

Business-Critical Decisions from “Gut Feel” to Verifiable Trust

Thought leadership from Michael Dortch, DortchOnIT.com

Introduction

For most business leaders, each day is basically a nearly continuous series of decisions. And each one of these is an opportunity to build or damage the business.

This is because the ability to do business successfully is built upon one critical element: **trust**. Dictionary.com defines "trust" as "reliance on the integrity, strength, ability, surety, etc., of a person or thing; confidence." In business, "trust" enables the colleagues, customers, partners and prospects of a company to have confidence in that company's ability to make and keep commitments consistently.

Consider the following points, as presented by Stephen M.R. Covey, author of the worldwide best-selling book, "The Speed of Trust: The One Thing That Changes Everything." (He is also the son of Dr. Stephen R. Covey, the author of another worldwide bestseller, "The Seven Habits of Highly Effective People.")

Trust is a business benefit. "Customers buy more, buy more frequently, refer more and stay longer with companies and people they trust," Covey says in "Speed of Trust."

The business benefits of trust are measurable -- and prodigious. In the same book, Covey cites a study conducted by Watson Wyatt (now Towers Watson, a respected, multifaceted global consultancy). In that study, high-trust organizations outperformed low-trust organizations in terms of return to shareholders by *286 percent*.

Trust drives business success. Dr. Larry Ponemon is the Chairman and Founder of the Ponemon Institute, a "think tank" focused on privacy and information protection practices. Dr. Ponemon, as quoted in Covey's book, says that trust "is becoming the vital component in customer loyalty and brand strength."

Stephen M.R. Covey and others argue that trust is "the new currency." While that can be debated, it is incontrovertible that trust is a huge if not the most important business enabler.

It is equally clear that there is one major impediment to trust, generally and for businesses specifically. That impediment is *doubt*. If someone doubts what you say, they will hesitate or refuse to do business with you, whether that someone is a colleague, a customer, a partner or a prospect.

So how best to defy and defeat doubt? Ronald Reagan got much traction out of an oft-repeated quote, frequently attributed to an unknown Russian writer. That quote was "trust, but verify." The clear implication: if I can verify that what you say is true or that what you decide makes sense, I am more likely to trust you, and more likely to do business with you.

And in business, the most reliable verification comes from data -- information based on actual observation, measurement, collection and analysis. With accurate, credible data, you can defend any rational business decision.

In short, just as "proper planning prevents poor performance," in business, *data-defended decisions defy doubt*. Business decisions based upon accurate, credible data generate trust, within an organization and between that organization and its constituents. And such decisions avoid all of the significant challenges faced by those who insist on basing their business decisions on "gut feel" or "the way we've always done things."

This document makes the business case for implementing processes and technologies that generate the accurate, credible data you need to defy doubt, drive better decisions and enable and accelerate trust. It highlights the shortcomings of some traditional tools, and introduces a proven alternative approach to creating, capturing and leveraging doubt-defying, trust-enabling data. And it offers some specific recommendations for deciding where to start, how to succeed and how to then build upon your initial successes.

Data-Defended Decisions in Real Life

The Situation

A situation that showcases all of this and demonstrates the strengths and business value of data-defended decisions is workforce management. Whatever business you're in, head count is the largest single unavoidable cost you've got. So data-defended decisions related to workforce management present significant opportunities to improve operational agility and efficiency.

The Complication

Fear, uncertainty, doubt (FUD), politics, inertia and other forces have ossified many workforce management processes and policies at many organizations, freezing high costs and inefficiencies into place indefinitely. And even where policies and processes may be flexible and adaptable, there's precious little reliable data upon which to base any decisions.

The Implication

Workforce management solutions are really good at scheduling and workflow, but still don't have the ability to tell you how work is actually being performed. And the users of those solutions frequently focus on measuring what's easy to measure, not necessarily what's most important to the business. Which means that decisions regarding workforce management are often based on little more than the very factors that have ossified today's inefficient and often unfair processes.

The Question

How can an organization restructure its approach to workforce management in ways that augmenting intuition with information and replacing opaqueness with transparency and conflict with collaboration between management and the managed?

