VERINT

Extending Back-Office Operations Automation Beyond RPA

Enhance Work and Task Automation with Workforce Automation

Contents

Extending Operations Automation Beyond RPA

Moving from Task Automation to Workforce Automation

Did you know that back-office customer support functions have a significant impact on customer engagement? In fact, 17% of the calls into the contact center are caused by delays and errors in back-office processing[1]. One reason for these delays is that digital transformation in the back office has been limited to task and process automation.

Most back-office, customer-support functions use core processing systems like workflow, case management, and business process management (BPM) solutions to automate processes. More recently, robotic process automation (RPA) has gained popularity by automating and eliminating rules-based steps within a specific task that employees used to perform. Yet experts agree that the incremental benefit from these systems that focus on tasks and processes is starting to plateau.

To continue to improve efficiencies and the experience of both customers and employees, market leaders are investing in human-centric automation to help improve employee productivity, effectiveness, speed, and accuracy.

What could you do with a more productive workforce and 15% more capacity?

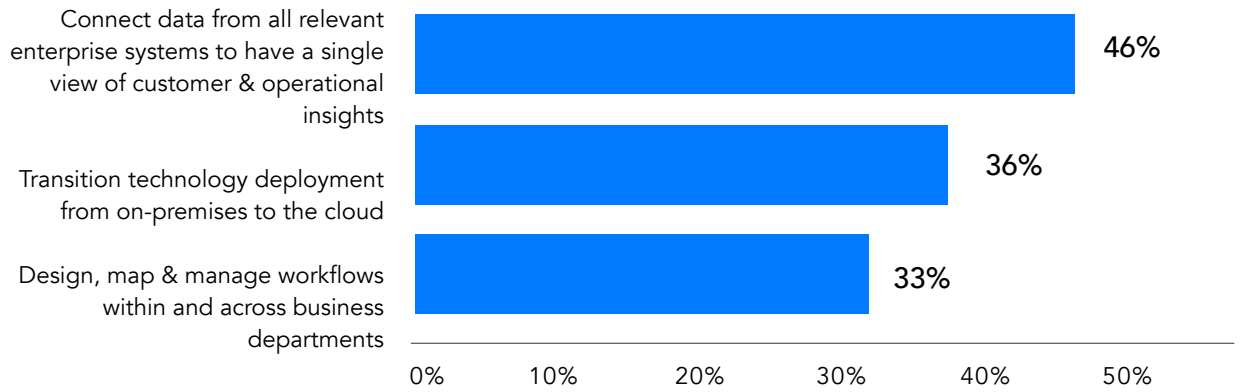
1 The Modern Back-Office Survey Findings, Aberdeen Research, July 2020

One approach is to extend the workforce engagement solutions they use to improve contact center agent performance into their back-office support functions. Best-in-class organizations realize the importance of integrating front and back-office service groups to drive efficiencies and customer engagement.

According to a 2021 Aberdeen Research survey, the top digital transformation priority of respondents was to: "connect data from all relevant enterprise systems to have a single view of customer and operational insights (46%)," **across front and back office**. And this need to connect data, work, and systems across teams and departments was echoed in the third top priority: "design, map, and manage workflows within **AND ACROSS** business departments (33%)."

Let's explore how organizations can integrate data, systems, and processes across front and back office to improve performance of the people, processes, and work.

