PEX
PEX
REPORT 2023

PEX PROCESS EXCELLENCE NETWORK

Helping organizations master process improvements to remain competitive in hybrid-work environments

INSIDE:

> How Sanofi leverages process mining and RPA to achieve operational strategy

> Assessing the relevance and role of process excellence methodologies in the digital world

> Eurotunnel's customer-focused transformation journey

Brought to you in association with

walk me   **SS&C | blueprism®**   **nintex**

Editor's note

Hello, and a warm welcome to *PEX Network*'s annual state-of-the-industry report. More than two years on from the start of the Covid-19 pandemic, companies around the globe have returned to business-as-usual, albeit with hybrid-work models in place.

It has been enlightening to talk to the process excellence community over the past year and hear how practitioners are leveraging every item in their toolkits to help their organizations to achieve their objectives. Whether the focus is on becoming more innovative, retaining talent or supporting customers who have more choice than ever before, one thing is clear: focusing on processes should be a priority.

PEX Report 2023 features the exclusive results of our annual state-of-the-industry survey, topped with expert analysis from some of *PEX Network*'s Advisory Board members. They inform on the current focus for operational excellence programs, the main challenges they are facing and what their investment priorities are for the next 12 months.

The report also features exclusive insights and success stories from experts working at renowned companies that include Commonwealth Bank, The Coca-Cola Company and Sanofi. It contains a range of topics relevant to the community such as traditional and new methodologies, automation, process mining and data.

The *PEX Network* team hopes you will enjoy reading this report and that it will help you establish a strong base for your own transformation journey.

We are always keen to hear your feedback on the content and events we produce, so feel free to get in touch with me to share your thoughts on this report.

Alice Clochet
Editor
PEX Network
alice@pexnetwork.com

Contents:

PEX
PROCESS EXCELLENCE
NETWORK

PEX Report 2022 contributors

Advisory Board members

Jon Atienza
Senior intelligent
automation manager
The Coca Cola Company

Mark Ghibril
Senior vice-president
of IT and digital products
Siemens Gamesa

Garret Etgen
Associate vice-president, strategy
and operations, Lilly Research Labs
Eli Lilly and Company

Nao Anthony
Senior manager of
operational excellence
Commonwealth Bank

Vineet Mehra
Product head, order-to-cash
AP Moller Maersk

Joe Craughan
X disruptor
Novartis

Debashis Sarkar
Managing partner
Proliferator Advisory
and Consulting

Blake Jones
Product owner of low-code
DevOps and governance
Chevron

Maneesh Subherwal
Executive director of business
transformation, commercial bank
JP Morgan Chase & Co.

Lyudmila Todorovska
Global product owner
robotics, automation and
low-code development
Heineken

Peter Evans
Former director of service and
performance management for
shared services
The LEGO Group

Contributors

Yulia Neroslavski
RPA domain lead
Payoneer

Ian Rabagliati
Product and engagement director
Eurotunnel

Eric Johnson
CEO
Nintex

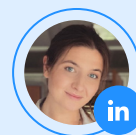**Rafael Sweary**
President and co-founder
WalkMe

Nikolay Goldovich
Head of data, process, automation
intelligence center of excellence
Sanofi Business Services

Cathy Gu
Event director
OPEX Week: Business
Transformation World Summit

Tiphaine Chatin
Automation project
manager officer
Sanofi

PEX
PROCESS EXCELLENCE
NETWORK

PEX Report 2023 sponsors

Nintex is the global standard for process management and automation. Today more than 10,000 public and private sector organizations across 90 countries turn to the Nintex Platform to accelerate progress on their digital transformation journeys by quickly and easily managing, automating and optimizing business processes.

Learn more at www.nintex.com and experience how Nintex and its global partner network are shaping the future of intelligent process automation (IPA).

SS&C Blue Prism provides leading enterprise intelligent automation technology worldwide. We empower customers to reimagine how work gets done with a secure and scalable intelligent digital workforce. A digital workforce increases efficiency, reduces operating costs and returns millions of hours to staff to focus on the things that matter most.

Visit www.blueprism.com to learn more or follow Blue Prism on Twitter @blue_prism and on LinkedIn.

WalkMe's cloud-based digital adoption platform enables organizations to measure, drive and act to ultimately accelerate their digital transformation and better realize the value of their software investments. Our code-free platform leverages our proprietary technology to provide visibility to an organization's CIO and business leaders, while improving user experience, productivity and efficiency for employees and customers. Alongside walkthroughs and third-party integration capabilities, our platform can be customized to fit an organization's needs.

For more information, visit www.walkme.com.

State-of-the-industry survey analysis

> Transformation programs are more targeted

> Organizations are looking for more holistic solutions to drive transformation

> Budgets, challenges and investments

PEX
PROCESS EXCELLENCE
NETWORK

Transformation programs are more targeted

Process excellence (PEX) and operational excellence (OPEX) practitioners are responding to their company's need to transition away their focus on transformation which came in response to the pressures of the pandemic. Now, the focus is on ensuring a lean and efficient operating model to navigate economic uncertainty.

Given the shift in operating environment we have seen a corresponding change in the scope of transformation for the global state-of-the-industry survey respondents. In *PEX Report 2022*, 44 percent of respondents were conducting enterprise-wide transformation, compared to 35 percent in this report's edition. This is coupled with the fact that there has been an increase in the deployment of OPEX at one or more business units (17 percent in *PEX Report 2022*, 22 percent this year).

This change in focus can be explained by the fact that, according to Maneesh Subherwal, executive director of business transformation, commercial bank at

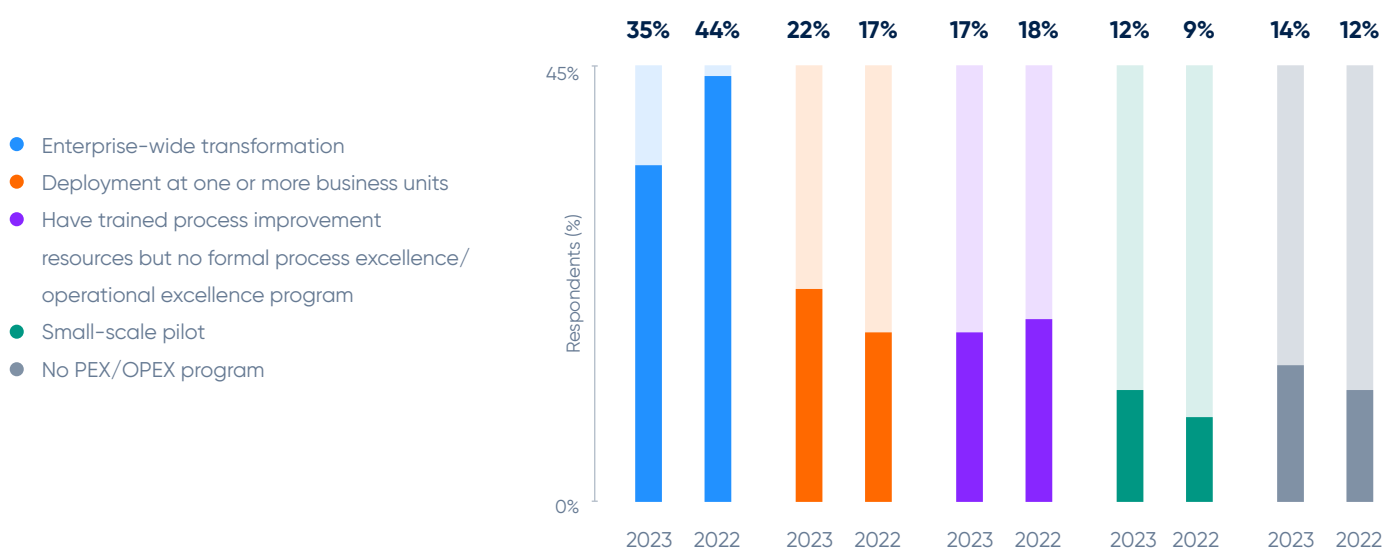JP Morgan Chase & Co., "people are tired – it is yet another transformation we talk about".

We have gone through a period which has seen a lot of enterprise-wide efforts rolled out and celebrated across various industries even though they might not be as successful. Garret Etgen, associate vice-president, strategy and operations, Lilly Research Labs and Eli Lilly and Company, explains: "There is almost a declaration of victory before finding out the transformation was not as integrated as we hope or the landscape has changed."

It may be easier for companies to focus on local areas that need attention instead, explains Etgen. "It is easier to transform at the semi-local level than trying to get the whole enterprise back on the bandwagon," he notes.

Subherwal adds: "Targeted transformation leads to outcomes as opposed to doing it in a 'big bang' way where you are not clear what you are shooting for."

FIGURE 1

Which of the following best describes the current scope (2022 onward) of the process excellence/ operational excellence deployment at your company?

Legend:
- Enterprise-wide transformation
- Deployment at one or more business units
- Have trained process improvement resources but no formal process excellence/ operational excellence program
- Small-scale pilot
- No PEX/OPEX program

Bar chart values (2023 / 2022):
- Enterprise-wide transformation: 35% / 44%
- Deployment at one or more business units: 22% / 17%
- Have trained process improvement resources...: 17% / 18%
- Small-scale pilot: 12% / 9%
- No PEX/OPEX program: 14% / 12%

Note: The 2022 results are from *PEX Report 2022*

Source: *PEX Network*'s 2023 global state-of-the-industry survey

PEX PROCESS EXCELLENCE NETWORK

Transformation programs are more targeted

The top three departments driving transformation are operations (53 percent), IT (36 percent) and finance (32 percent). While OPEX initiatives in finance can help manage inflation, it is notable that these departments are not profit centers.

Blake Jones, product owner of low-code DevOps and governance at Chevron, explains: "It is reasonable to assume they initiate these efforts as a way to respond to cost-cutting pressures being put on them by executive leadership."

Enterprise-wide transformation requires significant leadership buy-in across several departments, explains Peter Evans, former director of service and performance management for shared services at the LEGO Group.

"In the rarer occasions you get enterprise-wide transformation, it is because a significant proportion of C-suite sees the value in it and are willing to put their name behind it and drive it," Evans notes.

