Shaping the future of modern business

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Why the Future of Business Rests on Modern Ecosystems

As businesses reorganize post-COVID for continuous streams of revenue, digital ecosystems are key to their strategy. Here's how to prepare.

The post-pandemic economy is shaping up as the age of innovation. It's an experimental time in which accepted norms have been discarded and future success depends in large part on the evolution of modern ecosystems, a component that has long been talked about but too rarely put into practice. The relationships aren't just alliances, strategic or otherwise. They're connected networks that are interdependent and generate value for all involved.

It's a new model that signals a new reality: No one entity, no matter how mighty, can do it all in today's technologically intense and complex business world. As companies build for the future, extending their ecosystems and carefully planning the digital stack that supports it is the most strategic bet they will make.

Reassess, rethink, reinvent

In the wake of COVID-19, businesses are reassessing every aspect of their organizations. It's a stem-to-stern review, and the intersection of technology, work and experience forms the focal point. That is, to gain the full business value of technology and integrated (and somewhat invisible) processes, companies are rethinking how work gets done. They're also examining experience across the extended enterprise — a new and more expansive view that takes in all stakeholders: employees and partners, as well as customers. Technology's role brings it all together: To enable the wide-angle view of work and experience, businesses must double down on technology's criticality in making them happen.

Powering it all is the modern ecosystem, the network of relationships that is fundamentally the biggest change of all. While organizations are evolving work, experience and technology, the ecosystem is getting a wholesale makeover. Importantly, industry leaders have come to the realization that ecosystem optimization requires orchestration that typically comes in the form of a master systems and business process integrator.

It's critical to view the rise of ecosystems in the context of the post-pandemic economy, which has delivered a jolting, real-world education in the value of extended partnerships and communities. We witnessed how the tightly coupled and global supply chains created over the past 20 years turned out to be surprisingly brittle. As businesses built out footprints worldwide, cost efficiencies took precedence over resiliency, which is often measured by the efficiencies of time and place. The results were networks so highly optimized and massively dislocated that they've been unable to survive the pandemic's disruption.

Until now, ecosystems have been interesting but largely academic for C-suite executives measured by quarterly results. But the global shutdown and its lingering ramifications — supply chain fallout and inflation — have catalyzed our thinking. Concepts that once appeared abstract suddenly came into sharp relief, and the value of antifragile ecosystems became crystal clear.

The seminal work of MIT Center for Information Research (CISR) is making its way into mainstream business discourse — and with good reason. CISR's view of adaptive business organizations highlights the dominance of ecosystem drivers among emerging digital business models.

What does a modern business look like?

COVID-19 isn't the only force reshaping ecosystems. Adding unparalleled urgency is the need for businesses to take bold actions related to climate change and sustainability. We can't forget that the ecosystems in direst need of our best thinking — and commerce's contributions — are much larger than the B2C and B2B spheres. Among the defining conversations going on is what a modern business looks like.

As businesses rethink their roles and commit to new ones, resiliency will be a key characteristic of ecosystems. Sustainability will need to be at the forefront of all businesses, balancing the needs of people and planet with profitability. The modularity that's the essence of the application programming interface (API) economy can play a major role in this new flexibility — once we get it right. That means providing the technological wherewithal to enable organizations across an ecosystem to plug, play and interoperate as if they are one. Too often APIs have been viewed merely as software when their real potential lies in business design.

For example, by making supply chain components modular, organizations can position themselves to accommodate business change without the massive disruption of 2021. Collaboration and standards will be critical, and their absence contributed to the fragility of past supply chains. One of the biggest mistakes companies made in adopting service-oriented architectures (SOA) was allowing a patchwork of definitions to spring up around the reusability of components. One company would bundle five functions into a single component, another would include just one, and another might pack in 20. Reusability became nearly impossible. Plug-and-play systems fell short of their promise.

Poised for a shakeup: How modern ecosystems are transforming

With business success no longer a zero-sum game, modern ecosystems are no longer optional. They're also set to take a dramatically different shape. Companies have engaged in partnerships for forever, but most of the alliances were thinly disguised buyer-supplier relationships, typically one-off arrangements entered for a narrow purpose. Today's ecosystems are poised for a shakeup: 80% of enterprises are expected to optimize their relationships with suppliers, providers and partners by 2024.

Even more radical will be the change in dynamics. With corporate customers preferring to search for partners by capability rather than tier level, up to 50% of major vendor partner programs are expected to place greater emphasis on partner expertise. Knowing your company's role in the digital economy has never been more critical.

Perhaps most transformative, the new generation of ecosystems are interdependent. Parties share in the value that's generated. For example, for an international distributor that had long served as the middleman between large vendors and small resellers, we created a platform that allows omni-directional commerce. The change frees the distributors' partners to pursue modern, digital operating models. Through the full-service, eBay-like ecosystem, resellers not only benefit from optimized work and experience but also from the opportunity to build their businesses by forging new partnerships.

