brand value is diminished as a result.
- **Lack of a business case and low adoption** – in fact, the development and implementation costs of a customer portal may surprise you, and once it’s been rolled out the costs per contact are very low – lower, in fact, than just about any other form of customer interaction. If something that is both cost-effective and useful in consolidating brand loyalty, is it really just a “nice-to-have” requirement? In addition, it’s not only about the cost – Generation Y/millennials expect to be communicated with in a relevant way.
- **Impersonality** – the implication in this argument is that customer portals are being introduced as a replacement for direct customer contact. They’re absolutely not. Our relationships as individuals with our families and close friends isn’t diminished because we send text messages to them now and then – texting is just one of many forms of communication we use. Similarly, portals enable customers to engage with organizations how and when it suits them.



THREE WAYS CONTRACT MANAGEMENT SERVICES ARE EMBRACING DIGITAL

Craig Conte

Head of Contract Compliance and Optimization,
Business Services

I have a confession to make. I absolutely love IT buzzwords. One of my favorite games at conferences is to count how many times I hear about solutions that are “on-demand,” “cloud-based,” “automated” or employ “robotics.” What I love even more is when these terms are misused – to hear my story about the individual who told me all their contracts were “blockchain,” you’ll need to contact me in person.

That aside, there has been another great buzzword floating around business and IT services for a while – “digital.” And just so we don’t run into the issue I was mocking above, let’s be clear on what we’re talking about. A “digital service” is just that – a service (not goods) – delivered through the internet or a closed network, and virtually automated with very little or no human interaction. “But Craig,” you say, “how can such a heavily human interaction-based activity such as contracting be digital?” Well, in fact, there are ways today where the contract lifecycle has gone digital. Here are three examples:

SELF-SERVICE CONTRACTING

Most companies understand the use of templates for contracting. Everyone has seen a “standard 2-way non-disclosure agreement.” The problem is that most companies build up templates for non-disclosure agreements (NDA) and other basic contracts, but restrict access to lawyers or procurement teams. And often this is for any number of good reasons, such as a lack of clear process for using the templates, the templates are not clear enough for a non-lawyer or non-contracting person to use, or the templates aren’t mature enough. But in effect, the template has very little use if only a few people who already know how to make a contract are using it.

For instance, it doesn’t save me time at an airport if I have to go to check-in and talk to someone who knows how to check me in. What does save me time is if I have an

app that allows me to answer a few questions and then check-in without having to talk to someone. Don’t get me wrong, I like talking to people, but not when I am rushing for a flight – as is often the case.

Therefore, simple contracting can be “digital” if you take the template, make it easy to use, easy to read and process, and easy to follow for signoff and enactment. It can even go digital with a clever platform and some clause libraries or other authoring capabilities. There are many tools on the market that have good modules for this, including some great next generation tools that are really pushing the digital agenda.

COGNITIVE EXTRACTION

As mentioned above, basic contracts can be digital. But what about managing complicated contracts or understanding the unstructured data found in contracts? There is a wealth of information to be found in a company’s contracts – for example, what terms help with cash, what terms lead to losses, or even more basic items like ensuring they are all correctly signed and enforceable.

Non-digital processes require companies to either manually pull the metadata or obligations out of contracts or do nothing and therefore know nothing. But those options don’t work if we want to get digital. There are now a few tools on the market that use cognitive automation to effectively “read” the contract and pull



out the relevant information to put into a structured database for later analysis.

Pushed even further, these tools function like a “Google” interface for your contract portfolio, allowing anyone in your organization to obtain the information they need with a minimal number of clicks. Of course, there needs to be some consulting and transformation to make that happen, but the principle and output is really revolutionary.

Contracting can be “digital” if you make the template easy to use, easy to read and process, and easy to follow for signoff and enactment.

AUTOMATED REVENUE ASSURANCE

So with our digital platform of tools and processes, we now know how to create the contract and manipulate the data held within. But how do we get performance and profit under control? Well, there are a few tools that can take this data from contracts, interact with the ERP and other systems, and do everything from performance management to invoice validation with just a few clicks.

I’m not talking about simply seeing where the performance of a vendor falls within the red/amber/green framework. I’m talking about calculating whether or not there is a penalty based upon “change order #30 with modified SLA Schedule 2.1,” for example. Or whether all of those project documents fall within expected invoicing outcomes based upon the fee schedule for different types of work. These are the types of things that are often missed and can lead to revenue leakage or overpayment. And yes – these fixes can be digitized too.

Can the contract lifecycle be digitized? Of course it can. In fact a lot of companies can and are doing this today. And it’s not just a buzzword.



BRING YOUR OWN ROBOT

Christopher Stancombe

Head of Industrialization and Automation

A candidate enters the interview room. You've studied their CV, reviewed their portfolio and validated their test scores. Now, here's where it gets really interesting. They're about to show you their robot(s) and the impact it has on their performance.

This scenario is surely going to become more common in the enterprise as we see more “augmented” workers – i.e., people who bring their own Intellectual Property (IP) to the job to help them achieve more. For example, I know a recruitment consultant who used her engineering background to develop an automated search bot to find the most relevant candidates from across multiple sites.

Increasingly, all the best candidates will have some form of digital differentiator they can bring to the interview table.

INNOVATION IS THE NEW KNOWLEDGE

I think this is due to the shift in how we retain knowledge in the digital age. Knowledge is everywhere now. If my tap is leaking at home, I can watch a YouTube video and learn exactly how to fix it. I don't necessarily need to search the classifieds or get a recommendation for a plumber.