Top 3 Back-Office Digital Transformation Priorities for Leaders



Percent of respondents, n=1,357
Source: Aberdeen, April 2021

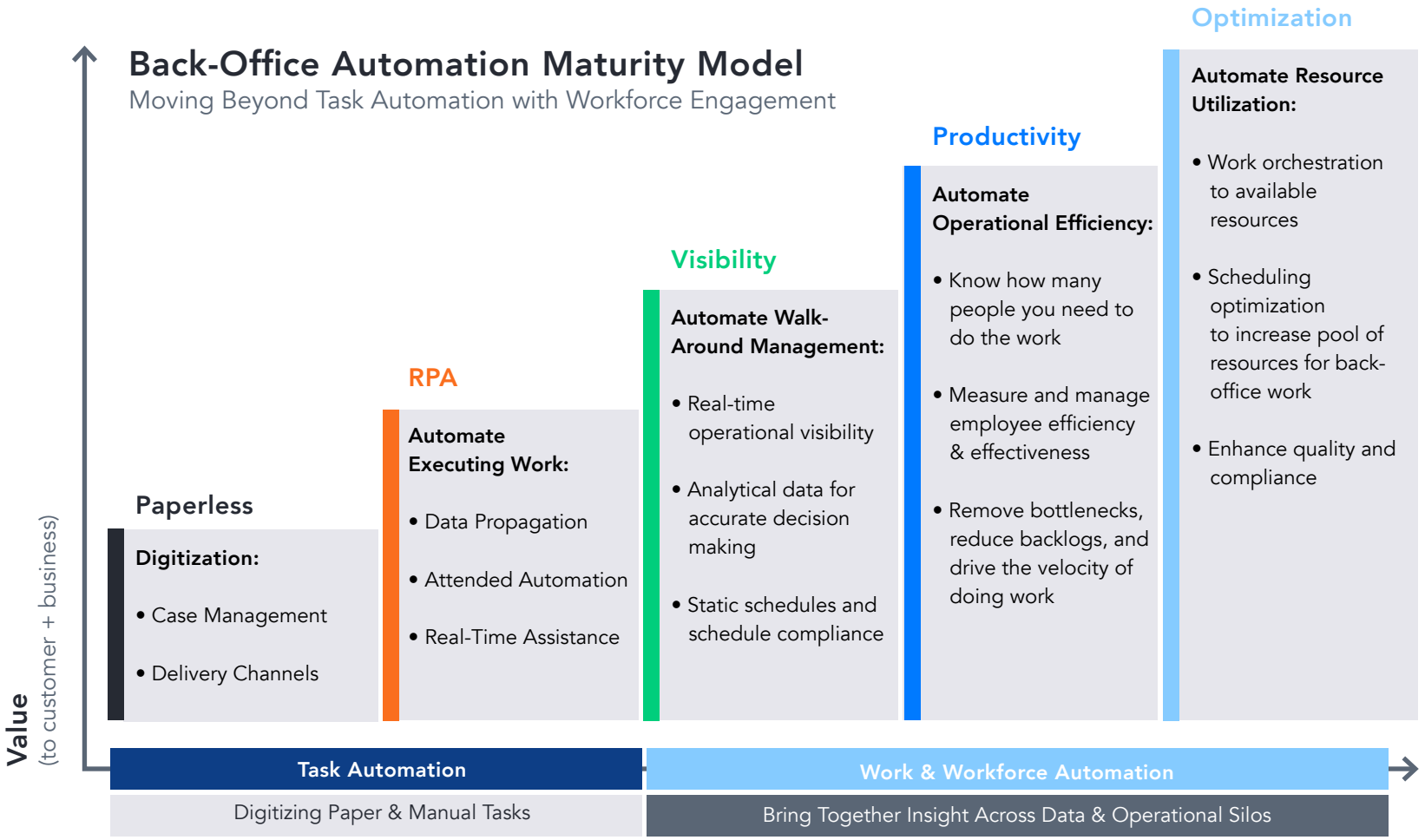
Workforce Engagement Automation

Workforce engagement (WFE) solutions focus on helping employees and managers do their jobs more effectively and consistently. WFE solutions work in tandem with BPM and RPA to improve operational efficiencies and processing speed.

We recommend a three-phased approach:

- Visibility
- Productivity
- Optimization

This approach creates value at every step in the journey and builds capabilities in a way that's easier to manage.



Consider this example: Joe is a business process and RPA expert at an insurance company. He designs the optimal claims process for items stolen from cars, automating as many steps as possible. The new process has three touchpoints that need a human touch or judgment call. The company trains its employees on the new process and system, launches an RPA bot to execute the simple, rules-based tasks, and the process goes live. By Joe's calculations, the process should now take 35 minutes, and the organization should be able to process 11 claims per day.

How does the company do against its target of 11 per day? Not as well as Joe had hoped. When he digs deeper to learn the cause, he discovers:

- An employee training session was scheduled for two hours, reducing their time in production.
- Two employees were on vacation, and one called in sick, so the work sat in their queues.
- Because process steps weren't being done by the missing employees, the robot had unused capacity.
- There was a spike in applications and there weren't enough employees to handle the volume.

What do all these variables have in common? The employee.