There is also a culture element behind the C-suite support as explains Debashis Sarkar, managing partner at Proliferator Advisory and Consulting: "Not only are transformations getting tightly managed, there is a greater focus on getting the culture piece right. The C-suite has realized that without embedding the right behaviors, sustaining the benefits would virtually be impossible. The top management and board are asking a lot of questions around it."

Even though the transformation seems more department-based, as demonstrated in Figures 1 and 2, leadership buy-in is present. The board of directors and chief executive officers remain the top sponsors for transformation, a trend which follows from 2022.

FIGURE 2

How is your transformation structured?

20%	**23%**	**23%**	**13%**	**6%**	**15%**
Enterprise-wide transformation office	Top-down transformation	Transformation takes place at business unit/ department level	Bottom-up grassroots continuous improvement	PMO office	We are not undergoing a transformation program

Note: The 2022 results are from *PEX Report 2022*

FIGURE 3

Who is the main/leading sponsor of your business transformation program?*

Top five survey answers:

| **29%**	**27%**	**8%**	**6%**	**6%**
The board of directors/ chairperson	Chief executive officer	Department head	Chief operating officer	Chief financial officer

*Survey respondents could select more than one option

Source: *PEX Network*'s 2023 global state-of-the-industry survey

Transformation programs are more targeted

What stage of your transformation are you at currently?*

- ● We have not started
- ● We are drafting key requirement and end goals
- ● We are building a process base and framework
- ● We are looking at solution providers to partner with
- ● We have implemented initial technology and are looking to go further
- ● We have optimized processes, implemented the technology we wanted and are now conducting continuous improvement/adjustments
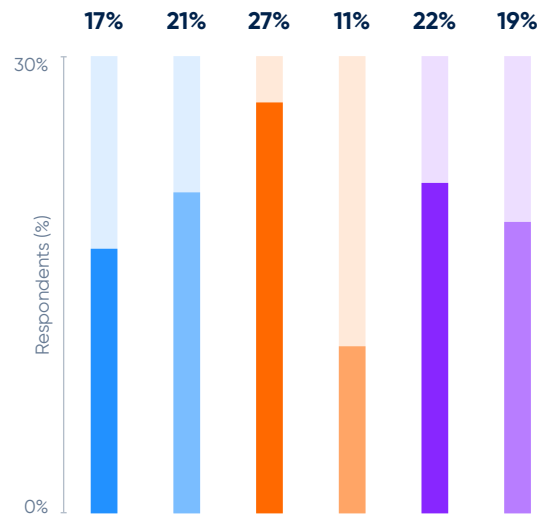
17% 21% 27% 11% 22% 19%

Respondents (%)

30%

0%

*Survey respondents could select more than one option

Source: *PEX Network's* 2023 global state-of-the-industry survey

When it comes to the way survey respondents view OPEX and business transformation, "a mission-critical strategy to help the organization to drive growth, manage turnaround and deliver strategic objectives" tops the list for the first time since *PEX Report 2020*, published before the pandemic started.

In *PEX Report 2022*, this was a close second behind "a way to improve productivity and efficiency", which missed the top place by a single percentage point. The divide between the two is now 11 percent. The shift toward growth as opposed to productivity and efficiency could be partly driven by investors, explains Joe Craughan, X disruptor at Novartis.

"Investors, at least in life sciences, are heavily focused on sales growth more than growth margin expansion – they are placing greater emphasis on pipeline success for future products," he says.

Driving growth through OPEX is not new and it has been a parameter on which OPEX has focused on for the last 20 years, explains Sarkar. What has changed, however, is the current macro-economic environment.

"Many organizations are struggling with growth numbers and they are using OPEX initiatives to increase them and keep their business flying," Sarkar notes.

PEX
PROCESS EXCELLENCE
NETWORK

Transformation programs are more targeted

The post-pandemic need to drive growth could be cyclical, however, with Evans noting that "we may find in a year or so, the focus on productivity and cost comes back".

The view that "a way to improve customer satisfaction through better quality and efficiency" is third on the list (38 percent), which is unsurprising. Jon Atienza, senior intelligent automation (IA) manager at The Coca-Cola Company, mentioned in *PEX Network's 2022 IA report* that "everything should be driven by customers' brand loyalty and retention".

Craughan believes OPEX-driven growth is about "a customer-oriented mind-set and how to build processes to efficiently bring your products and services to customers in the most efficient and cost-effective way".

He adds: "There is a big shift and companies are realizing that you have to be more than the product you offer. It has to do with how you impact customers and how to make processes more customer-centric, as well as more effective and efficient for the organization."

FIGURE 5

Which of the following best describes how your company views OPEX/business transformation?*

- A mission-critical strategy to help the organization to drive growth, manage turnaround and deliver strategic objectives
- A way to improve productivity and efficiency
- A way to improve customer satisfaction through better quality and efficiency
- A way to automate processes
- A way to deliver culture and leadership change across an organization
- A way to manage business risks and ensure business continuity
- A way to adapt to remote-working/ hybrid-work models
- A way to reduce operational cost or reducing headcount
- A way to ensure compliance with regulatory regimes
- A way to move to the cloud
- Other
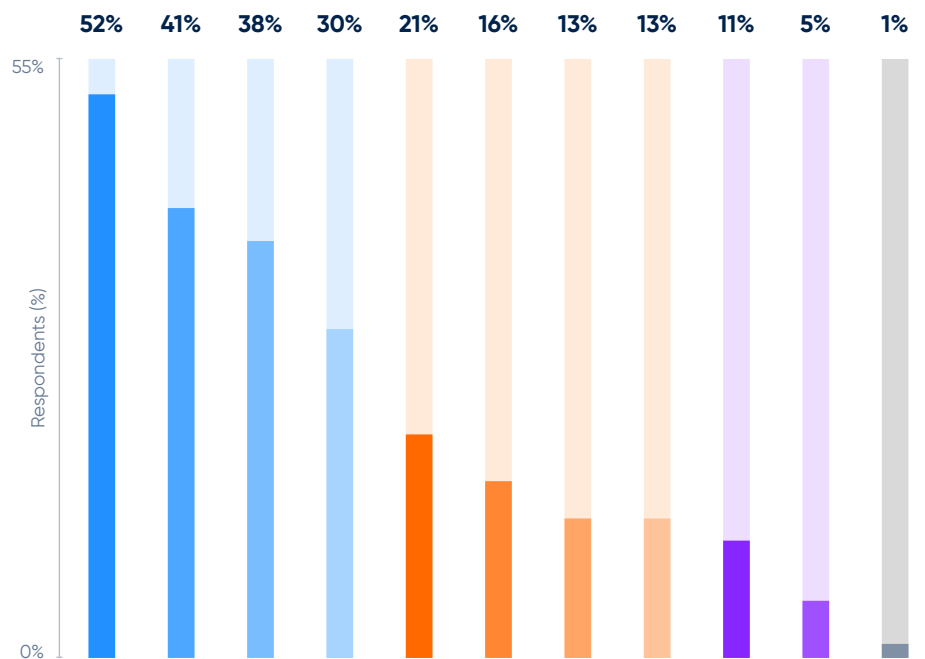
52% 41% 38% 30% 21% 16% 13% 13% 11% 5% 1%

*Survey respondents could select more than one option

Source: *PEX Network's 2023 global state-of-the-industry survey*

Top three views of OPEX and business transformation in *PEX Report 2022*

59% A way to improve productivity and efficiency

58% A mission-critical strategy to help the organization to drive growth, manage turnaround and deliver strategic objectives

56% A way to improve customer satisfaction through better quality and efficiency

PEX PROCESS EXCELLENCE NETWORK

Transformation programs are more targeted

What is your primary measure of success for your OPEX/ business transformation?

- ● Cost savings
- ● Business top-line growth
- ● Improved customer satisfaction
- ● Increased throughput/efficiency
- ● Customer acquisition and retention
- ● Employee engagement/retention
- ● Employee productivity
- ● Reduced operational risk
- ● Use of new systems
- ● Number of projects completed
- ● Other
- ● Overcoming disruption caused by the Covid-19 pandemic

21%
19%
13%
10%
8%
8%
7%
4%
4%
3%
2%
1%
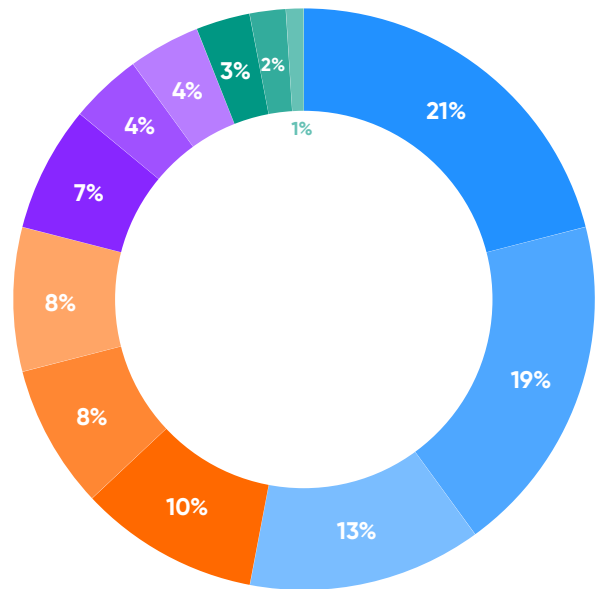
Source: *PEX Network's 2023 global state-of-the-industry survey*

"There is a big shift and companies are realizing that you have to be more than the product you offer. It has to do with how you impact customers and how to make processes more customer-centric, as well as more effective and efficient for the organization."

Joe Craughan
X disruptor
Novartis

PEX
PROCESS EXCELLENCE
NETWORK

Transformation programs are more targeted

In terms of methodologies and solutions organizations are currently using to support their OPEX projects, Agile has moved from second to first place (34 percent). It has replaced change management (33 percent) which could be due to enterprise-wide transformation scope dropping (Figure 1) and thus change management being a more local initiative.

In *PEX Network*'s **Asia-Pacific (APAC)-focused market update**, Nao Anthony, senior manager of operational excellence at Commonwealth Bank, explained the popularity of Agile is due to how it brings value to businesses. He said: "It looks at technology through the prism of releasing the best value to customers as fast as possible."

Digital transformation has moved from the seventh to the fourth place (30 percent), a rise in popularity which is expected to continue over the next 12 months.