So when it comes to recruitment, perhaps we should be looking less for certain existing skills or a specific level of knowledge – because it's all easily accessible and easy to learn, digitally. As employers, maybe we should be more interested in the unique IP that candidates can bring, whether it's a software bot, a set of macros or a unique algorithm. Alternatively, a generalist with excellent knowledge management skills may be able to adapt more quickly to changing demands than a specialist.

REDEFINING RECRUITMENT

This will raise some issues as to how we go about assessing candidates in the future. The recruitment process could be run totally differently, more as a “showcase” of the candidate's “robot portfolio” as applied to problem solving.

Of course, there are a number of questions this would raise, for example:

- If the candidate is able to work more efficiently with their own tools than their peers, they may believe their time is worth more than the package on offer. We may see an increase in piece work rather than salaries.
- Legal complications could occur too. If those tools were developed in time paid for by a previous employer, who would technically own the IP? Could it be challenged? What protections would need to be established?
- Perhaps there are IT or security concerns as well, when you consider people bringing their own technologies to bear on business data of varying sensitivity.

An augmented workforce is quite a new idea – and there are lots of unknowns. But we need to start thinking about how to embrace it and make it work for both employee and employer. The benefits for both are exciting and still largely unexplored.



TAKING ADVANTAGE OF COGNITIVE PROCUREMENT

Nicklas Brändström

Head of IBX, Business Services

A common theme in science fiction is robotics – robots and artificial intelligence (AI) have captured our imaginations, our hopes and our fears, time and time again. While it is obvious that robotics will play a massive role in shaping the future, we can already see certain changes that are affecting us today.

Rather than consider the distant future, I want to focus on what automation and AI can do to improve procurement right now. Mobile, big data and cognitive computing are trends that frequently overlap and will create the foundation for virtual assistants that are always available to help, no matter where we are. Cognitive procurement represents a future built on efficiency and convenience. Through the acceptance and adoption of automation, your businesses can prepare for the future, while also experiencing significant procurement advancement immediately.

WHAT IS COGNITIVE PROCUREMENT?

Thanks to new technologies, cognitive functions allow computers to perceive the world, analyze and understand the information gathered in a certain way, and then behave in an informed manner. When working in combination with business expertise, these IT solutions lead to a variety of valuable options, including machine learning applications, natural language question answering and intelligent virtual assistants.

When cognitive computing is applied to procurement solutions, the result is cognitive procurement, a process in which computers use data mining, pattern recognition, and natural language process (NLP) to mimic human activity concerning procurement processes. This cuts down on a great deal of manual work that would otherwise be required, cutting costs for your procurement team while also making it more efficient.

HOW TO IMPLEMENT COGNITIVE PROCUREMENT

Cognitive procurement begins by automating repetitive procurement tasks. By applying automation to the correct activities, work is completed faster while human workers are able to focus on more strategic assignments that a computer cannot handle alone.

For example, the Maersk Group used Holger, a virtual robot, to price 9,000 articles in 300 different ports. This process, which normally takes a human around 4.5 hours to complete, took Holger 30 minutes. Simple but repetitive tasks such as this can be handled by automated workers much faster than a human, giving your human employees more time to spend on demanding tasks.

Of course, simple repetition is not the limit of cognitive procurement solutions. With more development, the virtual procurement assistant is the next step. This agent will serve as a centralized, digital help desk that will receive communications from employees in need of buying assistance and respond effectively through a chat interface. The virtual assistant will respond using natural language while also interpreting unstructured text, meaning that the agent will understand language elements such as synonyms and some non-standard phrasing.

Furthermore, when unable to completely understand a message, it will ask clarifying questions to ensure a successful resolution. As a result, the virtual assistant will have nearly the same skills available to a human agent, but will provide true 24/7 accessibility.

THE FUTURE OF COGNITIVE PROCUREMENT

In the short term, procurement executives are already targeting numerous processes for the adoption of automated systems. Within the next five to seven years, you will see cognitive procurement in areas such as:

- Setting up and conducting requests for proposals.
- Finding relevant suppliers.
- Catalogue maintenance and approval.
- Evaluating the performance of suppliers.
- Creating cost models and industry cost curves.
- Report generation, analytics and advanced modeling.
- And order fulfillment, logistics, picking and packing.

It's also possible that automation will have an impact on long tail spend as well as many other processes – in particular, spot buy will be an effective target for cognitive procurement solutions.

Further down the line, we will see cognitive procurement agents shoulder strategic advisory roles. They will be able to handle a massive amount of data concerning a company and use it to create informed recommendations. For example, big data and analytics technology could suggest appropriate mitigation strategies for potential risks.

Cognitive procurement agents will be able to handle a massive amount of data and use it to create informed recommendations.

AGILITY WILL DETERMINE FUTURE SUCCESS

There are four major technology trends that will help transform procurement in the years to come – the continued move to the cloud, the Internet of Things (IoT), big data and cognitive procurement. Each of these will lead to major developments within procurement, meaning that your organization needs to start taking these trends into account when defining your procurement strategy for the future. Top performers will leverage these new technologies to achieve a competitive advantage with far-reaching results.

As more and more technologies previously only seen in science fiction become reality, businesses that have prepared in advance to adapt will succeed and lead the future of procurement.



DON'T BE AFRAID OF THE ROBOTS

Marek Grodziński

Head of European Business Services Delivery Centers,
Business Services

About ten years ago, one of my top manufacturing clients invited me to visit their main production site in Europe. To my surprise, the factory was in Denmark – one of the most expensive places on the planet! I just couldn't understand how they could afford to run their operations from this location – that was, until I entered the factory.