Introducing Comprehend

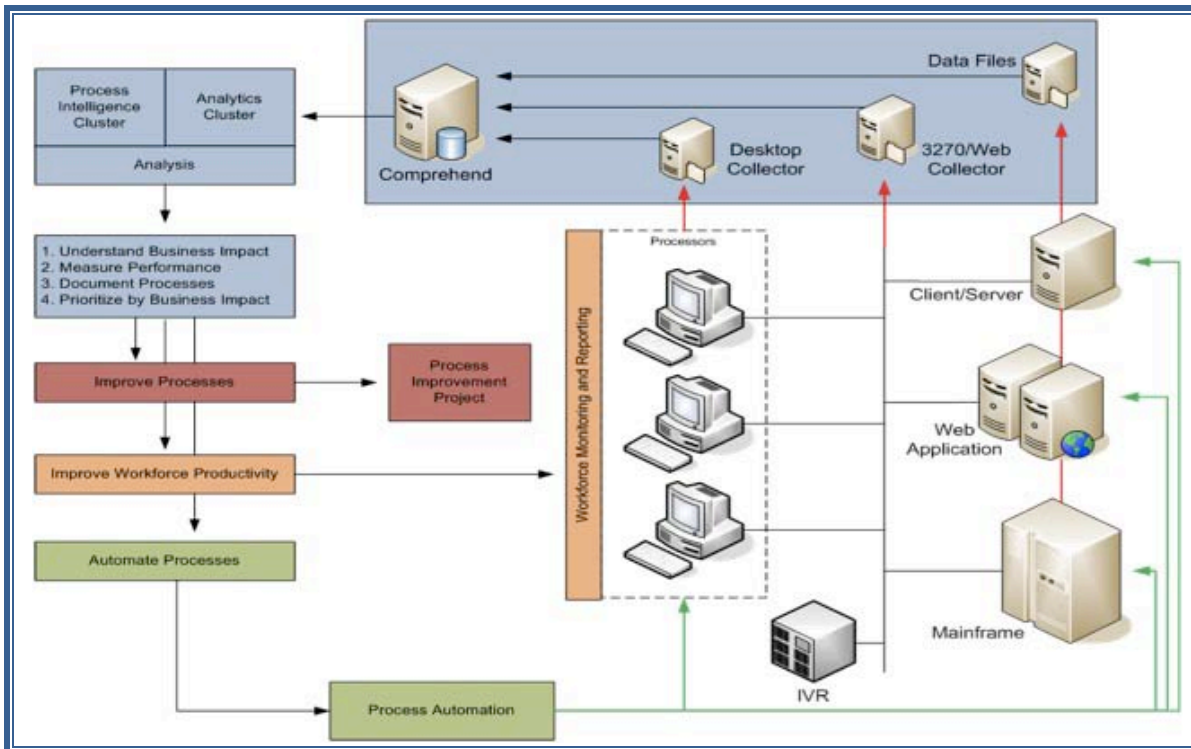
In short, a strong answer to the above question is *Comprehend* from OpenConnect. *Comprehend* effectively captures real, accurate information about what people are doing and how they are doing it. That information is scattered across the feeds, files, folders and systems every user employs to do their job. It includes everything from how workers use information technology (IT) resources to the life cycles of claims, loans, orders and other business-critical functions and tasks. *Comprehend* collects that information and uses it to map key processes "in real life" and "from the bottom up." And it does so without the complexity, intrusiveness and disruption created by traditional "extract, transform and load" or "ETL" approaches.

Comprehend therefore rapidly and transparently delivers two key business benefits. *Comprehend* provides credible information about how every worker really spends their time at work, and about the processes that actually run the business. That information is precisely what you and your colleagues need to make more data-defended, doubt-defying decisions.

Comprehend not only creates accurate maps of activities and processes, but makes it easy for you to filter, query and analyze the available data based on whatever attributes you choose. Graphs and process flows change in real time as you apply your chosen filters, search terms or investigation criteria. And the *Comprehend* interface changes depending on whether the user is a process analyst focused on root causes of bottlenecks or problems or a manager of people. Such features avoid the limitations of most traditional business intelligence (BI) tools and ensure that your workflow and process analyses are matched as closely as possible to the unique characteristics and needs of your business.

Perhaps most important to the improvement of decision making at your business, *Comprehend* highlights variations in and deviations from the critical processes it identifies and maps. The solution's advanced analytics and reporting features help you to zero in on and eliminate the variations and anomalies that sap business efficiency, agility and responsiveness. *Comprehend* helps you to improve not only specific business decisions but also the processes that underlie and support those decisions. This sets the stage for both immediate and sustained business benefits at little to no financial or operational risk.

Comprehend can gather information from almost any system or feed available within almost any IT environment, invisibly to users. (See the illustration below.) For example, for enhanced workforce management, *Comprehend's* Desktop Collector is installed quickly and easily on every user's computer. That Collector then provides powerfully detailed, granular information about how every user spends just about every minute at work, whether working or idle. It also shows what tools they used to do their work, and how much they used each one.



This information can be a boon to managers seeking to match workers and tasks more efficiently or to identify opportunities to improve productivity. It is also helpful when analyzing how much or how little specific applications are used. Business and IT decision makers can use that analysis to identify IT-related productivity bottlenecks or to gauge the success and popularity of new applications or features. And managers across an enterprise can accurately answer the frequently asked question, "What are my people doing all day?" (A single worker spending a few minutes on non-work tasks is a minor annoyance at best. But multiply that few minutes by dozens or hundreds of employees and the costs and operational challenges mount rapidly.)

A Real-Life Use Case: Insurance Claims Processing

Health care represents one of the largest single elements of workforce-related business costs. This makes the processing of insurance claims an important issue for workers, employers, providers and insurers.