FIGURE 7

Which methodologies/solutions are you currently using to support operational excellence projects?*

34% Agile	**23%** Process modelling/mapping tools	**14%** RPA
33% Change management	**22%** Six Sigma	**14%** Low-code/no-code automation
31% Data analytics/business intelligence	**21%** Cultural transformation	**14%** Process discovery
30% Digital transformation	**21%** Design thinking	**12%** Intelligent document processing
28% Digital process automation	**20%** AI	**12%** ISO
27% Business process reengineering	**20%** Total quality management/total productivity management	**12%** Gemba Kaizen
27% Behavioral/employee engagement	**18%** Lean	**11%** Enterprise architecture
25% Workflow automation	**17%** BPM methodology	**10%** Process simulation
24% Consultancy	**15%** Intelligent automation	**9%** Business architecture

9% BPM solutions
7% Process mining
6% Hyperautomation
6% Kanban
3% Hoshin planning
2% PFMEA
2% DFSS
2% Other

*Survey respondents could select more than one option

Source: *PEX Network*'s 2023 global state-of-the-industry survey

Top three methodologies and solutions in *PEX Report 2022*

45%
Change management

44%
Agile

41%
Data analytics/business intelligence

PEX PROCESS EXCELLENCE NETWORK

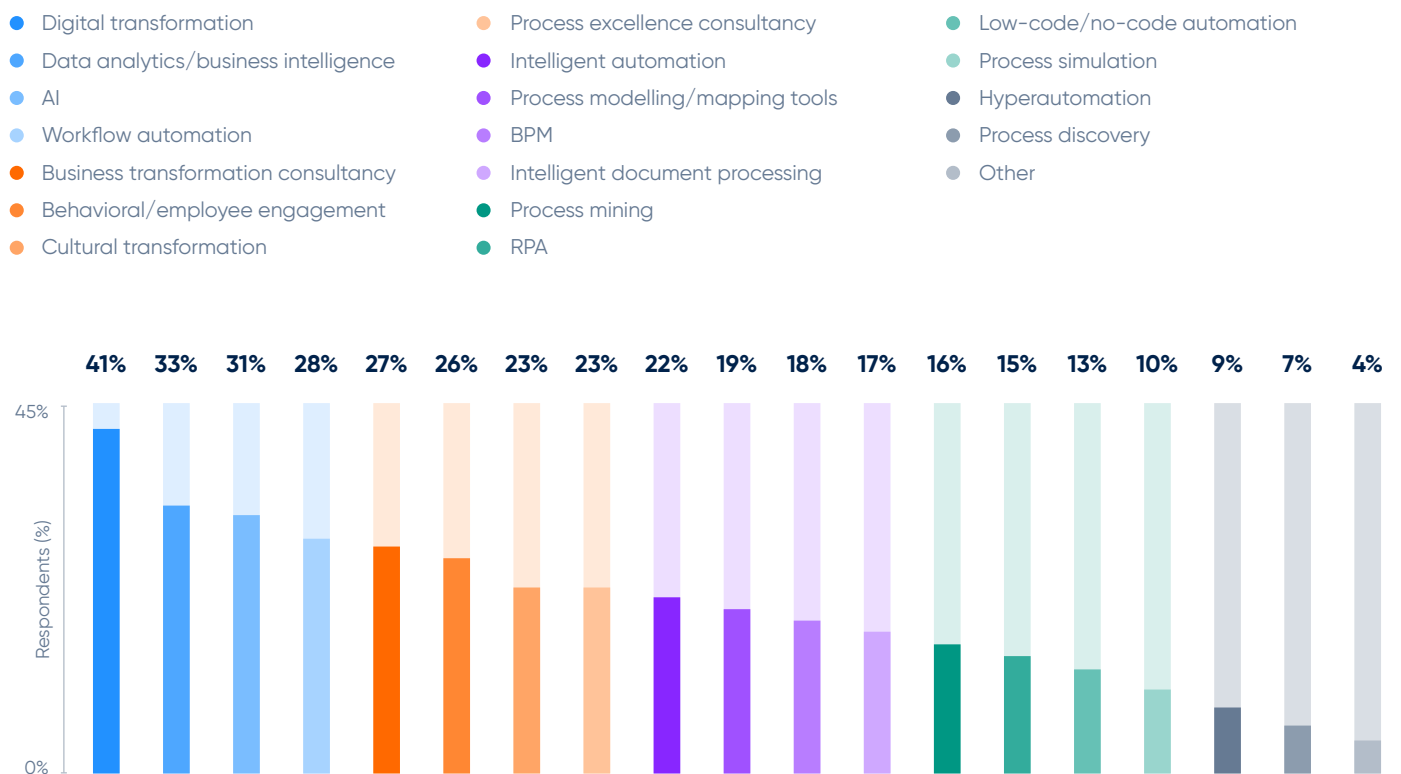# Organizations are looking for more holistic solutions to drive transformation

The number one technology in which organizations are looking to invest in over the next 12 months is digital transformation (41 percent), which was third in *PEX Report 2022*. Organizations seem to be focusing on solutions that provide a holistic transformation as opposed to targeted ones. This corroborates the fact that robotic process automation's (RPA) popularity dropped, from seventh place in *PEX Report 2022* to 14th in this report's edition (15 percent). According to LEGO Group's Evans, while it is not "the flavor of the month it was three to four years ago", it has brought a new way and speed of thinking.

He explains: "A few years ago organizations stopped shouting about the number of bots they had and instead talked about the difference they were making with RPA. In many ways it has been a fabulous catalyst for more Agile thinking, for people to move through change and change cycles more quickly and for new technology to find a way in alongside the democratization effort – more people are becoming involved and they feel empowered to do so."

Novartis' Craughan believes it is explained by the difficulty of scaling RPA due to poor master data management at the enterprise level.

FIGURE 8

What solutions are you looking to invest in to drive your OPEX and transformation programs over the next 12 months?*

- ● Digital transformation
- ● Data analytics/business intelligence
- ● AI
- ● Workflow automation
- ● Business transformation consultancy
- ● Behavioral/employee engagement
- ● Cultural transformation
- ● Process excellence consultancy
- ● Intelligent automation
- ● Process modelling/mapping tools
- ● BPM
- ● Intelligent document processing
- ● Process mining
- ● RPA
- ● Low-code/no-code automation
- ● Process simulation
- ● Hyperautomation
- ● Process discovery
- ● Other

41% 33% 31% 28% 27% 26% 23% 23% 22% 19% 18% 17% 16% 15% 13% 10% 9% 7% 4%

Respondents (%)   45%   0%

*Survey respondents could select more than one option

Source: *PEX Network*'s 2023 global state-of-the-industry survey

PEX
PROCESS EXCELLENCE
NETWORK

Organizations are looking for more holistic solutions to drive transformation

Coca-Cola's Atienza agrees and adds that to launch, RPA programs need a lot of coordination between IT and the business, and involves a lot of people, which impacts growth and scaling.

Tying in the benefits of RPA to the business case is another challenge, coupled with movements on user automation. Atienza says: "There is a big shift in IA where RPA is just a fragment of a process, while we are starting to look end to end and have a holistic view of processes."

There is also cautiousness in RPA's deployment with Proliferator Advisory and Consulting's Sarkar stating: "Companies are a bit cautious about how they adopt RPA because some of them did not get it right in the earlier phase of deployment. I believe that while companies look for holistic digital solutions, RPA is going to be an important constituent as a lot of value has still to be extracted from it."

Top five solutions in *PEX Report 2022*

43%	**34%**	**31%**	**29%**	**25%**
Data analytics/ business intelligence	Workflow automation	Digital transformation	AI	Behavioral/employee engagement

PEX PROCESS EXCELLENCE NETWORK

Organizations are looking for more holistic solutions to drive transformation

The fact that artificial intelligence has moved from fourth in *PEX Report 2022* to third in this year's edition (31 percent) shows a willingness to analyze the data collected on processes and perhaps extend it to customers via chatbots.

We have asked the survey respondents to tell us about the solutions they consider key to OPEX over the next 12 months. Below we reveal a handful of responses.

"Digital collaboration in the Metaverse."

"Every digital asset needs to be taken seriously and given maximum security levels."

"Create a product-agnostic transformation roadmap which mandates the collaboration between product and operations."

"Managing AI and ML bias."

"Enhance straight through processing."

"Process flow optimization."

"Universal process notation."

"Human solutions – people are the answer."

"Universal process notation as a better way to define processes for ease of business understanding."

"It is important to organize training to build capacity for effective job performance."

"Replacing ERP."

"Cultual chang, leadership and employee involvement."
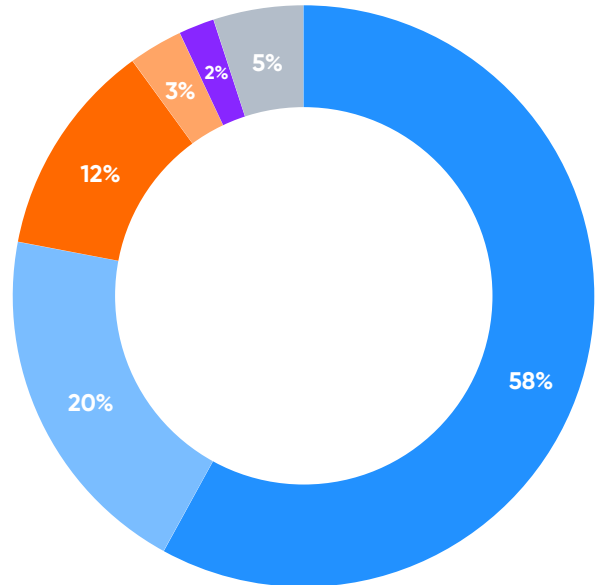
PEX PROCESS EXCELLENCE NETWORK

Organizations are looking for more holistic solutions to drive transformation

FIGURE 9

How would you rate the importance of data collected on processes in OPEX/business transformation initiatives?

- ● Very important
- ● Fairly important
- ● Important
- ● Slightly important
- ● Not at all important
- ● Do not know

58%
20%
12%
3%
2%
5%

Source: *PEX Network's 2023 global state-of-the-industry survey*

The importance of data analytics, which is second on the list (33 percent), was noted in *PEX Report 2022*. The majority of respondents, 78 percent, have rated it either as very or fairly important in this report's edition while only five percent have rated it as slightly important or not at all important.

We have asked respondents to explain their answer, and below we share a few of their responses.