For such a huge building full of production lines, there was a notable absence of people. Of the people that were working there, some were sitting behind monitors in small offices, clicking a mouse or keying in something from time to time. Others were behind glass walls testing products to ensure they met quality requirements. And yet another group was working on how to make and deliver products in a better and more efficient manner. It was at that point that the penny dropped – this factory wasn't succumbing to the threat of manufacturing automation, it was using innovations in technology to completely redefine and transform their operations.

More recently, I watched a TED talk by David Autor, who referenced an interesting fact from a book by Boston University economist James Bessen, who stated that “in the 45 years since the introduction of the automated teller machine, the number of human bank tellers employed in the United States has roughly doubled.” This means that innovations in technology are actually driving employment.

With these two ideas in mind, I'd like to present a prediction and some recommendations.

THE HUMAN RACE WILL SURVIVE

Have machines won the battle for labor against humans? Well, obviously not. According to an article by MIT professors Daron Acemoglu and Pascual Restrepo: “Technological progress has not caused irreversible

damage to the labor market, which always adapted to the replacement of jobs with capital, using evidence of new types of skilled jobs.”

Acemoglu and Restrepo's research proves that there is no direct negative correlation between technology and unemployment. People are intelligent and know how to survive. We can move on to new and more complex tasks. Once certain activities are automated, we will discover and create new opportunities and occupations. Have you ever heard of a Chief Listening Officer or Professional Video Gamer or Digital Prophet? Neither have I – not before I searched the web for unusual tech jobs.

Acemoglu and Restrepo also noted that pessimistic predictions about the impact of automation on the labor market have been striking fear into people throughout history. However, the truth is that we've always found ways to adapt to technology trends by betting on a much stronger force – people.

BECOME A TRANSFORMATION LEADER

With headlines constantly bombarding us about the way automation is “threatening” front- and back-office jobs, let's take a quick look at the jobs and skills robots can create. In finance, for example, we are increasingly seeing a decline in the number of accounts payable clerks in firms, but new roles in analytics are popping up all the time. On the IT side, if a company has a large



service desk, they should be thinking about how to find the right talent to operate the virtual agents that feed knowledge databases with the right information in the right structure. For procurement teams that spend all their time processing purchase orders, we should be teaching them to run crowdsourcing bids on special online platforms – platforms that also need to be built by people.

For many of us, however, automation presents new ways of working and challenges we are naturally wary or afraid of. We see robots and artificial intelligence (AI) as competition to our own jobs and potentially future race winners. But my recommendation is to turn it around. Be the first in your field to make a difference.

So don't be afraid of the robots, embrace them as they enter your working life and become your new colleagues. Be their buddy, take them out for a beer, or even, as my colleague Christopher Stancombe proposes, bring them to your next job interview.

**Don't be afraid of the robots,
embrace them as they enter
your working life and become
your new colleagues.**



TEN BENEFITS INSURERS SHOULD BE GETTING FROM THEIR THIRD PARTY ADMINISTRATORS

Aashish Jain

Principal Consultant, Head of Industrialization
and Customer Experience for TPA, Business Services

Father Knows Best is a classic American TV show from the 1950s starring Robert Young as insurance salesman Jim Anderson. Back then and over the decades since, in movies and on TV, the insurance business has been portrayed as conservative, unchanging and boring. Today, nothing could be further from the truth.

Nimble insurance startups with venture capital backing are disrupting the industry. Traditional insurers are reinventing themselves through new program development, acquisitions and partnerships. Yet, legacy platforms are making it increasingly difficult, time consuming and costly to manage effectively.

If you haven't already selected a third-party administrator (TPA), there's no better time. Even if you have, here are ten things you should be getting from your TPA relationship. Give yourself a check mark for each one you experience.

Legacy platforms are making it increasingly difficult, time consuming and costly for traditional insurers to reinvent themselves through new program development, acquisitions and partnerships.

1. **Faster to market** – a TPA can help you innovate faster. You can roll out or test hybrid and new products in the market more quickly without having to integrate them with your current systems. Legacy platforms are often too inflexible, and there are too many hoops to jump through just to see if a new program is of interest in the market. TPAs offer great flexibility for your business.
2. **Reduced costs** – in addition to reducing the high operating costs of maintaining multiple systems, your TPA can also help reduce costs by taking on some claims handling responsibilities that do not require an attorney's involvement. Contracting with a TPA is usually less expensive than building out an entire claims department, plus TPAs offer the flexibility to supplement your existing workforce as your business needs change.
3. **Competitive** – open source computing and development-on-demand has lowered the technical barriers to entry in the insurance industry. Nimble new players that can innovate quickly are taking advantage of the opportunity to fill the gaps that the incumbents have not. The right TPA can help you quickly introduce competitive products and options before a startup starts eating up your market share.
4. **Better customer experience** – another important area is the customer experience. New interaction channels such as web portals, mobile apps, robo-advisors, chat and texting support are extremely important –especially for serving millennials. At the same time, distribution is looking for new channels such as electronic apps and straight-through processing engines that enable faster sales. TPAs enable your brand to take full advantage of these new technologies.