Among the greatest strengths of the platforms that form ecosystems' connective tissue is their ability to scale personalization. When a multinational technology conglomerate sought to reinvent its partner experience, its goal was a digital platform on which 60,000 partners could bundle and package products in ways and build value through personalization such as tailored content based on sales roles. We rolled out the platform's pilot in five sprints. Now fully launched, the centralized delivery of partner resources serves as a single source of information for 240,000 partner users. The ecosystem platform is projected to provide revenue loss avoidance of approximately $200 million per month in partner and customer attrition. Self-service reporting capabilities on cloud consumption will also help partners take advantage of cross-sell and up-sell opportunities.

The new role of orchestrator

The stakes are even higher in healthcare, where ecosystems' interdependencies include patient care. Providers have long struggled with fragmented systems for electronic records as well as for the collection and storage of data from costly diagnostic equipment. The skyrocketing number of sensor-equipped devices — everything from smart watches to pacemakers — has heightened the industry's need for collaborative solutions.

Among the weaknesses the pandemic has exposed across all supply chains, however, is a chronic lack of collaboration. As one observer told The Washington Post, "It's like an orchestra with lots of first violins and no conductor. ... No one's really in charge."

Now healthcare is taking the lead to define the pivotal role of orchestrators within ecosystems. Through modern technologies and partnerships, our experts are teaming with health tech giant Royal Philips to unite the medical

industry's patchwork of systems into a secure, central repository. Philips HealthSuite Digital Platform is built on Amazon Web Services and home to a rapidly growing set of healthcare solutions and devices, with more than 100 types of medical devices integrated into the platform to date. The innovation behind HealthSuite is that, rather than build systems in-house, healthcare companies can embrace their core capabilities and tap the platform to bridge longstanding gaps. Already companies such as Ypsomed and Alcon are leveraging HealthSuite to advance their patient-care mission and business goals.

Building out the ecosystem

There's a certain comfort level to siloed functions. They're familiar, and we know how to work within them. But the future of business is about continuous streams that depend on collaborative ecosystems to support technology, work and experience.

OBJECTIVES

- End to end experiences
- Shift Cost to Innovation
- Empowered Employees

SOLUTIONS

FUTURE OF EXPERIENCES

- Customer Journey Maps
- Human Centric Designs
- Front to Back Automation

FUTURE OF WORKFORCE AND WORKPLACE

- Product Centric Design
- Work From Anywhere
- Guides and Community

FUTURE OF TECHNOLOGY

- Cloud Infrastructure
- API Driven, Microservice Architecture
- AI and Automation

OUTCOMES

- Better Customer Satisfaction
- Improved Innovation and Culture
- Technology Empowered

Technology: How Defining Business Outcomes Upfront Delivers Digital's Benefits

With laser-like focus on outcomes, organizations can create a future-ready IT foundation and capabilities that power experiences, workflows and activities.

Motivated by the pandemic to speed up its digital agenda and reduce costs, one *Fortune 50* company confidently set out to meet unprecedented business challenges.

What it found surprised leadership. Despite viewing itself as digitally advanced, the company discovered critical gaps in its use of technology. IT lacked the right skill sets, efforts to build a modern infrastructure were falling short, and automation initiatives produced few of the projected enhanced capabilities or cost savings.

It's an all-too-common scenario: the company's digital agenda wasn't delivering value back to the business, especially in meeting the needs and expectations of its customers and employees. Although modern business relies on technology more than ever, the greatest challenge that companies like this one face isn't about bits and bytes but developing a plan that makes it all work in unison.

What we've learned over time is that outputs are just as important as inputs. By defining the desired business outcomes and fully capitalizing on the right technologies, companies can build the digital foundation to power the experiences, workflows and activities that differentiate them in the marketplace.

Lost in the digital fog

We often see confusion among clients as they obsess over sophisticated experiences that are dependent on advanced technologies such as machine learning and big data analytics. The optimal path forward becomes opaque and uncertain.

For example, we worked with a client that had deployed white-label software to create a high-quality customer experience (CX). The company viewed the end-to-end

digital platform and the data it generated as a competitive advantage. But it had developed so many customer journeys that the effort to support them became costly, and the company was uncertain that it could sustain the experience as it grew. It hadn't counted on the expense of transferring voluminous amounts of data to and from the public cloud, or the operational complexity of owning the data cross the customer lifecycle. We're now supporting the client as it explores a more sustainable structure. Taking time to define the solution's desired outcomes as part of the blueprinting/planning phase could have helped the company avoid the confusion.