"It is the best way to monitor and measure improvements."

"We cannot manage what we cannot measure, therefore, data is vital."

"Data analytics is good for insights about customer behavior which helps to work with them."

"It brings out the reality of the situation."

"It helps us know if, when and how we will get to our goal."

"AI- and ML-based solutions are being deployed based on data analysis to take better-informed decisions."

"Data is not given the importance that is should."

Organizations are looking for more holistic solutions to drive transformation

Low-code and no-code solutions are key to democratizing process automation. They help foster an innovation mind-set that is needed as organizations move toward hybrid-work models, as revealed in *PEX Network*'s **The importance of leveraging low-code to democratize process automation** report.

In it, JP Morgan Chase & Co.'s Subherwal explained: "The opportunity to use low-code tools to run quick experiments, validate hypotheses and business cases requires new ways of thinking and working."

Of all survey respondents, 31 percent of them already have a low-code/no-code platform, with 18 percent looking to invest further within the next 12 months. While a total of 42

percent of respondents do not have a low-code/no-code platform in place, 32 percent are planning to invest within the next 12 months. The share of respondents looking to invest in these solutions has increased from 23 percent in *PEX Report 2022* to 49 percent in this year's edition.

FIGURE 10

Are you planning to invest in low-code/no-code app development?

We already have a full low-code/no-code platform in place and have no further plans
13%

We already have a full low-code/no-code platform in place and plan to invest further over the coming 0-6 months
10%

We don't have a low-code/no-code platform in place and plan to invest in 0-6 months
16%

We already have a full low-code/no-code platform in place and plan to invest further over the coming 6-12 months
5%

We don't have a low-code/no-code platform in place and plan to invest in 6-12 months
8%

We already have a full low-code/no-code platform in place and plan to invest further in more than 12 months
2%

We don't have a low-code/no-code platform in place and plan to invest in more than 12 months
8%

We don't have a low-code/no-code platform in place and have no further plans to invest
10%

Do not know
28%

0%   Respondents (%)   30%

Source: *PEX Network*'s 2023 global state-of-the-industry survey

PEX
PROCESS EXCELLENCE
NETWORK

Organizations are looking for more holistic solutions to drive transformation

Low- and no-code solutions do not come without their challenges. The top ones are cyber security-related (24 percent) due to the integrations of different apps within companies' ecosystems. The lack of guidance for automation priorities and lack of budget allocated from the business side tie in second place in the list of challenges (16 percent). The former can be managed by creating an established governance structure such as the one 3M has in place.

In an interview with *PEX Network*, Dimitris Papanikolopoulos, service technology leader at the global service center of multinational conglomerate 3M, explained its benefits.

"[We have a] dedicated expert developer and coach who teaches employees and reviews the solutions to make sure their quality is according to 3M IT standards, while at the same time ensuring governance," says Papanikolopoulos. "This is for day-to-day, low-to-mid complexity projects only, as expert developers deal with much more complicated projects on the global scale."

Creating a culture for transformation remains a top focus for process improvement work for the next 12 months (40 percent), which is in line with respondents looking to invest heavily in digital transformation (Figure 8).

In an interview with *PEX Network*, Maureen Terralheiro, vice-president, back-office operations at financial company A. Farber & Partners Inc., explained how important it is to communicate around OPEX initiatives.

"My top advice is to aim for small incremental wins as it is all about change management and employee buy-in," she said. "Celebrating wins, no matter how small, is important so employees see what OPEX looks like, what the expectations are and understand that it does not have to be a 'big bang' project."

Driving innovation is now at the second place (34 percent), having moved up from sixth in 2022. Benjamin Maxim, assistant vice-president of digital strategy and innovation at MSU Federal Credit Union, **explained during his presentation at PEX Live: OPEX in Financial Services 2022** how his company sources innovation from its frontline employees as they are the ones knowing what is working and what is not.

MSU Federal Credit Union organizes innovation workshops to generate ideas and work on prototypes for new products and train employees in various approaches to innovation. These also help drive a mind-set of continuous innovation throughout the organization.

What is your main challenge when it comes to no-code/low-code?

28% This is not relevant to my current role	**16%** Lack of guidance for automation priorities	**10%** Lack of governance
24% Cyber security risks associated with no-code/low-code platforms	**16%** Lack of budget allocated from the business side	**6%** Other

Source: *PEX Network's 2023 global state-of-the-industry survey*

PEX PROCESS EXCELLENCE NETWORK

# Organizations are looking for more holistic solutions to drive transformation

Developing leadership behavior is now third (32 percent) as opposed to 10th in *PEX Report 2022*. In times of transformation for companies, having strong leaders who enable change are key for success.

PEX Network contributors Mostafa Sayyadi and Michael J. Provitera outlined **in their article focused on transformational leaders** how "poor leader can ruin even the best plan but a transformational leader can turn a weak business plan into a success".

FIGURE 12

What is your focus for process improvement work for the next 12 months?*

- Creating a culture for transformation
- Driving innovation
- Developing leadership behavior
- Customer-centric process management
- Integrating data into process
- Agile transformation
- Aligning process and IT

- Change management strategy
- Organizational knowledge-focused process management
- Implementing process management frameworks
- Process modelling/documentation
- Redesigning KPI metrics

- Restructuring/redesigning the organizational structure
- End-to-end process architecture
- Talent retention
- Restructuring/redesigning the operating model
- Other
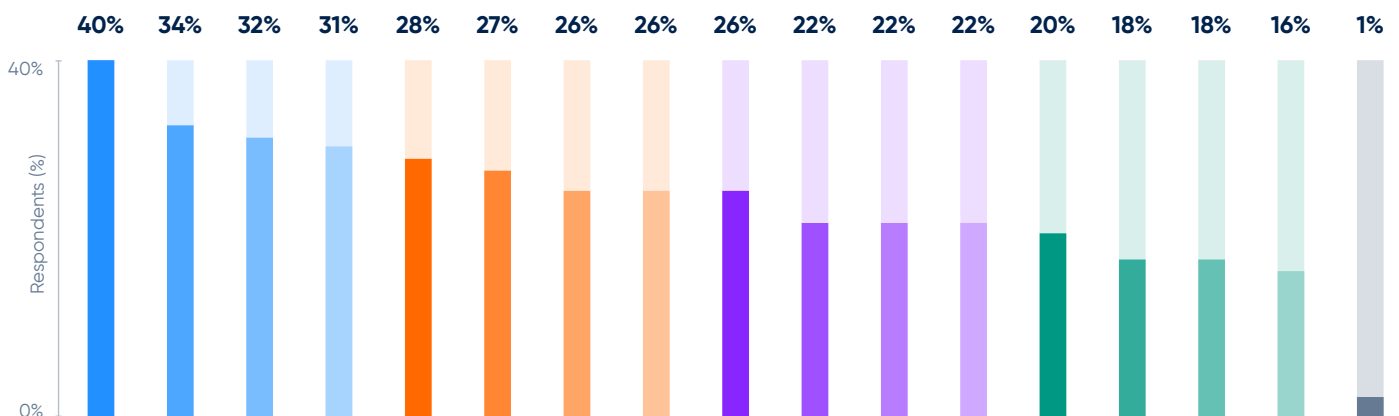
Respondents (%)

40% 34% 32% 31% 28% 27% 26% 26% 26% 22% 22% 22% 20% 18% 18% 16% 1%

*Survey respondents could select more than one option

Source: *PEX Network*'s 2023 global state-of-the-industry survey

Top three process improvement works in *PEX Report 2022*

39%
Creating a culture for culture for transformation

35%
Customer-centric process management

34%
Change management strategy

PEX
PROCESS EXCELLENCE
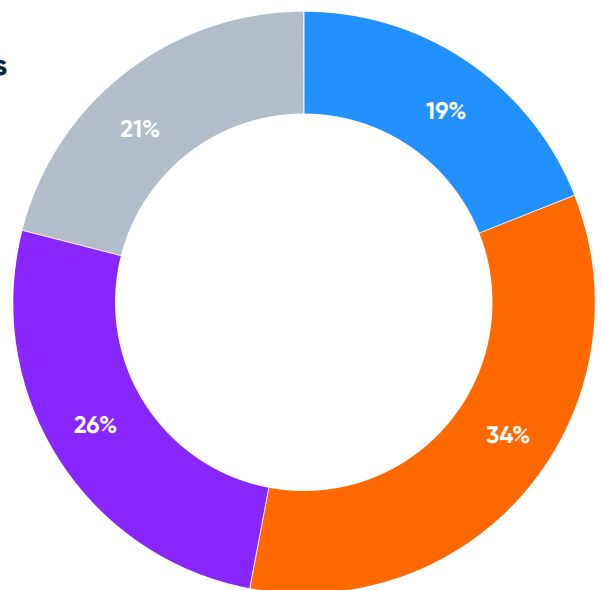NETWORK
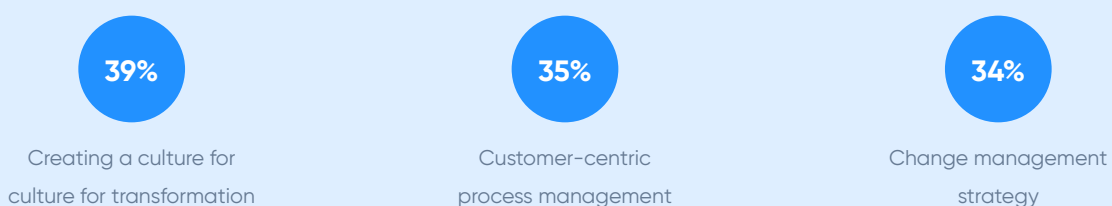
Budgets, challenges and investments

More survey respondents are seeing their budgets rise over the next 12 months for the second year in a row. This is the case for a little over a quarter of our respondents (26 percent) in this year's report, compared to 24 percent in *PEX Report 2022* and 18 percent in **PEX Report 2021**. During the pandemic a lot of budget cuts were made in order to try and overcome the disruption it caused coupled with transformation projects that were not necessarily successful. It makes sense to see budgets being on the rise and the focus back on processes. Two thirds of the respondents (65 percent) have a budget allocated for OPEX of up to US$1mn.

FIGURE 13

Which statement best describes the effect the economy is having on your operational excellence program budget?