5. **Quality controls** – with multiple systems, it can be difficult to compare programs, manage financial risks and measure results. Your TPA should be providing you with comprehensive quality assurance metrics and key performance indicators, as well as cost analysis. You must know what claims are being handled and the services being provided on your behalf, and that these interactions are professional, timely and cost effective.
6. **Security** – insurance carriers face ever-evolving requirements due to new legislation, identity theft, cyber security and more. While claims handling used to be the main focus for a TPA, this has now broadened to include data compilation, data security and reporting responsibilities.
7. **Easier to manage** – as you offer more diversified products of your own, or as a result of merger and acquisition activity or strategic partnerships, it becomes increasingly difficult to manage multiple legacy systems – as well as a disjointed workforce with expertise in one system but not another. Unifying the administration on a single platform should be your goal, but there is a high cost to getting there. Depending on the scope and time allotted to such a project, you will also face a conversion risk and a lack of operational readiness on the new platform. Getting up and running with a TPA is faster and simpler.
8. **Improved insights** – when considering TPAs, be sure to select one with analytics expertise. For example, one with a data analytics solution that can pull together data from all platforms to provide you with an overall view of the block, plus reports that would otherwise not be possible. Analytics can estimate the value of legal claims or assess probabilities using new types of real-time data, such as from sensors and telematics. Your TPA should be able to incorporate these to help generate meaningful risk insights.
9. **Ease of implementation** – the whole point of using a TPA is that you don't have to go through a large internal project to get the results you want. Consider a bundled service offering that speeds up implementation and takes advantage of proven, leading platforms. For example, Capgemini's Life & Annuity Policy Administration Services offers preconfigured, ready-to-use product templates and highly flexible, business rules-driven system configurations. Delivered via a secure cloud system,

its policy administration on the leading Oracle platform, designed to help you launch new products faster, to lower administration costs and to meet the needs of your most demanding customers.

10. **Best of both worlds** – system integration experience is a key consideration when selecting a TPA. Another is business operations expertise. Collecting the data is systems integration. Asking the right questions and having actionable data comes from the business operations side. A TPA with business experience can provide assistance with data modeling for faster decision-making, risk assessments and profitability analysis. Look for a TPA that combines a technically superior platform with business operations experience in a proven partnership.

Father may have known best in the 1950s, but the insurance business today is nothing like it was. How many checkmarks did you give yourself? If you have five or fewer, write a policy against the death of your business... or be ready, willing and able to adapt to the new reality – you need a superior member experience that's built for this fast-changing industry. A TPA service is the answer.

A TPA with business experience can provide assistance with data modeling for faster decision-making, risk assessments and profitability analysis.



FOUR REASONS CFOS SHOULD CARE ABOUT ENTERPRISE CONTENT MANAGEMENT

Lakshman Aragam

Director Content Management Services, Business Services

There has been a lot of discussion around the changing role of the CFO and the additional scope of responsibilities that are increasingly falling within the finance function. But content management? Is that really something that the modern-day CFO should be concerned about? It may surprise you, but the answer is yes!

Thanks to rapid globalization along with advancements in digital, mobile and Cloud technologies, there are many more factors today that can affect an organization's financial health than there were just two decades ago. This is particularly true for those in industries that require detailed product documentation, such as operator manuals, installation and service manuals, and other important customer communications. Here's why:

If not handled correctly, content management can have a significant negative financial impact on a company.

- **Access to information** – the customer's ability to access information from virtually anywhere and at anytime makes it even more critical to maintain accurate and current documentation, particularly in those industries where it is a legal necessity. Failure to do so may bring expensive legal ramifications or lost business. This means that corrections, updates and revisions now have to be rapidly completed and should follow product changes.
- **The voice of the customer** – inaccurate or misleading documentation may upset customers who are increasingly using social media as a channel to express their dissatisfaction. This can have a big impact on a company's financial health. Customers are also likely to be vocal on the consequences they are facing due to incorrect documentation. This really brings in new dimensions to the company-customer relationship, including potential liabilities or adverse effects on the

company's reputation. All the more reason that content should be on the CFO's radar.

- **Operational costs** – the cost of producing and maintaining documentation may be surprising to some CFOs. For example, acquiring and maintaining tools to manage content across multiple platforms continues to rise as new technologies enable additional channels. Furthermore, it has been estimated that companies lose up to 20% of time and productivity when content (both internal and external) is unclear or lacking meaning. This is particularly true for international companies where non-native speakers or multiple teams may be creating content, resulting in information that can vary greatly in quality and style.
- **Resource efficiency** – companies specialize and excel in activities that are aligned towards their core competencies and focused on revenue generation. More and more companies are finding that producing and maintaining customer documentation internally may not be the best use of the company's resources. Automation or outsourcing or a combination of the two allows company employees to focus on core, revenue-generating activities, resulting in more productivity for the company.

Content management, if not handled correctly, can have a significant negative financial impact on a company. I am not suggesting that CFOs should take over this function, but I do believe they are in the best position to understand the risks associated with poor content management. CFOs are major influencers in the boardroom and nowadays, many companies have their IT departments reporting to the CFO. Thus, CFOs are best placed to champion effective content management to ensure it has the appropriate focus.



WHAT TO DO WHEN YOUR EPROCUREMENT SOLUTION DOESN'T LIVE UP TO EXPECTATIONS

Sujay Dutta

Head of Europe Private Sector Sales, IBX Business Network,
Business Services

How well is your eProcurement solution performing compared to projections in the initial business case? If it's falling short of expectations, you're not alone. Many procurement leaders suffer from underperforming KPIs and missed timelines.

There are many contributing factors to these issues. One of the most common that I come across is the delay between the implementation of the eProcurement system and the increase in both the quality and volume of content, especially with a large number of suppliers. This lag can result in increased frustration and thus lower usage by stakeholders. Consequently, business case-busting numbers of FTEs are tasked with ensuring content is produced in order to counter the slow ramp-up. What's more, the resulting system ends up being used only as a portal to host punch-out links to supplier portals.