One of the most challenging and potentially costly elements of claims processing is adjustment of claim payments. For example, a worker files a claim that they think puts them over their deductible, which means the insurer should pay 100 percent of that claim. But the insurer only pays 80 percent. When the user calls the insurer to complain, the claims processor must then go through every claim filed by every covered family member to confirm what the client says, and then issue a revised check. Each required claim adjustment can cost four to five times what it costs to process an uncontested claim.

Comprehend can quickly identify the root cause for each adjustment. This is because the solution can track and manage changes to claim documents and deviations from

established processes more quickly and consistently than humans can do so alone. *Comprehend* can therefore ease and speed resolution of disputed claims, reduce the cost and time they require, increase worker efficiency and improve patient care – and the perception of insurers and claims processors.

Comprehend can also provide broader improvements in claims processing. Claims processors care most about the number of times specific tasks or events take place, and how to minimize that number in a cost-effective way. But this is not always an adequate or complete measure of what is actually happening, how long it is taking or how much it costs.

Comprehend can figure out how long it takes to work every component of every claim, giving the business real data to determine actual cost and time requirements for every “edit code” and task associated with every claim. This can increase workforce efficiency and the percentage of claims that can be successfully “auto-adjudicated.” And every percentage point of additional claims auto-adjudication can translate into as much as \$1 million in savings annually.

The health care exchanges mandated to come into existence in the U.S. by 2014 make claim life cycle management highly critical for claims processors and insurers. And effective claim life cycle management requires accurate, complete and timely tracking of both human activities and relevant machine data and processes.

Comprehend enables the creation of “virtual examiners”(intelligent automation) to improve auto-adjudication. This makes possible rapid, consistent management and analysis across the life cycle of every claim for every member. It also helps to identify what makes members happy and what makes them want to leave – which should keep more of them from leaving.

Comprehend's Process Intelligence Cluster looks at the same data from a variety of perspectives. When the view shifts from claims to users, *Comprehend* provides information that helps to improve workforce efficiency and productivity. *Comprehend* can even track activities involving applications that don't generate claim-related events, to give a more complete view of how workers are spending their time. Analysis is available by team, and teams can be compared with other teams. If people can see how they're performing, they tend to perform better. *Comprehend* can therefore support worker recognition, reward and retention programs and initiatives.

Comprehend is designed to make it easy and fast for users to see, understand and act upon information about workforce performance and productivity. Users can investigate claims by members, by edit codes or by other elements, and quickly assemble all of the information related to a particular member or claim. And the Analytics Cluster can show every step that every user took to process, resolve or rework a claim.

In addition, the above scenario is equally applicable and compelling wherever worker performance and constituent service levels matter, and wherever transactions take place, across an entire enterprise. Examples include but are not limited to contact centers, support desks and telemarketing teams.

The Bottom Line

Comprehend can ensure that every workforce management decision is based upon real-life workforce performance data. This approach buys significant business benefits, including elimination of the perceived favoritism and capriciousness surrounding compensation and promotion decisions.

Comprehend empowers managers and decision makers to present workers with performance analyses based on data, not just upon personal opinion, casual observation or hearsay. And *Comprehend* does this in ways that also inform and improve business processes, for workforce management and for almost any other critical tasks.

Comprehend is the result of years of work by the developers, founders, and advisers at OpenConnect. The solution demonstrates the company's focused commitment to delivering technology solutions that enable data-defended, doubt-defying business decisions.

If you are a business decision maker who believes that data-defended decisions defy doubt and drive success, you and your colleagues should look closely at *Comprehend* from OpenConnect. Other solutions promise improvements in business processes and workforce management. However, few if any can do so with the combination of innovation, transparency, analytical intelligence and focus on business benefits offered by *Comprehend*.

About the Author

Michael Dortch is Principal Analyst and Managing Editor at DortchOnIT.com, "an independent voice for technology-dependent people." Michael has been empowering information technology (IT) buyers, sellers and users since 1979, by translating what technologists say and do into language that non-technologists can understand and use. He helps people and companies to maximize revenues, ROI, business value and positive perceptions through more credible and engaging outreach and improved customer, influencer and partner relations.

Michael Dortch is Principal Analyst and Managing Editor is "[One of the Top 500 Analysts Using Twitter](#)," according to [Jonny Bentwood's Technobabble 2.0](#). Michael's thousands of online followers and connections include many industry-leading technology and business analysts, journalists and other influencers with hundreds of thousands of aggregate followers. More information is available at www.DortchOnIT.com.

About OpenConnect

OpenConnect is the leader in process intelligence and workforce analytics solutions that automatically discover, automate and improve service processes and optimize workforce productivity. Combining unparalleled experience and solution capabilities, OpenConnect enables our clients to more quickly address and adapt to today's operational and competitive challenges. Learn more about OpenConnect at www.oc.com.