- ● Our budget is expected to decline over next 12 months
- ● Our budget is expected to remain flat over next 12 months
- ● Our budget is expected to increase over next 12 months
- ● Do not know

Source: *PEX Network*'s 2023 global state-of-the-industry survey

FIGURE 14

What will be your organization's annual budget for investment in OPEX and transformation in 2023 (US$)?

- ● $0 - $100,000
- ● $100,000 - $500,000
- ● $500,000 - $1mn
- ● $1mn - $5mn
- ● $5mn - $10mn
- ● $10mn+
- ● Do not know
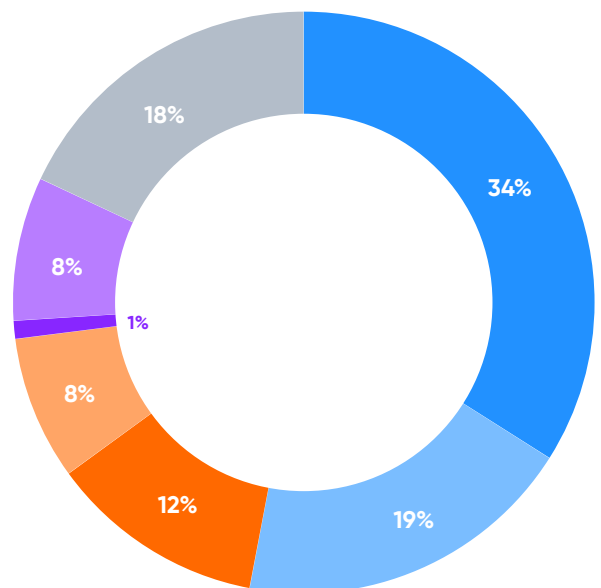
Source: *PEX Network*'s 2023 global state-of-the-industry survey

Budget, challenges and investment over the next 12 months

The top challenge remains cost/budget limitations for respondents (38 percent) for the third year in a row. In *PEX Report 2022*, it was noted that this stems from the need for PEX practitioners to prove the value of their process initiatives, despite the efficiency gains made as a result of past projects.

A new challenge has arisen in this year's survey and it made its entry directly in fourth place (10 percent): integrating new systems or platforms into the organization. Not so long ago, PEX practitioners were not involved in this challenge, explains LEGO Group's Evans.

"The advent of RPA and other technologies have brought everything closer together," he says. "They bring

a unique skill to it, not least of all an understanding of processes and how things hang together – this is a major positive step forward."

Proliferator Advisory and Consulting' Sarkar adds that in the APAC region, expectations for PEX practitioners have changed: "Now, they should have the capability to digitize and transition with IT – if they do not have technical skills, they are not preferred as a hire."

Coca-Cola's Atienza believes the relationship between IT and OPEX should be a partnership, stating "PEX practitioners should be looking at areas for transformation where it is applicable and IT should enable it."

FIGURE 15

What do you see as your primary OPEX and transformation challenge for the next 12 months?

- Cost/budget limitations
- Linking process improvement with top-level business strategy
- Deploying new technologies
- Integrating new systems/platform into the organization
- Ensuring a customer-centric focus throughout the business
- Lack of alignment between business and IT departments
- Overcoming too much short-term focus
- Skills shortage
- Sustaining change
- Overcoming resistance
- Securing and maintaining executive buy-in

38% 11% 11% 10% 7% 6% 4% 4% 4% 4% 1%

Respondents (%) — 40% to 0%

Source: *PEX Network*'s 2023 global state-of-the-industry survey

Top three challenges in *PEX Report 2022*

35% Cost/budget limitations

12% Linking process improvement with top-level business strategy

11% Deploying new technologies

PEX PROCESS EXCELLENCE NETWORK

Conclusion

The results of this year's survey have demonstrated that companies remain interested in continuing their transformation programs but on a more focused level and with leadership buy-in, complemented by data insights to make better-informed decisions.

Companies are looking for more holistic solutions that are not focused on parts of processes, but rather on the full end-to-end ones, which will require collaboration with IT teams. The success on such initiatives will be determined by how effectively the partnership works.

Change culture and leadership will be essential for companies to succeed and enable their disparate teams to be as efficient as possible through digital tools in a hybrid-work model. In the current challenging macro-economic environment, being able to deliver efficiently to customers will safeguard companies from being left behind.

PEX
PROCESS EXCELLENCE
N E T W O R K

Become a thought leader
Build brand awareness
Generate direct leads

Download *PEX Network*'s media kit

165,000+
Opt-in members

55,000+
Social followers

10,000+
Event delegates

2.2+
Global database

PEX
PROCESS EXCELLENCE
N E T W O R K

Editor insights

> Welcome to OPEX Week 2023

> Experts on the importance of organizational maturity for automation projects

> The role of traditional methodologies in the digital world

> Why top performing companies implement process centers of excellence

PEX
PROCESS EXCELLENCE
NETWORK

Welcome to 2023 OPEX Week:
Business Transformation World Summit

Dear all,

We simply cannot afford to run our businesses in the same way as three years ago. No longer a competitive advantage, transformation is now a survival strategy for companies of all sizes and industries.

As transformation leaders grapple with complex transformation challenges and work to develop new ways of working, a few clear trends have emerged:

✓ Isolated pockets of improvement are no longer sufficient. Companies are pushed to fundamentally revolutionize their operating model, elevating transformation to a strategic level.

✓ More than ever, companies are investing in total experience transformation to redefine customer and employee relationships.

✓ Digital tools are no longer good to have. They have become the essential toolkit for transformation leaders

✓ Developing continuous improvement and problem-solving mind-sets across the workforce remains critical as a foundation for navigating the new ways of working.

✓ With the scale and pace of change at an unprecedented level, companies who are unable to effectively manage change at this scale will find that their transformation projects are doomed.

✓ Last but not least, transformation levers have been expanded from the traditional people, process, technology triangle, adding new critical success factors including strategy, data, change and leadership.

In its 24th edition, the 2023 OPEX Week: Business Transformation World Summit will capture the key theme of riding this incredible pace of change by leveraging these levers and tools to drive the fundamental enterprise-wide business change and excellence required.

With a program returned to full-scale you will hear from more than 100 inspirational speakers from the world's most recognized brands.

We look forward to seeing you and the entire transformation community in Miami.

Cathy Gu
Event director, Event director
OPEX Week: Business Transformation
World Summit

OPEX WEEK:
BUSINESS TRANSFORMATION
WORLD SUMMIT 2023

THE WORLD'S NO. 1 EVENT FOR TRANSFORMATION AND OPERATIONS LEADERS

Driving Business Excellence And Total Experience Transformation: Digital Adoption, Intelligent Operations And Change Excellence

100 inspirational speakers
400+ transformation and OPEX attendees
9 revamped OPEX Award categories

SAVE THE DATE!
January 30 – February 01, 2023
Hyatt Regency Miami

PEX
PROCESS EXCELLENCE
NETWORK

Does the maturity of an organization matter in automation initiatives?

At *PEX Network*'s PEX Live: IA and RPA 2022, five experts from the likes of The Coca-Cola Company and AP Moller Maersk were asked the same question: At what level of maturity should a company consider automation?

This article collates insights from the opening panel session at PEX Live: IA and RPA 2022 that gathered experts from Siemens Gamesa, Heineken, The Coca-Cola Company, Payoneer and AP Moller Maersk.

During the Q&A, an attendee asked the panelists whether companies should wait to attain a specific level of maturity before considering automation. This article collates their insights to provide advice for companies of all sizes wishing to leverage automation.

"The maturity of a company is a pre-requisite of the speed with which you can adopt hyperautomation.

Every company, however, could and must consider automation and digitalization of their business. That would give them a competitive advantage and will make their business more resilient."
Lyudmila Todorovska
Global product owner robotics, automation and low-code development
Heineken

"As robotic process automation (RPA) automates rule-based, repetitive tasks, I would tell small companies at the start of their journey that it is not forbidden for them to use RPA for immature tasks."
Yulia Neroslavski
RPA domain lead
Payoneer

"Automation benefits will depend on whether you have a challenge that it can help with. You need to think about the right time for a process to be automated and how the technology will improve its value.

I would recommend waiting for a certain level of process maturity before automating to ensure its not too complex from the start."
Mark Ghibril
Senior vice-president of IT and digital products
Siemens Gamesa

"[I would recommend using the] business process maturity model [which] has an index from zero to five, with zero being chaos, which helps you determine where you are in your process. It assesses the maturity of processes you are looking at before you start implementing automation.

The key is to automate a process that has been standardized or is mature and consistent so that you can maximize your benefit and spend less time troubleshooting or modifying the automation."
Jon Atienza
Senior intelligent automation manager
The Coca Cola Company

"It is important for small organizations to not miss the bus. Start looking at processes which have a linear flow and put technology on top of it. You will always be able to find use cases and sponsors easily."
Vineet Mehra
Product head, order-to-cash
AP Moller Maersk

PEX
PROCESS EXCELLENCE
NETWORK

Why top performing companies implement process centers of excellence

Nintex CEO Eric Johnson shares insights on how cultivating a culture of excellence makes Fortune 500 companies successful

As executive leadership evaluates their company-wide progress toward becoming digital enterprises, a question around why they are not making more progress quickly arises.

At this point, they can probably rule out a lack of focus since digital transformation has moved to the top or near the top of every company's priority list. It is unlikely to be a lack of funding, because CEOs know that their organization's future depends on aggressively overhauling operations, organizational structures, corporate culture and the underlying technology.

Many unsuccessful digital transformation initiatives are caused by processes that remain mismatched, misaligned, fragmented in silos and often incohesive. In fact, in early 2020 as the pandemic forced a massive shift to remote work, 66.7 percent of companies reported their processes either could not support that new environment or could do so only partially, according to the **2020 Forrester Digital Process Automation Survey**.

Yes, you read that right. More than two-thirds of organizations surveyed have encountered process drawbacks. Consequently, ongoing digital transformation initiatives were failing to hit expected outcomes or goals because operational silos and fragmented workflows remained untouched. While some small measures of progress were achieved within various departments, the enterprise as a whole remained locked in its inefficient past.

### 🚀 Deliver powerful transformation results

The good news becomes evident when we look at this situation from a different perspective and ask what companies that have achieved successful transformations have in common.

A recurring key to success is the creation of a process center of excellence (CoE). Maybe it falls under a different name,

such as business process competency centers or centers of expertise, but the purpose remains the same: a group of professionals who continually optimize and standardize processes company-wide.