So how can you prevent such issues? The following four scenarios outline the common challenges and potential solutions to make sure your investment lives up to its expectations:

1. **Poor adoption by users** – as a buying organization, you assume that the eProcurement solution you select will be all-encompassing and foolproof. However, the core functionalities and buying channels to capture the bulk of spend may not have been readily available following implementation.

This lag time before buying channels become fully operational has a huge impact on the future effectiveness and usage of the system because it disrupts user adoption and irreparably damages their confidence in the solution. Internally, the solution may become branded as “not useful.” The fact that we operate in an enlightened age, where procurement adoption is meant to be led by end users and facilitated by providing the simplest, smartest and fastest route to purchasing, only compounds this situation.

Recommendation – one of the key success factors for a procurement initiative is the use of effective order and invoice automation, which occurs when spend capture is maximized through the eProcurement system. These also contribute to the bulk of business case benefits.

When adopting a procurement solution, a business must first focus on establishing a strong foundation with robust order and invoice automation capabilities. This happens when all optimum buying channels are available to be used by the casual and professional buyers to maximize spend capture. Buying organizations should ensure that their eProcurement solution partner is enabling the usage of all optimum buying channels immediately following the implementation of the eProcurement solution.

2. **Stalling growth** – you bought an easy-to-use eProcurement solution that ticked all the boxes but didn't have a plan to ensure high supplier activation and quality content. As a result, you're not meeting the expected KPIs or getting full coverage of addressable spend.

Recommendation – realizing the full potential of your eProcurement solution business case is dependent on the usage of the system. Easy-to-use technology needs to be paired with approaches that ensure the

Realizing the full potential of your eProcurement solution business case is dependent on the usage of the system.

quality and flow of the content in the system, which in turn drives higher usage rates. Buying organizations should demand support from their eProcurement solution partner in order to guarantee the quick onboarding of suppliers and content during the actual implementation while outlining well-defined KPIs.

3. **Resource drain** – your eProcurement solution doesn't have sufficient capabilities in content management, either because the extent of your requirements was not fully taken into account in the original business case, or because solution expectations have not been fulfilled. To close the gap, human resources have to be recruited or reassigned to carry out these content management tasks.

Recommendation – automation is at the heart of the business case for eProcurement solutions. Automation also needs to be used in the content management process. Manual content management is very demanding on resources and means that the benefits received from other contributors to the business case may be lost.

Automation is at the heart of the business case for eProcurement solutions.

The onus to periodically create and upload catalogue updates should, by default, be passed on to the suppliers even though the buying organization retains the responsibility of approving the catalogues. Casual users should only buy from approved supplier catalogues. In exceptional cases, for categories such as IT or software licenses, buyer-managed catalogues should be created.

Your eProcurement system should support automated content management processes with functionalities such as difference reports, catalogue scoring and version control of catalogues in order to minimize the manual effort needed during the process.

4. **Insufficient change management** – sufficient weightage to the change management issues wasn't provided for your procurement transformation initiative, nor was

a single point of ownership for the eProcurement solution identified. Consequently, momentum decreased, impacting usage and benefit levels.

Recommendation – a procurement transformation initiative usually demands significant changes in the operating models of an organization. A skilled and experienced change management owner should manage these modifications. The change management owner will need full commitment of the senior management. Also, to sustain the change over time, a solution owner for the eProcurement solution needs to be assigned, the key responsibilities of which should be to drive increased usage of the solution with higher quantities and improved quality of catalogues in order to achieve the conditions of the business case.

We know that fulfilling the business case of an eProcurement solution generally means achieving higher productivity in procurement and invoice management teams. This can be achieved through harmonized processes, higher automation in the order and invoice management processes, greater compliance through reduced maverick buying, and effective tail-spend management through better visibility and control over such spend.

Although it is not difficult to understand where the benefits should come from, implementing the solution in the right manner and managing the change process effectively remain the keys to ensuring that the relevant targets are actually met.



TACKLING FRAUD

Jon Bell

Head of Global Delivery Network, Business Services

This time of the year is always a good time to take stock of things – spring cleaning if you will. It’s a time to look beyond immediate targets and even beyond our longer-term strategy to check the whole house is in order.

Fraud is a case in point – particularly for multinational organizations – for a number of reasons. For a start, they operate across geographical boundaries, serve more customers and employ more people than others – all of which means there are more routes into the business. Next, they have to be hierarchical and often operate in de facto silos, creating opportunities for fraudsters to masquerade as bona fide with some confidence.

What’s more, large organizations often respect the status quo. For instance, if major orders are regularly received from company X, anything that superficially looks like another such order and is presented in the normal way may not be given the scrutiny it deserves. Finally, of course, there’s the digital environment, which not only creates channels of entry, but also provides potential tools for deception. It’s very simple, for example, to dummy up a company letterhead.

FAVORITE FRAUDSTER TACTICS...

External fraudsters often create a false, duplicate or altered invoice for goods and services that haven’t been supplied. They may also request that payments of invoices be redirected to a new bank account, perhaps by presenting themselves as genuine representatives of supplier companies. They may hack emails, processing systems and databases, or use email or website addresses with tiny spelling differences.

... AND HOW TO GUARD AGAINST THEM

Here are a few useful safeguards:

- **Secure your environment** – and keep it that way with regular checks. It’s obvious, but sometimes what’s obvious can be downgraded or overlooked.
- **Check identity** – in addition to being alert to subtle differences in spellings and numbers, maintain an authorized list of contacts and cross-check against it.