At the opposite end of the spectrum are companies that fail to recognize the importance of delivering with speed at scale and often struggle with digital overhauls. For example, they fail to acknowledge that they lack the right skills, and they frequently don't invest enough in building scale to reach or exceed the competition's speed.

Companies in this situation often become lost in the digital fog as they lack the necessary skills and suffer from disjointed architectures and suboptimal IT partnerships. They experience cost overruns that are rarely if ever justified with measurable business returns.

The digital stack needed to drive a modern business

Powering a modern business into the fourth industrial revolution requires organizations to master the digital stack. That means connecting the stack to outcomes that start with experience — for consumers, employees and partners — and extend to the instrumentation across the technology landscape. It takes software fueled by intelligent solutions and data running on connected cloud-based systems to provide the just-in-time experiences customers are looking for.

To create a holistic digital stack that's extensible and continuously evolving, C-level leaders must consider the following primary factors in the context of desired

▌ **Develop a clear technology vision that provides a beacon to illuminate a path forward.**

While this guidance may seem obvious, it underscores how the role of leadership has changed within organizations. Today's leaders require digital literacy to manage adaptive cultures, reimagine the business and drive employee engagement. Developing a clear vision ensures that they lead with a plan tailored to meet the company's strategic goals.

▌ **Set up a future-ready technology organization to deliver digitally.**

Build teams that not only understand today's technologies but also know how to leverage modern ways of working such as Agile and DevOps. Team members need to understand the latest technologies and how they fit into a future-ready IT architecture that's fit for purpose. There's also a human element that pivots around team members' day-to-day work. Be sure associates understand how IT modernization and digital initiatives impact their roles and responsibilities, and how it fits into the organization's strategic plan and key performance indicators (KPIs). This means creating a "what's in it for me" messaging plan that demonstrates, for example, how new automations change business processes, or how advanced analytics will enable better decision-making. Also required to set up a future-ready organization is a detailed transition plan for aligning the future state and new ways of working. A successful plan requires precision focus on finding the right skills and supporting technology to deliver digitally.

▌ **Define a simplified architecture to streamline legacy environments and processes.**

Create an overarching architecture that eliminates silos and streamlines organizational processes. But remember this is a two-step process: First define a functional architecture, and once that is completed, work on an IT architecture that identifies target state and supports development of a blueprint. Be sure to utilize design-thinking and modern architectural approaches such as microservices and application programming

interfaces (APIs) to provide connectivity and improve experiences to previously disparate solutions.

▌ **Implement foundational technologies and processes.**

Provide the backbone for digital technologies. Key examples of foundational technologies and processes include but are not limited to cloud platforms (private, public and hybrid) and any particular hyper-scaler. Other foundational elements include Agile management (Jira, Rally, Planview), DevOps orchestration (version control, app performance monitoring, and deployment), development and collaboration tools (Slack, Visual Studio), and test and deployment automation (Jenkins, AWS CodeDeploy, Octopus).
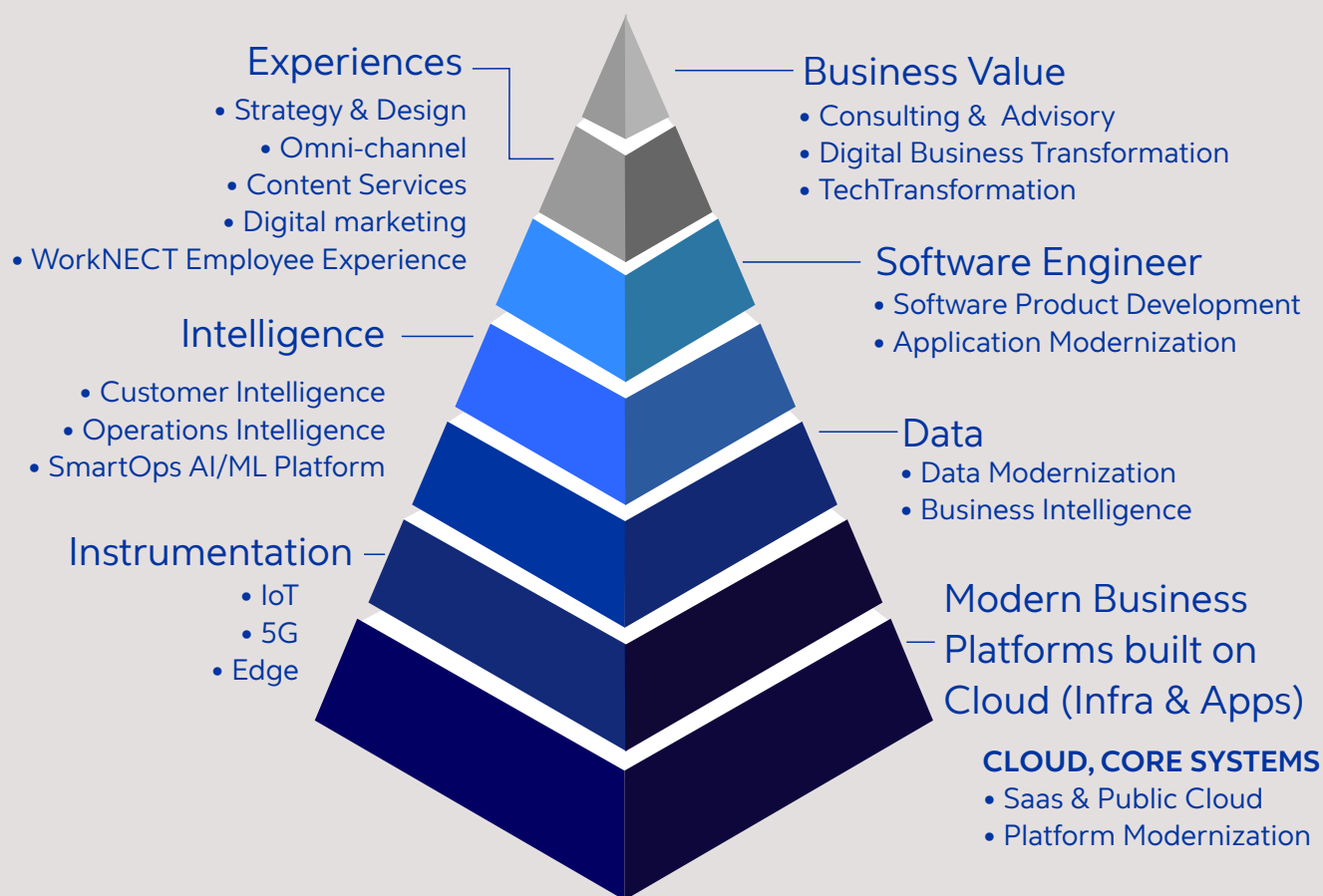
Remember that just having the foundational technologies is only one piece of the puzzle. To extract real value, the tools need to be deployed and integrated across the enterprise.