A process CoE allows all relevant stakeholders such as in IT, operations, DevOps, business owners, process owners, finance and change management to anchor their efforts and their focus around shared goals and objectives. These transcend individual departments and begin to drive end-to-end digital transformation.

That type of end-to-end capability is strategically vital as businesses transition into the digital economy. Customer expectations are soaring and the only way to meet those expectations is with an enterprise-wide set of standardized processes and digital capabilities.
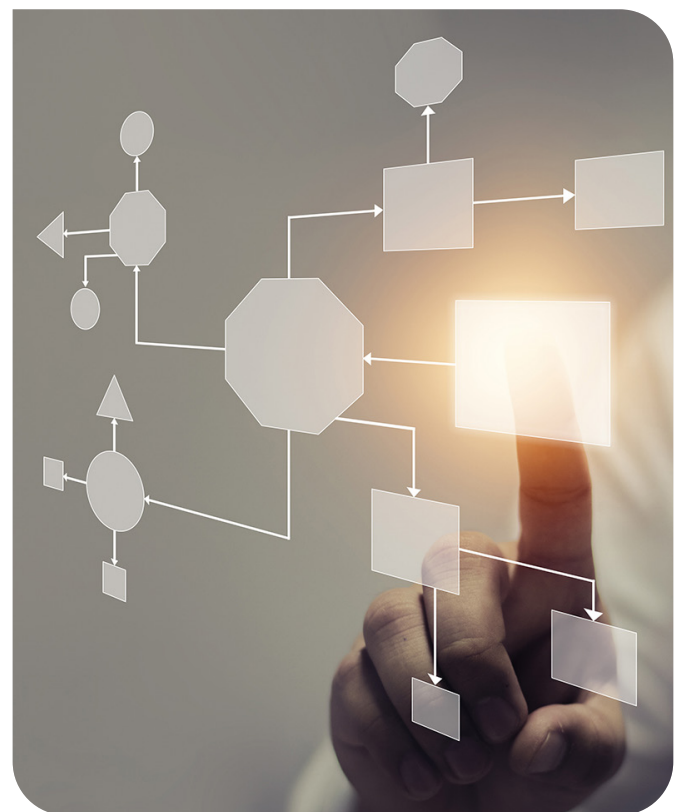
Why top performing companies implement process centers of excellence

Far-reaching advantages for business teams

As that collaboration builds around a set of shared priorities, approaches and ultimately processes, these process CoEs will create an operational excellence culture that has widespread benefits for the organization by:

✓ Creating a widespread awareness and understanding of what is possible if this new approach is followed.

✓ Accelerating the speed with which new projects can be assessed, mapped out and executed.

✓ Reducing the amount of rework, integration and expense that inevitably arise when fragmented processes have to be stitched together.

✓ Providing greater visibility into end-to-end processes and outcomes across the business.

✓ Optimizing change management opportunities because common frameworks are already in place and are understood across the organization.

✓ Orchestrating and accelerating your business' digital maturity, allowing for faster long-term innovation and change to keep up with your forever-evolving customer demands.

Since these CoE initiatives involve multiple departments, the aggregate impact can be significant. When the types of results mentioned above start to show up, they are likely to catch the attention of the CEO and other top-level leaders.

That type of visibility triggers more interest across the organization for involvement and at the same time will attract high-performance individuals who want to participate in and be associated with a strategic effort that the senior leaders are watching.

Historically, the notion of "centers of excellence" have been associated with wonky projects isolated deep within IT. Thankfully with the rise of digital business and the relentless demand it is putting on companies to move more rapidly and more intelligently than ever before, they are turning process CoEs into strategic opportunities that drive multiple types of value:

✓ Cultural, via the creation of a culture of operational excellence.

✓ Organizational, by giving more people greater visibility into the end-to-end processes and outcomes across the organization.

✓ Increased performance, as more people are working in concert on projects that have companywide impact.

✓ Financial, by more productive collaboration and shorter times to complete processes effectively.

The time to act is now

While process CoEs have always been sources of significant value in companies, their strategic value has soared over the past few years as companies in every industry have had to adapt, change and evolve more dramatically and more quickly than ever before.

The days of ongoing and highly disruptive change can be times of great opportunity for companies that embrace a process CoE approach. With these high-value capabilities at your disposal, you can create new products and services more quickly, generate better experiences for customers, eliminate chunks of redundant costs and move at the speed of the markets you serve.

And without a process CoE and the culture of operational excellence it can cultivate, you run the risk of being unable to remain relevant and valuable to your customers. In these days, that is a dangerous risk to take.

PEX
PROCESS EXCELLENCE
NETWORK

The role of traditional methodologies in the digital world

Traditional OPEX methodologies are decades' old. In this interview with Commonwealth Bank's Nao Anthony we assess their relevance in today's digital world.

Many of the operational excellence (OPEX) methodologies have their roots in the manufacturing industry. They were created decades ago and some new approaches that include design thinking and Agile have appeared in recent years and seem to be most fitting in the digital era.

PEX Network caught up with Nao Anthony, senior manager of operational excellence at Commonwealth Bank, to get his thoughts on the relevance of traditional methodologies in today's world and the value of newer approaches.

PEX Network: **A lot of OPEX methodologies have been created decades ago. How can they still be relevant in 2022, in a digital world where teams are disparate?**

Nao Anthony: The methodology I would take as an example is Lean. Its roots lie in reducing waste, variation and unevenness in a process, irrespective of whether it is for a manufacturing or service company.

Lean helps solve problems and offer error-proofed solutions from a conceptual perspective such as reducing handovers and stopping unwanted travel times, ultimately accelerating the value flow to customers.

Digitalization tools like workflow solutions or process automation can also accelerate that value flow while removing errors but they have their pros and cons. Sometimes we forget the methodology, purpose and principle. Instead, we fall in love with the solution, which will not result in improving the holistic customer journey. This is why Lean methodology remains true today.

Ultimately, automation is a tool that will offer a competitive advantage, but the methodology comes in for the way you use it and the thought leadership behind it. Lean methodology is how a business can understand its customers to offer them value; it is the mind-set behind running a business to keep up with the ever-changing customer demands.

The role of traditional methodologies in the digital world

PEX Network: What value does newer methodology Agile offer companies?

NA: Methodologies have their own purpose. Lean is about reducing waste, variation, and unevenness with a cultural impact to the organizational ways of working. Six Sigma is a much more focused structured way of looking at a problem, approaching the root causes and error-proofing it so it does not happen again.

Ideally, Lean Six Sigma will always make sure to exploit solutions on its feasibility of error-proofing the root cause, where intermediary solutions are considered based on organizational constraints.

The structure and demands we have for these methodologies have drastically evolved. In the early 2000s, Lean peaked in Asia where everyone wanted to implement it and was happy with two-year plans. The reality is that today companies can no longer wait that long as they want transformation to happen straight away.

This is where Agile comes in and provides value as its focus is on the delivery method. Instead of waiting for many months to have perfected solutions, it implements them in segments of value to customer before the total solutions value has been technically proven. It helps companies to reach customers faster and fail fast in instances, saving millions of dollars and most importantly addressing potentially dissatisfied customers.

Agile helps companies adapt to the faster world we live in and I believe it is much more appreciated over waterfall for delivery. Transformation leaders, however, still demand business process individuals to come in because of the holistic, pragmatic approach they offer in identifying the real problems.

There are frameworks that morph methodologies such as Agile, Lean Six Sigma and Kaizen together to create a practical, structured method. While this feels complicated, it is easier when deploying for a purpose-driven business objective steered by organizational strategy.

PEX Network: Do you see any drawbacks to existing methodologies that prevent them from responding to how we work and what we expect today?

NA: We have forfeited the whole method of understanding the rock-bottom root cause through bottom-up hardcore process improvement approaches such as define, measure, analyze, improve and control (DMAIC).

This is because process practitioners do not have the luxury of time to invest in understanding 80 percent of root causes where identifying high value processes for customers. They would rather solve a customer problem which will have an immediate impact on the business.

This has to do with how we look at the problem versus where the problem originates. We have evolved to ask questions about customer purpose which is a good thing. The one drawback is that we put less emphasis on identifying organizational factors that hinder the customer journey.

There is still value in identifying those because all the tests we do are practical, even if they are sometimes branded as time consuming. On the same topic functions such as data science have evolved and offer insights that can be used by process practitioners, which I think is the right direction.

PEX Network: Customers are a big driver for process improvement and a key focus of design thinking. Do you consider it as an approach or methodology and what value does it offer companies?

NA: To answer this I will refer to solid Six Sigma with design for Six Sigma (DFSS). In manufacturing during the design phase of customer products or services, process practitioners conduct quality functions deployment (QFD) to understand what customers want and their purpose.

The critical quality elements are translated to business requirements that cover the organizational value chain and its capabilities. The result is a practical product or a service to a customer segment.

PEX PROCESS EXCELLENCE NETWORK

The role of traditional methodologies in the digital world

It is a very straightforward, hard and engineering-like approach but it resembles design thinking the most. The difference is that design thinking is softer and it clearly talks about empathy to help align to customers' expectations better especially by creating personas.

The psychological aspect is much easier to understand in the case of design thinking and human-centered design. The methodology could be understood by most in the organization as it deals with verbatims later translated to requirements by subject matter experts.

Let me take the Domino's example. When a customer orders a pizza they need it fast as it is deemed "fast-food"; this is my assumption of how they went about the customer journey. One could assume one of the biggest time-consumers in the whole pizza-making process is the delivery time, which for the most part is unpredictable and uncontrollable.

Amid all transformational changes introduced to the internal pizza-making process, Domino's did not forget to bring the delivery element to the app in a visual form. This offers customers transparency on where their pizza is at any given point.

Customer behavior is truly influenced irrespective of the improvements made on the delivery time of the pizza and I believe this is the power of design thinking. It gives an opportunity to the organizational leaders to have an unbiased view on what customers really need and the ability to influence their behavior.

I do not think design thinking is new but the way it has evolved, structured and delivered is significant compared to older approaches or methodologies. It has empathy and psychological aspects to it because we ask customers what they want to retain them because they now have more options than ever before.

"Ultimately, automation is a tool that will offer a competitive advantage, but it is in the way you use it and the thought leadership behind it where the methodology comes in."