When changes or additions are requested, verify them with known and trusted people on your list using their known and verified contact details, not just replying to the inbound email.

- **Maintain comprehensive procedures** – this is where breaking down silos is of particular importance. If large organizations adopt and adhere to common practices and share information across functions it’s much harder for fraudsters to thrive.
- **Make those processes rigorous too** – fraudsters will often present fictitious grounds for urgency to justify bypassing proper procedures. Pay no heed. Even if the need for speed is genuine it always pays to do things by the book.
- **Create an “escape lane”** – staff are sometimes threatened, blackmailed or tempted with offers of bribes to engage in fraud. They may feel intimidated because the pressure is being applied by a superior, a high-ranking customer contact or someone employed in an official capacity. If you create a channel through which staff under such pressure can raise concerns, or staff that are worried about such pressure being applied to their colleagues can confidentially communicate to their manager, the staff in question, and the organization, will be protected.

Fraud is big business. According to the FBI, around \$750 million was stolen in scams from more than 7,000 companies between October 2013 and August 2015 – and that was in the US alone. That’s why it’s so important to maintain proper controls.

It’s also a good idea to ask people outside your standard safety procedures to help you review them. They can bring a fresh and sometimes challenging perspective. This could be people from your own internal audit or risk and compliance team, or you might also consider asking an external service provider.





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CAPGEMINI COMMUNITY

At Capgemini, we are committed to supporting Corporate Responsibility & Sustainability (CR&S) activities at the local and regional level. In light of our conviction that long-term growth is unattainable without a constant CR&S commitment, the three main assets of our CR&S strategy are Environmental Sustainability, Community Engagement and People Culture – which are supported by our seven core values of Honesty, Boldness, Trust, Freedom, Team spirit, Modesty and Fun.

**TRICHY ROCKS AT
THE WEKARE
CARNIVAL**

Employees at Business Services' Trichy center contributed to the 2016 WeKare Carnival – both with their whole-hearted participation and in terms of the number of initiatives they were involved in. Spread across two days, the carnival was held at our offices in Trichy and saw 100% participation from all our team members and was celebrated with an incredible level of enthusiasm and passion.

14 TEAMS, 71 STALLS

With almost 1,200 team members participating, the carnival boasted a total of 71 stalls across both of our VRN and Sivam facilities. The entire team participated with gusto, either as sellers at the stalls or as buyers (often as both!). The initiative also drew parallels with the competencies of our managers and team leaders, who demonstrated strong strategies at winning customer focus and enticing team members into action! Spontaneous pricing strategies and incentives were also in abundance towards the close of the event!

ENTERTAINMENTS GALORE

While the entire objective of the event was to raise funds for a range of worthy causes, a lot of fun was also had in keeping with the spirit of the carnival. From game stalls (archery, card games, TV games, bowling, etc.) and handicrafts, a horror house and a mini movie theater, to a food court offering delicious snacks and refreshments – the carnival had a variety of entertainment options for everyone.

The initiative was organized and executed brilliantly thanks to the efforts of Perumal Balakrishnan, Haresh V. and Sivaraam R. – with all proceeds going to the WeKare initiative.

“Team Trichy has been at the forefront this year in organizing various WeKare initiatives and activities,” said S. Harinarayanan (center director Salem and Trichy). “The carnival is another feather in their cap, with the whole team actively participating despite service delivery pressures. I wish the team the very best in all its endeavors.”

ABOUT WEKARE

WeKare is a Corporate Responsibility & Sustainability (CR&S) initiative for the associates of Capgemini India. The focus of this initiative is to make a difference in the lives of the people who are less privileged.

WeKare's sole intent is to give back to the society and partners with over 30 organizations working in the areas of education, environment and employment – helping these organizations through funding, volunteering, marketing and creating websites, articles, blogs and newsletters.





**CAPGEMINI
GUATEMALA AND
SYNGENTA
CONTRIBUTE TO
BUILDING
A SUSTAINABLE
WORLD**

Volunteers from Capgemini Guatemala and their families have participated in a tree-planting initiative, using young trees donated by Syngenta, underlining Capgemini's commitment to sustainable excellence.

An amazing group of 118 Capgemini Guatemala volunteers and their families planted 600 Callistemon trees inside the Jacarandas de Cayalá Ecologic Park in Guatemala City. This initiative was organized as part of Capgemini's CR&S commitment in partnership with Syngenta, one of our clients in the agro-business industry, who contributed by donating young trees from their vivarium. Capgemini provides finance and accounting services to Syngenta in LATAM and North America from our Guatemala delivery center.

Supervised by a professional group of agricultural experts, our volunteers donated two hours of their time to plant four to five trees per person on October 8, 2016 – playing their part in helping to build a sustainable world. At the same time, goodwill ambassadors from our CR&S committee organized activities to entertain the volunteers' children and prepared food for the picnic that followed, which raised money for our Ciudad Quetzal Community project. At the end of the planting session, the volunteers sat down for a family picnic to view the fruits of their labor and celebrate participating in such a worthy community initiative.

We all depend on nature to exist. If each of us planted a tree, saved water and helped at least one other animal or human being without personal gain, we could change the world

– Monika Pacay, Returns and Price Protection Senior Process Analyst.

We believe individual actions can build into a collective force that can generate an exponential and positive impact on the environment and the planet. Giving back a little bit of what nature gives us, encourages us to be thankful for what we have

– Kurt Gruening, Collections Team Lead.