Visibility

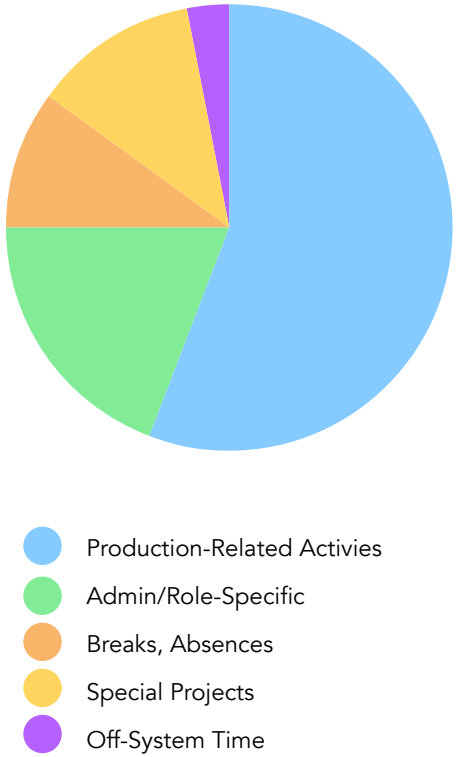
To start your back-office workforce automation journey, you need to understand all the activities your back-office staff perform. But back offices are often complex organizations made up of different teams and functions, spread across many sites. This makes it extremely challenging to create a complete picture of all the work being done. And it is nearly impossible to understand how employees are spending their time in these different groups, not to mention the growing number of remote employees.

According to Gartner, by 2022, 25 percent of the global knowledge workforce will choose to work from home as their primary workplace, and 45 percent of the workforce will be working from home two to three days per week.[2]

Desktop analytics tools like Verint® Application Visualizer™ can capture real-time data on application usage directly from the employee desktop. Managers now have objective data on time spent on production-related work, non-production activities, idle, and inactive time.

Breakdown of Employee Time

Illustrative



2 - The Future of Work Requires Executive Leaders to Embrace Radical Flexibility, Gartner, 11 May 2021

Real-Time Employee Activity Data

Armed with this data, managers can compare application usage against scheduled or actual productive work time to identify:

- Opportunities to increase productivity and capacity, reducing costs and the need for overtime
- Employees who are struggling and need coaching to improve performance
- When there is too much idle time that might indicate a system outage
- If too much time is being spent on non-production-related activities (like meetings or project work)
- Best practices of top performers to share with others
- Adherence to static schedules

Yet even this data source presents only part of the picture. Employees can spend time on work-related activities that don't involve their desktop. They could be opening mail and scanning documents, or making or responding to phone calls. They also have other valid activities that account for their time (including meetings, training, breaks, lunches, etc.).

So how do you get a complete picture?
Back offices need a means of tracking time spent in these off-system activities. Historically, this has been done with manual tick sheets or electronic logs. Unfortunately, this leaves the manager compiling data for each employee and for the team. This activity can consume so much of a manager's time that they feel more like a glorified reporting analyst than a manager.

An alternative is a digital solution that provides a single system where employees can self-record how they are spending their time. This eliminates manual compilation of paper or disparate sources. The self-reported data can be compared to the system reported data to validate activities.

Using Activity Data to Change Behaviors

So how do you transform the captured activity data into insights that can change employee behaviors?

One way is to analyze the data to establish goals for time spent in the various activities. Desktop and off-system activity can be transformed into performance metrics. To make those metrics meaningful and actionable, display the data in performance scorecards. These scorecards should be visible to both employees and managers.

Employees can see current, actual performance against their goals. The scorecards could also show how they are performing against their peers in a similar role. Having this real-time data helps employees self-correct behaviors. They are motivated to focus on the higher value, production-related activities to meet their goals. The Verint Operations Visualizer™ solution for back-office operations brings all these components together.

For your managers, the data becomes a "virtual walk-around." Instead of walking the floor to see who is doing what, managers can now view a unified team scorecard for both onsite and remote employees. This real-time data helps them identify who needs help, who could take on more work, and who needs to focus more on production-related activities.

Productivity

Once you have visibility into employee activity, you can compare employee activity against their actual schedule. If an employee shows little time spent in production-related activities, it might indicate a "will issue." If an employee shows ample time in production, but is not producing the desired results, it likely indicates a skill issue. Being able to see these discrepancies gives managers a starting point for discussions with employees on how to improve their productivity.

The next step in improving employee productivity is by factoring in the volume of work, by work type, and the handle times for each of the work types processed. Verint Operations Productivity™ provides operational dashboards or a "mission control" that bring together all these disparate data points into a single source of your operational truth. This mission control:

- Integrates with or accepts data feeds from your processing systems, so you have one source for all work volumes.
- Captures handle times for each work type or process, so, with work volumes, you can calculate the number of hours needed to execute the work.
- Factors in employee availability and skills, so you know how many hours are available for processing the work items.