▌ **Modernize the technology landscape.**

Interestingly, we observe that many businesses view this step as their starting point — and then wonder why they fail. Modernization isn't a one-time step. Delivering business outcomes takes continuously modernizing your organization's application and technology landscape to remove technical debt and free up investment capital.

To avoid failure, it's best to start small with modernization initiatives, conducting proofs-of-concept or minimum viable products (MVPs) in business areas that are on the path to becoming digital and utilize the defined vision, architecture and foundation. Examples where this journey can begin include adopting a cloud-first mindset in which companies retire legacy applications that no longer serve business needs and utilize microservices to modernize functionality. Creating an abstraction layer to legacy platforms such as mainframes avoids the rise of "new legacy"; that is, modern applications that are still tightly bound to outdated platforms to access data and conduct transactions.

The New Technology Stack

Experiences
- Strategy & Design
- Omni-channel
- Content Services
- Digital marketing
- WorkNECT Employee Experience

Intelligence
- Customer Intelligence
- Operations Intelligence
- SmartOps AI/ML Platform

Instrumentation
- IoT
- 5G
- Edge

Business Value
- Consulting & Advisory
- Digital Business Transformation
- TechTransformation

Software Engineer
- Software Product Development
- Application Modernization

Data
- Data Modernization
- Business Intelligence

Modern Business Platforms built on Cloud (Infra & Apps)

CLOUD, CORE SYSTEMS
- Saas & Public Cloud
- Platform Modernization

These primary factors ensure teams adapt to new technologies and modern ways of working. Additionally, change management and training activities, (including cross-skilling and upskilling) will be pivotal to ensure that team members have the knowledge and understanding to deliver on the business vision and expectation.

Even digitally advanced companies can struggle with IT modernization, as we witnessed with our *Fortune 50* client. After revisiting the required operating model, we're building out a new roadmap for the company that's focused on taking digital to the next level.

By emphasizing outputs and then implementing the optimal IT operating model, organizations gain the clarity to deliver better experiences and ways of working — quickly and effectively — that generate continuous value across the extended enterprise.

Work: Five Steps to Rethink Work — and Build a Stronger Enterprise

In the emerging post-pandemic economy, work plus technology equals a meaningful experience — and business value. Here's how companies can achieve it.

The post-pandemic workplace is nuanced, full of unknowns and at times downright scary.

In short, it's the perfect time to rethink work.

With old norms no longer valid, there's the opportunity to step out from the chaos of the last 18-plus months with an employee value proposition (EVP) that fits modern business.