**CAPGEMINI
VOLUNTEERS
SERVE
BREAKFAST TO
CHILDREN AT THE
SÃO ROQUE NGO**

A total of 52 employees from our Business Services' Blumenau engagement and their families prepared and served breakfast to children that attend the São Roque NGO.

The initiative was part of a series of special activities related to the Blumenau Olympics and took place at the São Roque NGO in the Itoupava Norte neighborhood on October 22, 2016.

The São Roque NGO supports children and young people, helping to eradicate child labor through early childhood education programs and after-school activities.



**BUSINESS
SERVICES' BUNGE
CR&S TEAM HELP
UNDERPRIVILEGED
CHILDREN IN
BANGALORE**

The Bunge CR&S Team, part of Capgemini's Business Services' Bunge engagement based out of our Bangalore delivery center, has launched an initiative to raise funds for underprivileged children at Madilu Ashram in Bangalore, India.

"Children are the world's most valuable resource and its best hope for the future," said late US president John F. Kennedy. But if children are to be regarded as our hope for the future, there is a need for investment in their all-round development in terms of health, nutrition, education, security and overall growth.

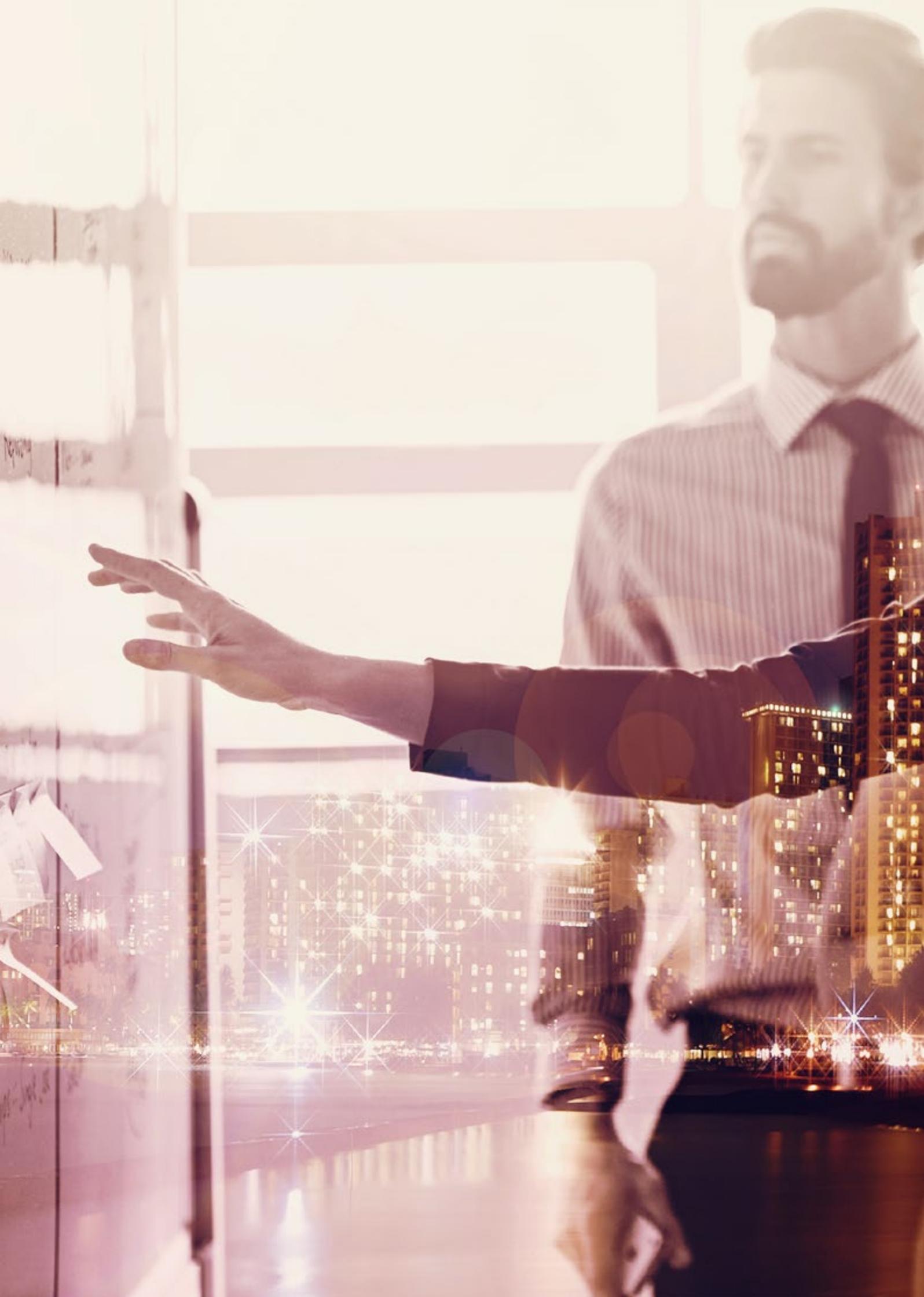
The Bunge CR&S Team first learnt about the Madilu Ashram from one of their colleagues, and were really moved to find that through the selfless service of the ashram's founder, Mr. Sharan, the Madilu Ashram provides basic facilities such as food, shelter and education to 31 underprivileged children from Bangalore. The team immediately agreed to support the ashram and decided the best way to do this was through an initiative to raise funds for the children at the ashram.