Once you have all work volumes, time to complete, and employee availability (and skills), you can calculate "earned hours" and employee effectiveness.

What do we mean by earned hours? Let's take a closer look.

Calculate Employee Effectiveness

Earned hours are the number of hours of production work an employee "earns" based on the number of items processed and the time standard for those work types. Here's an example:

Jane is an account services specialist at a business process outsourcer. She works a 9 to 5 shift and is expected to spend 6.5 hours on customer service-related activities.

Jane is one of the team's top performers. She is always busy and always hits her production goals. However, the company has been overestimating how long it took to process work items. Because she was using two different systems, her boss is unable to create an accurate picture of her availability and processing capacity. We can see below that Jane has the capacity to process five more "A" work items, or 1 hour and 42 minutes of extra production time available.

On a typical day, Jane processes the following:

Activity	System	Completed Volume	Average Handle Time (standard)	Earned Minutes	Earned Hours	Worked Hours	Effectiveness Score	Paid Hours	Utilization
Review and triage claims expectations	BPM 1	3	20 minutes	60	1.0				
Review policy to validate correct coverage	BPM 2	26	7 minutes	182	3.0				
Update existing policies with changes in amount of coverage, beneficiary, or type of insurance	CRM	10	4.5 minutes	45	0.8				
			Jane's Typical Day Totals:	**294**	**4.8**	**6.5**	**74%**	**7.0**	**64%**

After implementing Verint Operations Productivity™, the BPO was able to consolidate work from multiple systems and teams. They could also understand the true handle times for each work type, and the amount of work processed by team members.

When they adjusted the handle times, they also adjusted team member production goals. So in addition to a quota or production goal for the day, Jane also now has an effectiveness rating. Jane is scheduled for 6.5 hours of production time.

She only "earned" 4 hours and 48 minutes of production-related activity. So her effectiveness rating is 74 percent.
Jane is still a top performer, but she has adjusted her work habits to execute more work during the day to meet her new goals.

Volume Completed	x	Time Standard	=	Earned Hours
Earned Hours	÷	Worked Hours	=	Effectiveness Rating
Earned Hours	÷	Paid Hours	=	Utilization

Build Comprehensive Resource Capacity Plans

Now we've created operational visibility. With real-time insight into how employees are spending their time, you can focus and increase your employees' time spent on production-related activities. By calculating earned hours, you are also able to improve the effectiveness of your employees while they are executing the work.

The next question is, do you have enough skilled resources to do the work? In back-office operations, you need an accurate capacity plan that incorporates:

- Demand – all work types, volumes, and their SLAs
- Resources – number of employees, their availability, and skills
- Backlog – volume of carryover work you have from day to day, week to week, and the age of the backlog

Demand

BPM and legacy processing systems can tell you the volume of work processed on that one system and the length of time the tasks took. But if you use more than one BPM solution, execute work on other systems, or still have manual tasks, you can't create a complete picture of all your demand. BPM systems also can't tell you the availability or skill proficiency of your employees.

A new study by Aberdeen Research found that best-in-class back-office operations are able to "connect data across relevant systems in the back-office and service departments into a single source of truth to have a complete picture of customer and operational activities." These firms are 25% more likely to forecast future workload and resource needs than peers.[3]

3 - Back-Office Agility is Pivotal for Differentiated Customer Experiences, Aberdeen Strategy & Research, 2021

Read the Aberdeen report: Back-Office Agility is Pivotal for Differentiated Customer Experiences.