Yet the conventional EVP — the combination of rewards and benefits in exchange for work — is on shaky ground. Worse, as companies assess the changing nature of work and how they operate their businesses within this vastly changed environment, many make an unexpected discovery: they find that the technology and processes they've implemented have largely overlooked the work experience and the human-machine interaction. Instead of streamlined workplace efficiencies, companies find pockets of automation — and disconnected workers.

The movement to redefine work

Workplace survey findings these days are enough to send a collective shudder through organizations. Leaders were initially bullish about a return to the office, but employees took a different view, influenced by health concerns and the benefits of remote work that in many cases outweighed the challenges. Many voted with their feet, with a record 12 million quitting their jobs in April, May and June. Those that remain make it clear that they're eyeing the exits: Thirty-nine percent would consider quitting rather than give up working from home, with the figure jumping to 49% among millennials and Gen Z.

Welcome to the YOLO economy, which stands for "you only live once." The acronym refers to workers' widespread re-evaluation of their priorities. More of us are asking "Am I happy?" "Do I enjoy this work?" "Do I want to spend 90 minutes a day commuting?"

In response to a workforce possessed of a new mindset and the tight labor market, companies are finding that the optimal return-to-work model remains a work in progress, and the upheaval is triggering changes to how business is organized. While there is no one-size-fits-all answer, one point is certain: Determining what the new business models mean for them will require a proactive approach that not only differentiates them in the job market but also fundamentally alters how work gets done.

Build work experience into the technology foundation

The pandemic's emphasis on remote work highlighted that technology is only part of the answer. It also made it painfully obvious that technology that drives work experience is incomplete: Instead of fully orchestrated, end-to-end digital processes, many organizations found that they had implemented point solutions that add up to pockets of automation. While many benefitted from short-term cost reductions and some levels of productivity gains, they fell short of the step-change improvements in speed, agility and resilience along with widespread cost efficiencies and productivity.

For example, they deployed an automated marketing email solution — but didn't integrate it into their martech stack. Or installed GPS sensors to assist supply chain operations yet skipped robotic automation for manual warehouse tasks.

The quick deployment of technologies to support virtual work only exacerbated the situation. Too often companies failed to determine the quality of process before automating it, resulting in little added value and even more automation efforts that don't align or advance corporate goals.

Now, disconnected workers are emerging as an unintended consequence of the gulf between point solutions and fully digital processes. Isolated tasks leave employees feeling disengaged from peers, managers and the organization, and the disengagement piles on to factors like videoconferencing fatigue that is already exacting a heavy toll on workers. A critical aspect of the new way of working is to restore the connection for

employees in this dynamic environment. Every corporate culture is built on the interaction of people, and without the opportunity for employees to get to know each other in person — especially new hires and junior staff — companies risk becoming a loose federation of freelancers.

That's why it's critical for organizations to double-down on how work is delivered. That is, how can companies digitize end-to-end workflows rather than portions of tasks? What is needed to remake inflexible processes into fluid, intuitive and frictionless experiences? How will companies drive and measure adoption?

Data plays a key role

As companies move forward to determine what the new workplace looks like, data plays a key role. We advise companies to make data a foundational element in this new environment in the following ways:

1. **Create a platform to amplify the voice of the employee.** Today's workplace has two imperatives for organizations: Employees must have a voice, and companies must create a platform to ensure that those voices are heard. Engagement platforms do both. They provide an avenue for employees to air their needs, wants and concerns, and for companies to collect continuous feedback on the workplace's engagements, projects and environment. From straightforward tools such as surveys, the platforms can generate a host of insights into what employees are feeling and seeing. With that data in hand, companies can measure and manage against real-time benchmarks and take actions that influence deeper engagement, satisfaction and retention. In addition, the data helps refine touchpoints and processes that include job candidacy, hiring, onboarding, career development and training.