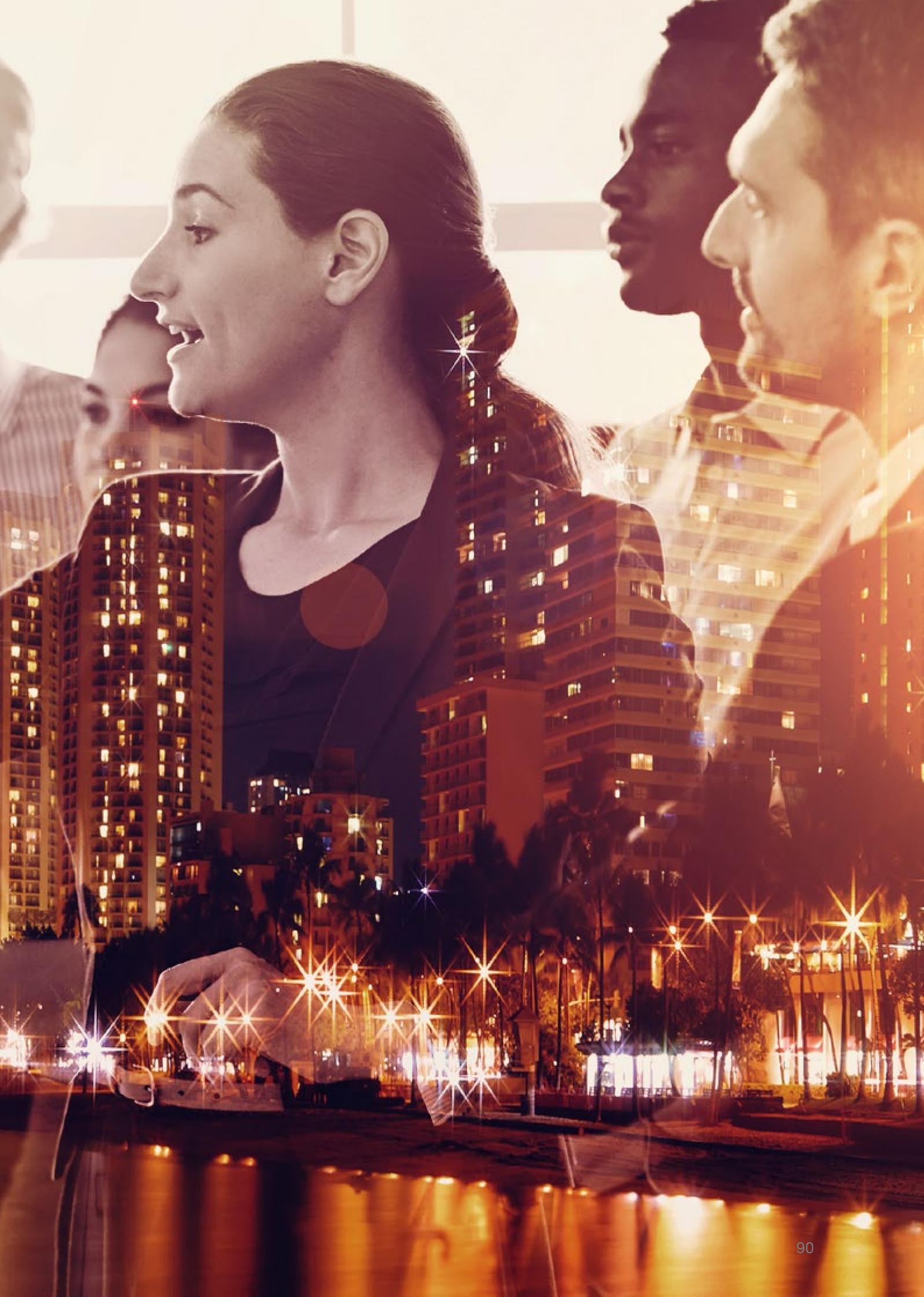
The Madilu Ashram initiative was launched in April 2016 with a communication sent out to the Bunge delivery center team about the ashram and the initiative. A cardboard box was placed in a prominent area on the delivery center floor for people to donate items such as books, toys and stationery. Overwhelmed by the response, the Bunge CR&S Team also started collecting individual donations to buy food, daily supplies, stationery items, blankets and toys for the children.

On the day the team visited the ashram to distribute the items, they first took part in a birthday celebration, with birthday cake for the children, and then involved the children in various craft activities, showing them how to make paper hats. This was followed by a talent show in which the children performed dance routines and songs – and finally, everybody sat down to healthy lunch sponsored by the Bunge CR&S Team.

This is not the first initiative the Bunge CR&S Team has been involved with. For the last seven years, the team has actively strived to involve themselves in various initiatives that serve underprivileged people in the Bangalore region. Other initiatives they have organized include:

- Distributing geometry sets, textbooks and stationary to children at schools in rural areas of Bangalore.
- Sponsoring food and stationary via the Child Fund Association, an NGO that works to prevent children from becoming child laborers, rag pickers or street children.
- Raising funds for family members of Bunge colleagues going through medical emergencies.





FOR MORE DETAILS CONTACT:

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About Capgemini

With more than 190,000 people, Capgemini is present in over 40 countries and celebrates its 50th Anniversary year in 2017. A global leader in consulting, technology and outsourcing services, the Group reported 2016 global revenues of EUR 12.5 billion. Together with its clients, Capgemini creates and delivers business, technology and digital solutions that fit their needs, enabling them to achieve innovation and competitiveness. A deeply multicultural organization, Capgemini has developed its own way of working, the Collaborative Business Experience™, and draws on Rightshore®, its worldwide delivery model.

Learn more about us at

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EDGE 2045.2017.03

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