Read the Report

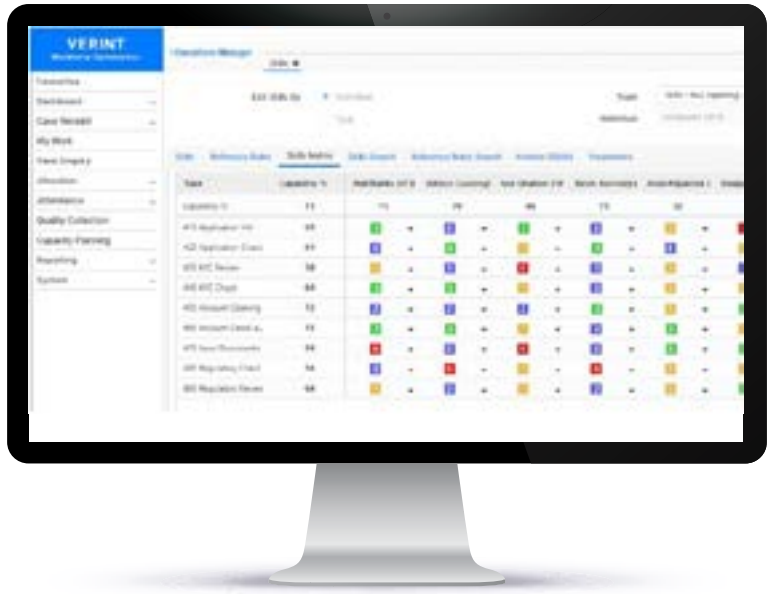
Solutions such as Verint Operations Productivity can provide a holistic, accurate capacity plan for your operations. Verint Operations Productivity can capture data feeds from your existing BPM systems, the desktop, and even manual activities. You now have a comprehensive demand model of all work types and volumes. The solution can then forecast how many people you will need, when, and with what skills, to execute the work, so you can create an accurate capacity plan.

Resources

Employee skill profiles and task proficiency impact the time required to complete the work. This means the allocated hours and capacity of the individual and team need to be adjusted. Managers can assign a proficiency level to employees:

- Green = Fully proficient: set proficiency at 100 percent of standard handle time
- Blue = Requires supervision: set proficiency at 125 percent of standard handle time
- Yellow = Newly trained: set proficiency at 175 percent of standard handling time
- Red = Unskilled: set proficiency at 200 percent of standard handling time

Managers can monitor employee handle times to determine when to change a proficiency level or when additional training is needed.



Backlog

A challenge for complex back-office operations is creating a capacity plan that factors in backlog or carryover work and the age of that backlog. Some work items, such as mortgage applications, could have an SLA of weeks or even months. The capacity plans need to account for end-to-end process SLAs as well as individual steps.

Consider this example: Sakura is the VP of Consumer Loans and Mortgages at a large regional bank. She is struggling with longer-than-anticipated turnaround times for their new, first-time home buyer mortgage offering. The bank has promised decisions within X weeks, but the process was taking three to five days longer.

Leadership consulted with Sakura on the timing and, based on her reports, felt her department could deliver. Unfortunately, Sakura's reporting did not factor in lapse time between steps, the proficiency of team members, and conflicting priorities in the organization.

Sakura dug into the data and interviewed team leads. She learned that many of the team members were new to the department and still learning the steps. This meant that handle times were longer than normal. Also, there was a lot of variability in how long an item sat waiting for the next person to pick it up and execute their step.

They lacked an automated way to track an application from beginning to end because there were many systems and team members involved. The bank was also in the midst of an operational excellence program. Many of Sakura's top performers were tapped to contribute to it. They were spending more time than normal on project calls and supporting activities.

With Verint Operations Productivity, Sakura was able to build a capacity model that incorporated skill and proficiency profiles. Verint Operations Productivity also monitors work items from beginning to end. If there's a lapse in time between tasks, the solution can reprioritize work items. Work items at risk of missing their SLA are pushed to the top to ensure they are completed within the end-to-end process goal.

With a robust, accurate capacity plan, you are better able to:

- Proactively minimize over- and understaffing scenarios.
- Test out changes to work volumes, the addition of a new product, or even the automation of tasks that decrease handle times.
- Quickly visualize the impact of changes on staffing requirements prior to making any decisions.
- Build the business case to justify new resources to support work volumes, speed the process of resource allocation, and reduce the risk of missed SLAs.

Learn how Wesleyan, a specialist provider of personal and commercial insurance, was able to reduce underwriting costs by 20 percent while increasing team satisfaction scores by 20 percent.

"Verint helps our team managers to optimize the use of their resources to achieve excellent customer outcomes. They have their eye not only on the day-to-day operation but are forward looking to ensure any concerns on the horizon are identified and appropriate strategies are implemented quickly."

Keith Harris
Planning and Reporting Manager, Wesleyan

Optimization

We've all heard the phrase, "the best laid plans…" Even with a robust, accurate capacity plan, things happen. A power outage or storm in one geography might mean work needs to be shifted to another site. If the latest product launch wasn't as successful as you had hoped, you might now have people with extra time on their hands. Or if a system upgrade takes longer than expected, you might face a backlog of work.

In these cases, you need to be able to reprioritize and shift the work to available resources in real time.