2. **Apply trended reporting.** With corporate loyalty at its lowest level in more than a year, the result is a full-on war for talent. Trended reporting is the leading indicator to identify issues before they become problems. Are we hiring with diversity in mind? Is recognition and reward extended to those who deserve it? Paired with recurring surveys, trended reporting lets companies take the pulse of their organizations. For
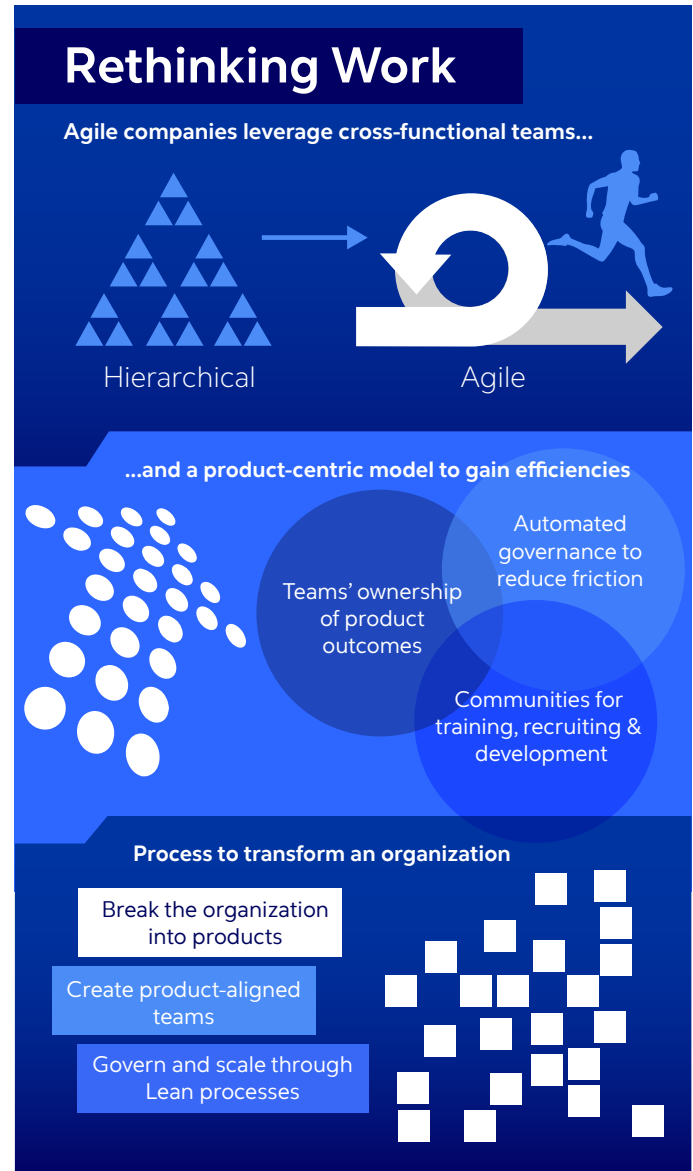
example, by applying trended analysis to performance reviews, organizations can benchmark employees in terms of skills and training such as certifications. They can also proactively spot high-value employees and those at risk for attrition, and identify trends in demographics, pay equity and turnover that relate to corporate diversity and inclusion efforts. Trended reporting is also a useful career-development tool for mapping out paths that enable individual contributors to grow into managerial roles. Taking advantage of trended reporting data enables organizations to better understand workforce skills and apply them most effectively.

3. **Communicate with the organization.** It's important to keep in mind that while employee surveys and trended data analysis are important, they don't create a more meaningful workplace experience on their own. They must be supported by communication. It's critical that employees understand efforts underway to continuously improve the workplace experience, especially during times of great change. After all, we're all still human, and humans are hard-wired to resist change, even if beneficial. That's why communication with employees during times of change has a big payoff. When a medical device company underwent a major IT transformation, its employees faced shifts all around them. Our team created an employee-centric communication strategy with a schedule of messages designed to educate employees on the initiative's intent, benefits and stages, and to ease anxiety. The messages' open rate was 63.39%, and the company's net promoter score (NPS) jumped from -53% to +25%.

4. **Examine how work is structured within your organization.** Attracting top talent is only one strategy for creating a top-performing workplace. Organizations also need to nurture the talent they already employ. By migrating to modern delivery structures that offer more opportunities for learning, companies not only improve how work is conducted — and potentially boost their EVP — but also increase productivity. The new structures include technology guilds, communities of practice, and teams aligned to products and functions (think customer journey, product, platform,

and all types of DevOps teams). Central to the new forms is empowering employees to determine the best way to solve for their mission. It's a big change that accelerates time to value — and business impact. A leading financial services firm realized significant productivity gains when we partnered with them to pilot a modern team structure based on learning dojos. The dojos group similarly skilled employees who learn together how to collaborate in teams and embrace "ownership" of their work within a product-centric organization. The pilot effort paid off quickly: After eight weeks of training, the teams' deployment frequency of software code went from every three months to less than two weeks, and the teams now release multiple times per week.

5. **Redefine corporate culture to support work.**
Everything is up for grabs in the post-pandemic workplace as companies examine how work is changing and factor in the human-digital context and its implications for roles and skills. With virtual teams firmly in place, leaders struggle to redefine work. Many find that being digital means more than access to videoconferencing and communications platforms. Screen fatigue has set in. Eight in 10 remote workers believe their career development has been negatively affected over the past year, with the top factors being burnout and work-life imbalance. By examining how employees interact with each other, managers can adapt their leadership to enhance virtual and hybrid work experiences. Measures range from the simple, such as setting up chat channels, to the more complex, such as hosting virtual events and establishing clear start and end times for the workday. Remember that experience is more than skin deep. Consider upgrading rewards systems and other outdated policies that hinder culture transformation, which mostly likely aligns with an organization's more modern vision, goals, and objectives. For example, unlimited paid time off is a hugely popular benefit that more employers are considering.