Nao Anthony
Senior manager of operational excellence
Commonwealth Bank

PEX PROCESS EXCELLENCE NETWORK

Digital adoption is the new imperative for software ROI

Why implementing digital transformation successfully requires employees to use new software to its fullest extent, explains WalkMe president and co-founder Rafael Sweary

As organizations face challenges including the Great Resignation, the hybrid-working revolution and a period of likely financial uncertainty, technology's capability to make businesses more adaptable, more productive and more resilient will be essential.

According to *The State of Digital Adoption 2022-2023*, our recent survey of nearly 1,500 global business leaders, 67 percent of organizations are under 'incredible pressure' to accelerate digital transformation.

However, digital transformation in and of itself is no longer enough to achieve sustainable growth in an increasingly competitive market. Unlocking the full value of digital investments requires shifting attention from transformation to adoption. Digital adoption involves achieving a state in which users are able to utilize software to its fullest extent.

Digital adoption use cases include streamlining employee onboarding for enterprise apps, training of existing employees on new software and optimizing change management programs.

Digital adoption as a strategic investment

With global investment in **digital transformation forecasted to reach US$2.8tn by 2025**, organizations will soon have no choice but to take a strategic approach to ensuring employees are successfully adapting to new software.

Digital adoption is the new imperative for software ROI

Digital technology is an essential strategic asset for enterprises. However, organizations are struggling to get employees to successfully use software applications. Legacy approaches to technology adoption and change management, such as instructor-led training, user manuals and presentations, are no longer fit for purpose. As a result, enterprises are incurring increased costs and risk.

Our research shows enterprises incurred additional costs of almost US$100mn in 2021. This resulted from a combination of: an inability to realize the full value of application investments, increased costs of meeting strategic goals, compensating for employees' technology issues and employee churn caused by frustrations with technology.

Traditional methods are no longer enough

The need for digital adoption solutions is gaining momentum. It is predicted that within the next five years a majority of organizations will use digital adoption platforms to improve user experiences, fast track training and onboarding and boost productivity and efficiency.

The right approach to digital adoption would help enterprises reduce these costs and take control of their technology assets. At present, enterprises understand the importance of digital adoption to the extent that most have a team responsible for the adoption of new technology.

However, their strategy is unclear and ultimate responsibility is unknown – 70 percent of enterprise leaders do not know exactly who 'owns' the digital adoption strategy in their organization. Addressing this will be crucial in order to realize the full benefits of technology.

Enterprises plan to invest on average more than US$30mn in digital adoption over the next three years to address issues such as increased security risks, failure to take advantage of new technologies and losing employees to competitors. If they can improve employees' digital dexterity, increase application utilization and boost their visibility into technology adoption, they should be able to take full control of their digital investments.

A user-centric approach to digital transformation

It has become clear to more and more companies that successful digital transformation requires a user-centric approach. It does not matter how sophisticated the technology is – without proper usage, digital transformation projects simply will not achieve their desired outcomes.

The idea of digital adoption may seem obvious – to succeed in the digital age, you need to actually use technology effectively. However, too often companies focus on flashy new software without concern for how their employees will actually use it. This can lead to frustration and misuse, ultimately hindering digital transformation efforts. Technology becomes the challenge it was meant to solve.

A **digital adoption platform (DAP)** allows companies to manage desired outcomes by putting the user first, giving them the tools they need to effectively utilize software and drive business outcomes. DAP works as an invisible layer on top of any web-based, desktop and mobile application, enabling employees to adapt to changing workflows and adopt software quickly and easily.

By putting the user at the center of any technological changes, companies can ensure that they are making the most out of their investments and achieving desired outcomes. This involves providing training and support, collecting feedback and ensuring seamless integration with existing processes and systems. The promised value of productivity-boosting software can only be achieved with proper usage by happy, empowered employees.

PEX
PROCESS EXCELLENCE
NETWORK

Success stories

> How Sanofi is improving employee experience with process mining

> An inside look at Eurotunnel's outside-in transformation

> How Crimestoppers optimized its contact center's efficiency

PEX
PROCESS EXCELLENCE
NETWORK

How Sanofi is improving employee experience with process mining

Tiphaine Chatin, automation project manager officer at Sanofi, and Nikolay Goldovich, head of data, process, automation intelligence center of excellence at Sanofi Business Services, share how the pharma giant leverages process mining to remove non-value-adding tasks from its employees' workloads
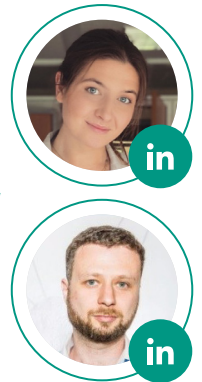
In December 2019, Sanofi CEO Paul Hudson unveiled our new strategic framework called "Play to Win" to drive growth and unleash fresh inspiration across all of our activities. It helps us transform the practice of medicine and create a new work environment through four key priorities: focus on growth, lead with innovation, accelerate efficiency and reinvent how we work.

Despite the important impact of the Covid-19 pandemic on the pharma industry and our everyday work, our performance over the last two years has reinforced our confidence in the choices we made.

Sanofi's teams are constantly building a culture to deliver what we promise to patients, customers, shareholders and colleagues through the four key priorities we mentioned earlier. To achieve these objectives, the company embarked on a deep-learning journey via digital transformation.

The implementation of core models

Within Sanofi's finance organization, Sanofi Business Service (SBS) provides efficient, effective and user-centric solutions that make the life of Sanofi employees, customers and vendors easier every day.

The organization relies on many processes and systems to ensure efficient and compliant operations across all business domains. To bring global solution to Sanofi's employees we have implemented what we call core models across our network in order to frame our processes. A core model describes how a process should run, which KPI should be used and the role of the people. Core models are the biggest asset of SBS organizations and all service lines implement them.

They are defined as the standardized and harmonized set of business processes and systems in use within the organization and they are important because they simplify, align and make operations more efficient. They also help reduce cost, increase system performance and optimize processes thus our overall performance.

These core models form the foundation of standard efficient operations on which advanced analytics and digital solutions rely. SBS created regional squads for shared services to achieve best-in-class process automation and digitalization.

These squad teams are mainly located in our SBS captive centers in Budapest, Kuala Lumpur and Bogota. They are dedicated to supporting the functions that are working under the core model and the "Play to Win" strategy mentioned earlier.

Sanofi's use of cutting-edge technologies

Using different technologies, Sanofi's Center of Excellence (CoE), created in 2019, is providing expertise, training and best practices to reduce non-value-adding tasks to Sanofi's employees. It aims to drive the adoption of cutting-edge technologies in the shared services organization.

The first piece of the puzzle is robotic process automation (RPA) and we implemented our first projects in 2018. By following our idea-to-robot methodology we ensure compliance but also embrace agility and speed of execution.

Number of robots live from RPA initiatives

2018	2019	2020	2021	2022
4	18	38	66	71

PEX PROCESS EXCELLENCE NETWORK
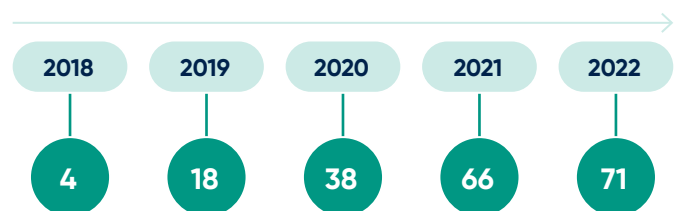
How Sanofi is improving employee experience with process mining

Nowadays RPA is a mature and stable service and in 2022 we formed a strategic partnership with the IT team to drive RPA for the whole Sanofi group. This means that our RPA knowledge is strong enough to be shared outside SBS's scope across Sanofi.

The second piece of the puzzle is data. We are currently developing our data intelligence team which will look after data governance and data analytics. Intelligent automation can play a significant role in transformation but only if we know our processes and their data.

The third piece of the puzzle is adding process mining as part of the DNA of our automation CoE to help analyze operational processes based on systems event logs. At its core, it is a key technology to identify and eliminate process inefficiencies. We boost it using business process model and notation (BPMN) to design core models and we call this whole framework process intelligence.

Process mining's implementation is ongoing in Sanofi, with the aim being to derive KPI and reporting for performance transparency. We also want to ensure core model conformance to have Sanofi maturity level "as-is" as opposed to "to-be" and perform continuous improvement and development through fact-based ideas.

They are various benefits of implementing process mining. It can be used as a first step to identify automation

opportunities, core model compliance, audit and features like workflow combination. Our own process mining initiative is led by our target of "keeping things simple", which is basic but not that easy to achieve.
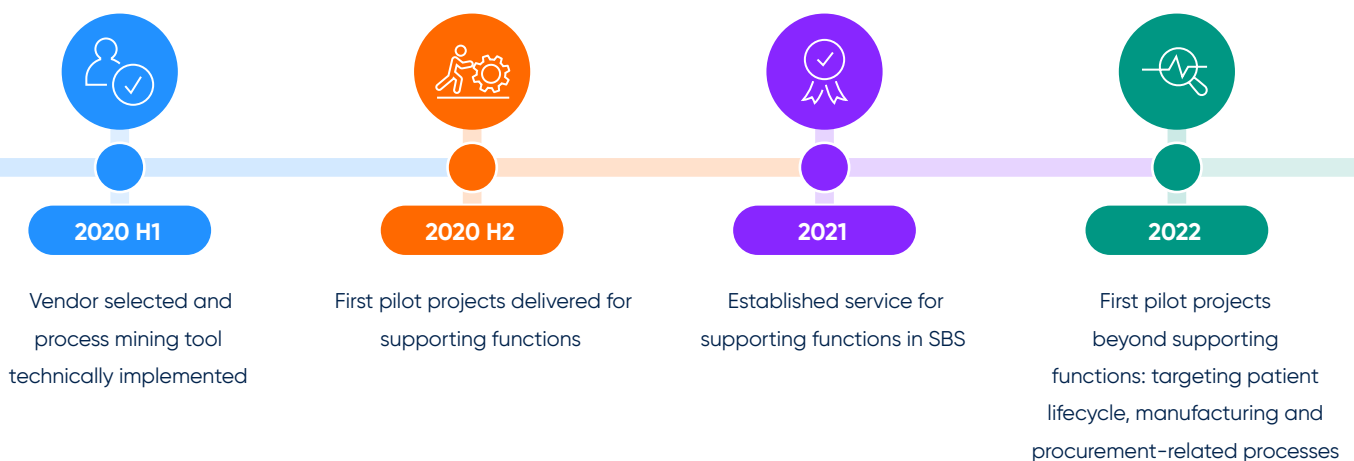
One of our best process mining success stories is our job change simplification using the data from our human resources platform. We wanted to provide a more intuitive way for managers to conduct actions.