Work Prioritization and Allocation

Modern BPM and workflow solutions can prioritize work items based on their end service goal. Yet, there are many other factors that can impact the prioritization of a work item. These include the work type, the customer it's being done for, the overall value of the item, and other custom parameters based on your organization or industry.

Verint Operations Manager™ acts as a real-time mission control. You can automatically or manually reprioritize work items across your systems, teams, and locations, based on multiple work item characteristics. It assigns work to employees with the availability and skills to execute the task. Aberdeen found that best-in-class back offices are 13% more likely to rebalance and reprioritize work items in real time.[4]

This includes assigning work to the new digital worker or RPA robots. You can create robot queues in Verint Operations Manager and automate workflows between humans and bots. Should a bot stop working for any reason, work items in its queue can be automatically reassigned to an employee skilled in that task.

4 - Back-Office Agility is Pivotal for Differentiated Customer Experiences, Aberdeen Strategy & Research, 2021

Real-Time Management of Work Items

When the unexpected happens, you need accurate data to make informed decisions. Predictive data enables you to proactively take action to lessen the impact of unforeseen changes. Unfortunately, back-office operations rarely have comprehensive, real-time activity data. In fact, in a 2019 Aberdeen Research survey of contact center and back-office leaders, only the top 20% of organizations had real-time, back-office activity data.[5]

Real-time activity data enables flexible load balancing of work across teams based on resource availability. Even with accurate forecasts, there are peaks and valleys during the day. Real-time data, in a comprehensive operational dashboard, lets you see where inventory may be building or sinking in work queues compared to your forecast. Verint Operations Manager gives you this dashboard and enables you to drill down to granular detail to understand the cause and take corrective actions intraday.

Consider this example: Jamal is the VP of support operations at an investment management firm. A large percentage of the firm's work needs to be processed in Day 1 by 4 p.m. The group has few tools for understanding volumes and incurs frequent overtime. Jamal is tasked with "improving operational efficiencies" – code for do more with less. But how? Jamal doesn't know what he doesn't know.

5 - *Essentials to Modernize Your Back Office, Aberdeen Group, 2019*

Jamal first wanted to understand how his people were spending their time. He implemented Verint Operations Visualizer™. This solution uncovered opportunities to reduce idle time and time spent on activities that did not directly address the firm's processing volumes.

The biggest shift came when he implemented the Verint Operations Manager solution. It helped him:

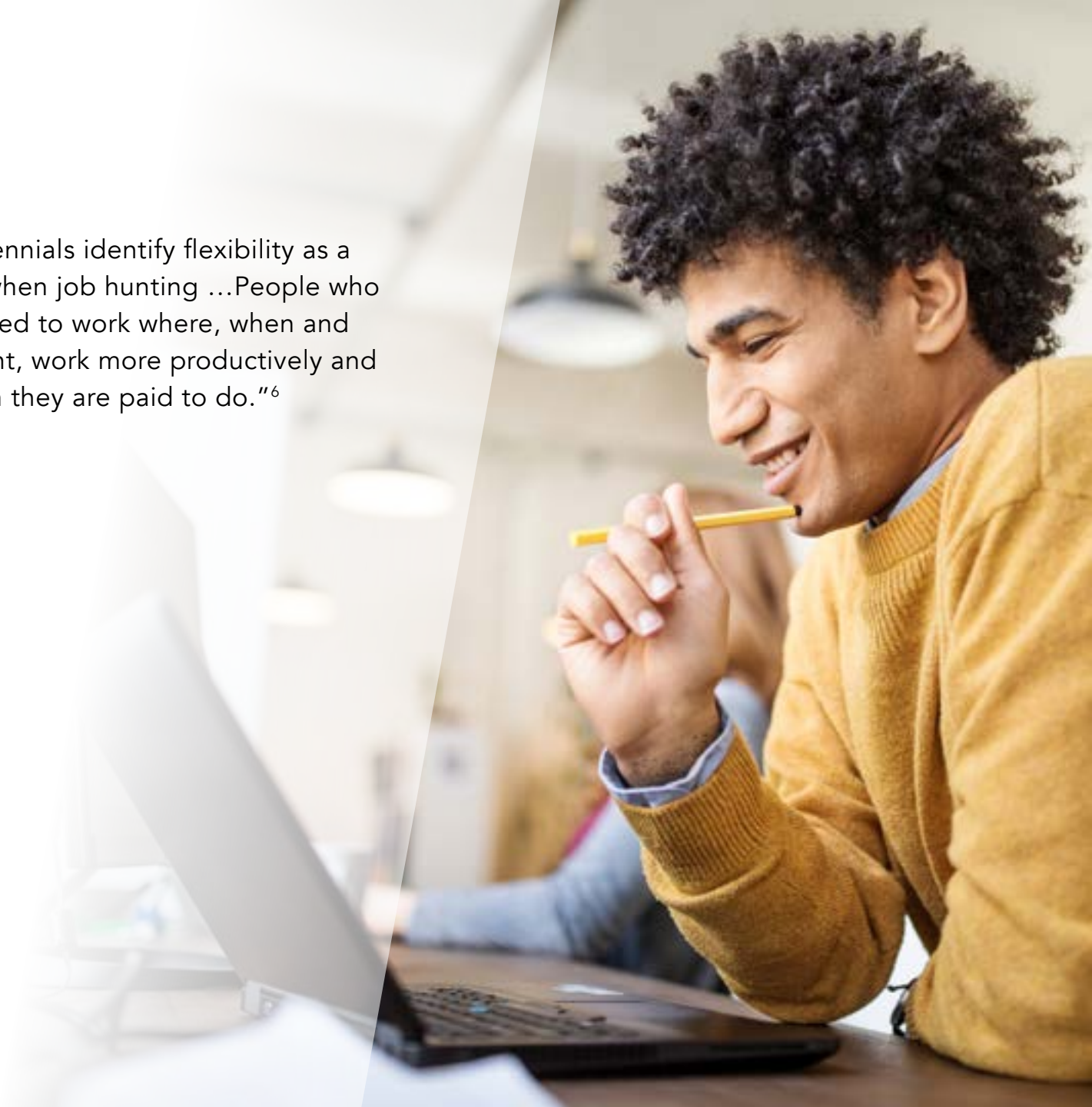
- Automate the capture of work volumes from multiple sources, eliminating associate-produced tick sheets and volume counts.
- Monitor items in backlog.
- Match these against resource availability and skills.
- Manage workloads against SLAs.

Intraday workload balancing was particularly valuable in smoothing workloads and reducing overtime. The solution also helped the firm understand arrival patterns—what work types arrived when. Jamal realized that the largest mail drop was at 3:30 p.m., and his area was one of the last business lines to get scanned by the document imaging group. By changing the start times of half the team to 9 a.m. vs. 8 a.m., the team was able to process volumes more effectively without incurring overtime. This change also dropped backlog volumes significantly.

Flexible Scheduling to Align Work with Employee Schedules

As we mentioned in the previous example, understanding your arrival patterns and adapting schedules around those can help improve efficiencies and employee utilization. Prior to the pandemic, many back-office employees worked in the office with standard 8 a.m. to 4 p.m. or 9 a.m. to 5 p.m. schedules. Employees now are demanding more flexibility in their schedules, which gives back-office leaders the opportunity to optimize schedules to better align with work volumes and arrival patterns.

"92% of Millennials identify flexibility as a top priority when job hunting …People who are empowered to work where, when and how they want, work more productively and do more than they are paid to do."[6]



6 - "Flexible Working: The Way Of The Future," by Joy Burnford, Forbes.com, May 28, 2019

Verint Workforce Management™ can generate optimized schedules based on workload, employee skills, availability, and schedule preferences. This is different from work allocation, because the solution looks at the history of when work arrives during the day and by day of week. It then provides the best schedule for meeting service goals. Now, employees can be more productive because their schedules align with work arrivals. Work can be allocated in near-real time because employees are ready to do the work at the right time of day.

The solution also provides a mobile app that helps employees self-manage their time. It gives the flexibility today's employees expect. Staff can submit time-off requests, request shift changes or swaps, or even volunteer for overtime, all through the app.

"The Verint solution allows us to maximize the efficiency and effectiveness of our employees and their time, so we can run our organization as effective and lean as possible while supporting the customer's expectations."

Director of Workforce Planning, Guardian Life

Watch this video for a great customer success story: Guardian Life Dramatically Improves Capacity and Reduces Overtime in the Back-Office with Verint.

Watch Now

Opportunities to Transform Your Back-Office Operations

We've established that for true transformation in your back-office operations, you need to optimize the work and your processes, and add solutions to help improve the efficiency and effectiveness of their people.