Rethinking Work

Agile companies leverage cross-functional teams...

Hierarchical → Agile

...and a product-centric model to gain efficiencies

Teams' ownership of product outcomes

Automated governance to reduce friction

Communities for training, recruiting & development

Process to transform an organization

Break the organization into products

Create product-aligned teams

Govern and scale through Lean processes

A proactive approach to how work is delivered — and the business models that support it — will differentiate companies in the job market. When it comes to workplace experience, technology is the enabler[AA(4)VA(5)], the glue that brings them together. Yet it's the pairing of technology and processes that delivers full business value. Building a strong technology foundation enables companies to be more productive with better results and a workplace experience that creates more satisfied employees.

Experience: Compliments of CX, Experience Goes Enterprise-Wide

Experience has a new mission. In the post-pandemic economy, it's emerging as the ability to connect *all* stakeholders — employees and partners as well as customers.

But experience's roots in customer organizations run deep. Now, as companies build out their experience ecosystems, applying the well-honed principles of customer experience (CX) to launch similarly personalized, intuitive interactions across the enterprise can pay off in stronger, more resilient operating models. Recently commissioned Cognizant research arrived at similar findings. (Click here to read more.)

The streamlined employee and partner experiences — powered by a modern digital backbone and technology-enabled workflows — result in organizations that are better equipped to compete and thrive.

B2B experience takes its cue from CX

The path to superior CX is well trodden in B2C. Digital capabilities have supercharged CX, creating frictionless, seamless interactions that are personalized and almost clairvoyant in their ability to predict next best actions. The goal: apply technology — from AI and analytics through automation — to uplift experiences that feel intuitive, empathic and quasi-human. The most successful solutions are designed to stoke emotional response — and result in lasting brand relationships.

What if businesses in the B2B space applied this same CX approach to power new ways of working in their operating model?

It's a *big idea*, with perhaps potentially even bigger outcomes for business. Putting CX principles to work throughout the extended B2B enterprise is a work in progress that starts with a strategy refresh. The refresh should examine your organization's business model and uncovers its true raison d'être; that is, where it's placing its big bets. Most organizations have conducted similar exercises already. Yet the global pandemic provided enough of a shake-up to business that it's critical for

every company to revisit its strategy and know where it fits, based on level of end-customer knowledge and role within the digital value chain.

Five key findings from CX

Like CX, memorable experiences are personalized, seamless and intuitive. The following findings, gleaned from our research and client work, reveal how organizations can apply the principles of CX, built on a modern technology backbone and use of behavioral, attitudinal and transactional data collected across the extended enterprise, to replicate those same qualities for employee and partner experiences (where collaborative relationships are key).

1. **Understand what drives your business and those of your partners.** In partner relationships, it's important to align each business's metrics and rhythms so partners create greater value together. Review the hard and soft characteristics of your business — finance and operations, plus culture — to better understand how decisions are made. In the simplest terms, how things get done. Doing so sets the stage for better alignment of partners within an ecosystem and improves the odds of better experiences across the extended enterprise. It leads to a set of operating principles that espouse shared values and establish the desired behaviors, decision-making and actions required. For example, one company may be risk averse and conservative, while another is unbounded in its thinking and built on modern tech. Alignment on key performance indicators (KPIs) and objectives and key results (OKRs) is a first step in connecting cultures and setting the tone for the right behaviors and habits for both your team and that of your partners.

2. **Make it easy for partners to do business with you.** Data is the magic ingredient fueling the digital agenda, and a company's ability to collate, curate, analyze and act on it is the defining characteristic of the digital age. Superior partner experiences are built on the same data strengths. Integration and connectedness without

vulnerability should be the overarching design objective and can be achieved through a modern data platform. Coming in many shapes and sizes, the platforms typically perform data ingestion and store information in data lakes. The best ones offer a combination of pre-engineered products and accelerators. The result is data that's more accessible and compliant and ready to empower real-time business decisions. (See part 2 for a more detailed exploration of the optimal digital technology foundation.) [AA(1)] [VA(2)]

3. **Optimize the employee journey, end to end.**
   When attrition is high and loyalty is scarce, creating a reputation as a great place to work becomes critical for every enterprise. Map the touchpoints of the employee journey just as many organizations have done for the customer journey. Start by segmenting the journey into its major stages. Look at how people are thinking and feeling and what they are doing at each touchpoint, during the onboarding, for example, and throughout their time in a given role. Then identify pain points they might encounter, such as navigating the organization to find the right person and information, or negotiating a complicated career development pathway.

   Possible strategies can include:

   ▌ **Providing knowledge management** that's accessible and user-friendly.