We reduced the number of steps they have to go through in the platform from six to two and they now need to complete 80 percent less data fields than before. We also added a virtual assistant to guide the users.

Catrin Busatti, sponsor of the project and global head of human resource service of the SBS service line, says: "This project is helping user experience on our HR platform; our objective is for it to be the simplest solution for managers to use in their everyday job."

This is a great step for us in improving employee experience by reducing time-consuming tasks for our people and that way we are improving quality and time of the process itself. This example shows how Sanofi is deeply evolving toward the digital age. The path is long but thank to our humans, our skills and our behaviors, it is all worth it.

Timeline of Sanofi's process mining project

2020 H1 — Vendor selected and process mining tool technically implemented

2020 H2 — First pilot projects delivered for supporting functions

2021 — Established service for supporting functions in SBS

2022 — First pilot projects beyond supporting functions: targeting patient lifecycle, manufacturing and procurement-related processes

An inside look at Eurotunnel's outside-in transformation

Ian Rabagliati, product and engagement director at Eurotunnel, discusses the company's transformation program, focused on improving customer experience by leveraging data

Eurotunnel is a well-established business launched as a drive-on, drive-off service in 1994 at a time where no documentation was required for travel between France and the UK.

A lot has changed since then, particularly in the last three to four years due to Covid-19-related restrictions and Brexit. These have changed expectations of the travel experience and increased anxiety around travelling.

Eurotunnel is, at its core, a tunnel under the sea and an incredible feat of engineering. There is a lot of focus on being an operational business but as thousands of people travel through it every year we need to focus on their experiences.

Our motivation for our digital transformation was to ensure customers experienced a smoother and more seamless journey. We brainstormed ways we could help them across the whole end-to-end process, from thinking of making a trip to planning it, to getting to the terminal and through to the other side.

Through data gathered on our customers, we were able to understand them better. This enabled us to optimize some steps of the end-to-end process to ensure it is seamless.

Data sat in many places and multiple projects had been conducted in the past to bring it all together and get a single customer view as different parts of the business owned various elements of it. One of my first tasks was to engage with Salesforce and move our customer engagement strategy onto it.

The current project has buy-in from everyone starting at the top with the chief executive officer and as a result is an integrated, business-wide approach. We have been working on it since January 2022 and this first transformation stage is now live.

In the past, the communications we had with our customers were regular but not as joined up as they could have been, consisting primarily of one monthly email sent to everyone. Thanks to the data we have on our customers, we have managed to tailor our conversations with them.

"Eurotunnel's current digital transformation initiative is slightly different from past attempts as it has complete buy-in from upper management having been initiated by the CEO, CFO and everyone on the board."

Ian Rabagliati
Product and engagement director
Eurotunnel

There is a lot of information available on the website but it is not as intuitive as we want it to be. As they log in the content they see should change based on what we know from them through data and we wanted to optimize the process of delivering the right information at the right time in their journey.

We have been looking at where the different pieces of information sit, whether operations, commercial or marketing, and ensuring it is consistent and helpful.

Involving multiple teams

This digital transformation initiative is slightly different from past attempts as it has complete buy-in from upper management. It was initiated by the CEO, CFO and everyone on the board, rather than departmental teams. The board is very aware of every detail of this project which allows it to have the top-down focus it requires to succeed.

This is aligned with the fact that multiple teams across Eurotunnel such as finance and legal have been involved,

An inside look at Eurotunnel's outside-in transformation

which is crucial because they are able to check progress on parts of the project. Including them from the start facilitated their buy-in and support, which enabled us to complete the first stage of the initiative in four to five months.

Our transformation program has helped increase the number of people registering an account with us as it facilitates the travel documentation aspect of travelling. These new customers are scoring us quite highly on passenger surveys and we want to build on this for them to come back, while protecting our very strong core customer base.

We have received positive feedback internally as well. The amount of manual work going into creating emails and communications and manipulating data is gone now that

it is automated, which frees time for other tasks such as evolving our customer engagement program.

Our next steps include focusing on the digital experience, we want to build on the work we have already done and evolve that experience for our customers. This includes improving and optimizing the website, crucial to our business, and the app which is increasingly becoming a journey companion. Further down the road we want to improve the on-site experience.

People need more reassurance and information than before as travel is more complicated. We have improved parts of the processes on the customer journey and will continue to do so to provide the best experience.

> "[Covid-19-related restrictions and Brexit] have changed expectations of the travel experience and increased anxiety surrounding travelling. We have a big role to play around that."

Ian Rabagliati
Product and engagement director
Eurotunnel

PEX PROCESS EXCELLENCE NETWORK

How Crimestoppers relieves the pressure on its contact center through process simulation

How the UK-based charity handled a 50 percent increase in customer contact and improved its staff management by testing its operations via process simulation

Crimestoppers has a vital role to play in informing the UK public about crimes and facilitating reports. The organization handles 600,000 contacts from the public annually through its single UK contact center, resulting in 175,000 criminal reports made to police each year. It is open 24 hours a day for 365 days a year.

The not-for-profit organization has experienced a 50 percent increase in calls from the public over the last five years, but without a corresponding increase in investment into infrastructure or staff. The resourcing team was aware that employees were being stretched but there was no data available to provide evidence on just how busy the contact center was.

Staff take information online or by phone with each channel having its own response processes in place and Crimestoppers needed to ensure that the information was handled promptly and efficiently. There are multiple service lines that employees at the contact center can be working on, including the Home Office immigration enforcement, energy safe, NHS fraud and the integrity ones for whistleblowing calls, and employees can get moved around depending on demand.

Karen Ogborn, chief of staff at Crimestoppers, says: "The complexity of all the different things staff deal with can be quite stressful. We need to address the challenges of the job that are different from the selling environment in other contact centers."

The organization did not have the luxury of working from home during the Covid-19 pandemic as much of the material being handled was very sensitive. Consequently, any changes had to take effect within the structure of the office.

The traditional method for calculating staffing levels had been the Erlang formula, an equation used to calculate call traffic intensity, but this was increasingly seen as inaccurate.

Crimestoppers undertook an assessment of its call handling management and began stress testing its operations through simulations of a variety of different scenarios designed to reflect real-life patterns of demand.

Crimestoppers started using simulation and gained a much more realistic model of how its contact center operated. The technology enabled the organization to simulate changing levels of demand and provide accurate data on how well-equipped it was to manage incoming contacts in the most efficient way possible.

Ogborn said: "[Simulation] is playing a vital role in changing the way that our organization manages staffing. We are able to demonstrate to our management team that, through modelling, if we can build a little more capacity into the system, we would have the flexibility to respond to demand. This not only changes over a 24-hour period but seasonally too, and we are able to deal with all of that."

Although simulation was initially selected to examine a business case for employing more staff, it now provides guidance to the management team on a variety of different issues on a daily basis.

Louise Peers, head of contact center services at Crimestoppers, remarks: "We can look at the data and say to provide this service at that level we are going to need X amount of resources. For the first time, we can build that into the costing properly, which has been a huge benefit to us."

The application of simulation has also made the organization better able to assign priorities to calls and to handle responses better. It has also helped improve response rates while helping employees cope with the pressure of their jobs. Simulation has become an indispensable tool in daily planning, helping the organization to manage its full capacity among the constantly shifting dynamics of a busy contact center.

PEX
PROCESS EXCELLENCE
NETWORK

PEX Network Calendar 2023

JANUARY

ONLINE EVENT
PEX Live: Digital Process Automation and Workflow 2023

INDUSTRY REPORT
Digital Adoption

MARKET TRENDS
OPEX in Public Sector

FEBRUARY

FLAGSHIP REPORT
Intelligent Automation

MARKET TRENDS
PEX in North America

MARCH

FLAGSHIP ONLINE EVENT
PEX Live: Process Mining 2023

INDUSTRY REPORT
Change Management

APRIL

ONLINE EVENT
PEX Live: Low-code Automation 2023

INDUSTRY REPORT
Intelligent Document Processing

MARKET TRENDS
OPEX in Manufacturing

MAY

ONLINE EVENT
PEX Live: OPEX in Manufacturing 2023

FLAGSHIP REPORT
BPM

JUNE

FLAGSHIP ONLINE EVENT
PEX Live: Intelligent Automation and RPA 2023

INDUSTRY REPORT
Process Intelligence

MARKET TRENDS
OPEX in Financial Services

JULY

ONLINE EVENT
• PEX Live: OPEX Financial Services 2023

• PEX Live: Change Management and Culture Change for Business Transformation 2023

INDUSTRY REPORT
Project Management

AUGUST

FLAGSHIP REPORT
PEX Report 2024

MARKET TRENDS
PEX in APAC

SEPTEMBER

FLAGSHIP ONLINE EVENT
PEX Live: BPM 2023

INDUSTRY REPORT
Low-code Automation

OCTOBER

ONLINE EVENT
• PEX Live: OPEX APAC 2023

INDUSTRY REPORT
Business Intelligence

MARKET TRENDS
PEX in Europe

NOVEMBER

ONLINE EVENT
• PEX Live: Finance and Accounting Automation 2023

• PEX Live: Digital Adoption

FLAGSHIP REPORT
Process Mining

DECEMBER

FLAGSHIP ONLINE EVENT
PEX Live: OPEX Week 2023

INDUSTRY REPORT
Top OPEX Trends for 2023

MARKET TRENDS
OPEX in Pharma

If you are interested in **becoming a PEX Network contributor**, please get in touch with our editor Alice Clochet: **alice@pexnetwork.com**

If you would like to be **positioned as a thought leader, promoting your offering to PEX Network's extensive database** of process and operational excellence experts and professionals through reports published throughout the year, please get in touch with our head of partnerships Ed Wells: **edward.wells@iqpc.co.uk**

@PEXNetwork_Team 🐦

PEX Network 💼

PEX PROCESS EXCELLENCE NETWORK