What would it look like if you could capture 15 percent more capacity in your existing operations? Here's an example:

500 back-office FTE* @ **15%** Increase in Capacity = **156,000** hours of capacity = **312,000** more items processed or **$4.12** million in cost savings

* $26.44 fully loaded hourly rate of $55,000 annualized salary. 30 managers and supervisors at ~$36.06 fully loaded hourly rate or $75,000 annualized salary.

Does this sound fanciful—unattainable? It shouldn't. Time and again, we have helped customers capture 10, 20, and upwards of 40 percent capacity with Verint Operations Manager.

Listen to UK insurer RSA describe how they achieved a 20 percent lift in capacity with Verint Operations Manager.

Listen Now

"We gained complete insight into process inefficiencies, true volumes, skills, capacity, and demand by the second. We use this unrivalled insight to improve performance and more effectively plan and balance workloads. For the first time, the leadership team felt empowered."

Rebecca Henry

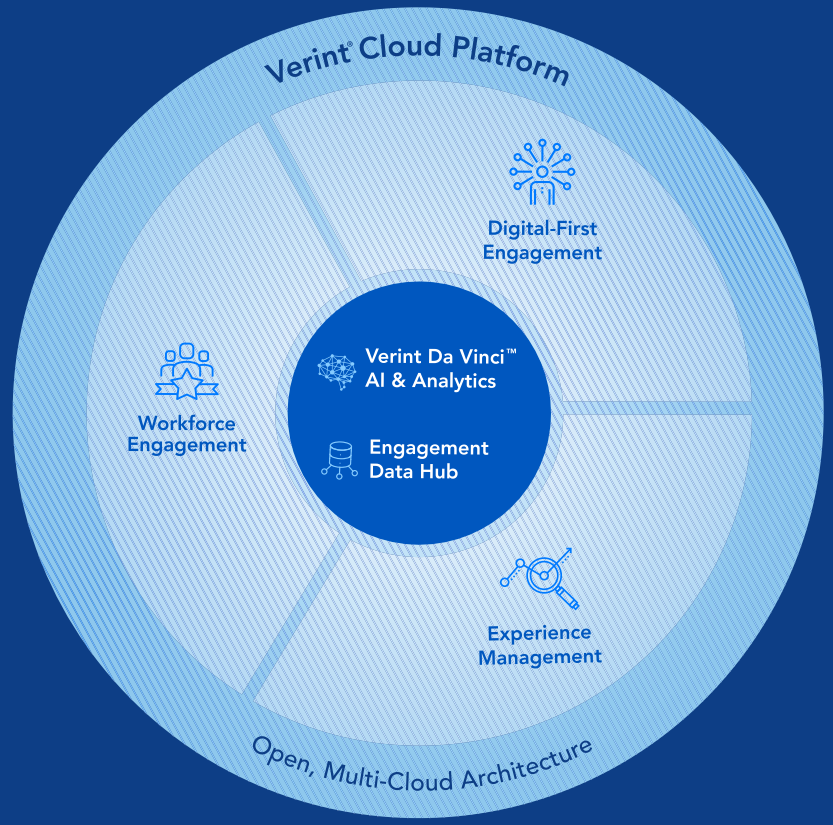
Operations Director, RSA

Verint Cloud Platform for Back-Office Operations

Verint Workforce Management for Back-Office Operations™ encompasses a suite of solutions that enables you to move along the back-office automation maturity path, including Operations Visualizer, Operations Productivity and Operations Manager. These solutions work right alongside your existing BPM, CRM, ERP, RPA, and legacy systems to connect your work, processes, systems, and people. Together, they create a single source of truth for your operational data. This mission control can help you launch the next phase of your back-office transformation.

When you are ready to expand your back-office workforce automation beyond WFM, the Verint Cloud Platform enables easy adoption of other workforce engagement solutions, including:

- Desktop and Process Analytics: Automate the mapping of processes using actual process steps taken by employees; analyze for handle times and opportunities to streamline and automate processes.
- Quality Management: Evaluate all attributes of a transaction across business systems on a single screen against metrics and processes to help employees develop and extend their skills.
- Performance Management: Consolidate data from disparate systems into actionable KPIs that enable managers to track and deliver performance-based coaching and eLearning.
- Knowledge Management: Display just-in-time, contextual knowledge resources to help improve quality and efficiency of each transaction.



To learn more about Verint Operations Manager and our other back-office operations solutions, contact us at info@verint.com or visit www.verint.com/backoffice.

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