   ▌ **Creating a learning ecosystem** based on modern technology and snackable learning trends, such as 10-minute videos to explain a specific topic, rather than a day-long course.

   ▌ **Developing a career framework** that defines pathways individuals can take to achieve their professional goals.

   In addition to segmenting the major stages of the employee journey, it's critical to understand the day-to-day experience as well. The accumulation of what might be perceived as minor inconveniences and frustrations eventually creates an unsatisfactory employee experience (EX). That is, sometimes small improvements such as intuitive expense and timecard systems have the greatest impact.

4. **Remove friction.** Make it easy for employees to do their jobs. EX falls short when the workday is made up of low-value tasks that add friction and frustration. Despite digital advances, many companies continue to rely on hard-coded legacy processes and workflows that haven't changed in years. Great experiences, however, come from better, technology-enabled workflows. For example, tools that recognize the task that an employee is doing and make available the next best application to complete it, that help navigate the business and automate repetitive tasks, or that let you mine the vast reservoir of information in your organization's knowledge management systems, providing greater transparency and self-service. A simple example of technology-enabled workflow is an expense system that allows users to photograph physical receipts and then applies an artificial intelligence (AI) reader to pre-populate an expense line item by identifying the type of receipt, its value and date.

5. **Empower employees.** When our team created an integrated application that enabled ground agents for a multinational airline to handle passenger requests on the spot, the defining aspect of the EX wasn't the technology but the staff's ability to make decisions without a manager's approval. Empowering employees is one of the toughest hurdles for companies as they adopt new operating models. Yet while organizations often struggle with decentralized decision-making, empowerment is a

▌ **Demonstrate credibility** through storytelling and openness. Key message is one of empathy: What you're going through must be hard.

In the Agile environment, employee empowerment is an essential ingredient to success. For a new hire joining a virtual team, the social guiderails that help calibrate an employee's actions are absent. It's hard to tell whether the boss's backing is there, or whether the team trusts its members.

Leadership plays a key role in establishing the trust that's at the heart of empowerment: For trust to flourish from the bottom up, it has to come from the top down. It's leaders' job to create a sense of trust in the extended enterprise by modeling the following characteristics:

❙ Be reliable. Be there for people and make them a priority. Key message is I *respect you and your time*. Where possible, avoid back-to-back meetings and remember people have a home life outside of work.

❙ Demonstrate credibility through storytelling and openness. Key message is one of empathy: *What you're going through must be hard.*

❙ Create intimacy through shared experiences. Key message is *We're in this together and I've got your back.*

Fragile trust can develop early in a virtual world, but without constant attention, it can soon dissipate. Using the right language and messaging, and planning work patterns that strike a balance between continual connectedness and downtime can lead to a productive, creative and empowered virtual team.

As experience ecosystems expand to connect all stakeholders in the post-pandemic economy, the principles of CX will serve as a guide to creating streamlined employee and partner experiences and resilient operating models.

Experiential Thinking

The principles of design thinking are critical to building an exceptional experience.
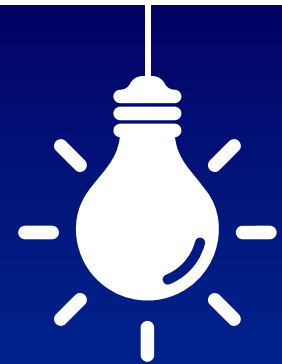
Human Centric

Put the human need at the heart of every design and development stage of the product or service.

Holistic

Use a big picture mentality in which people are interconnected to larger systems around them.

Experimental

Use prototyping and experimentation to test and validate ideas.

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About Cognizant Consulting

With over 5,500 consultants worldwide, Cognizant Consulting offers high-value digital business and IT consulting services that improve business performance and operational productivity while lowering operational costs. Clients leverage our deep industry experience, strategy and transformation capabilities, and analytical insights to help improve productivity, drive business transformation and increase shareholder value across the enterprise. To learn more, please visit www.cognizant.com/consulting or e-mail us at inquiry@cognizant.com.

About Digital Buiness

We help clients build digital businesses and innovate products that create new value – by using sensing, insights, software and experience to deliver on what customers demand in the digital age. Through IoT we connect the digital and physical worlds to make smart, efficient and safe products, operations and enterprises. Leveraging data, analytics and AI we drive intelligent decisions and anticipate where markets and customers are going next. Then we use those insights, combining design and software to deliver the experiences that consumers expect of their brands. Learn more about how we're engineer¬ing the modern enterprise at cognizant.com/digitalbusiness.

About Cognizant

Cognizant (Nasdaq-100: CTSH) engineers modern businesses. We help our clients modernize technology, reimagine processes and transform experiences so they can stay ahead in our fast-changing world. Together, we're improving everyday life. See how at www.cognizant.com or @Cognizant.

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