Customer Experience Management

Maturity Model

GB962 Addendum B

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Executive Summary

This addendum is the preliminary baseline for the Customer Experience Maturity Model, based on 5-levels of maturity and 6 Dimensions of Customer Experience.

1. Introduction

In order to plan and execute a program of continuous improvement in the pursuit of a Customer Experience Management strategy, a method of assessing various dimensions of attributes at the current and target maturity levels has been found a useful approach to that end.

The 5 levels and 6 dimensions of TM Forum's Maturity Model are grounded in the Customer Life Cycle and Frameworx business model, thus providing practical approaches to actual best practices and standards.

It should be noted that an enterprise is seldom monolithically lodged in one level of maturity across all dimensions of attributes. The path to comprehensive improvement in implementing a Customer Experience Management strategy will thus vary according to factors unique to the circumstances and environment in which the enterprise finds itself at any given time.

For an enterprise to plan and execute a program of continuous improvement around their Customer Experience Management strategy, it is necessary to have a means to assess their maturity across key defining factors of customer experience.

The TM Forum has created a model for this assessment that consists of five Maturity Levels across each of six Customer Experience Dimensions. The model is based on the Customer Lifecycle and the Frameworx business model, providing a structured and practical approach to creating this best practice.

An enterprise is seldom at the same maturity level across all Customer Experience Dimensions. The path to comprehensive improvement in Customer Experience Management will vary according to the unique circumstances and environment present in that company.

1.1. Summary of the 5 Levels

The five levels chosen for the Maturity Model are patterned after the widely-recognized Capability Maturity Model used for software engineering maturity assessment. The characteristics of these levels are broadly characterized as follows:

- Level 1 – Initial: It is characteristic of processes at this level that they are (typically) un-documented and in a state of dynamic change, tending to be driven in an *ad hoc*, uncontrolled and reactive manner by users or events. This provides a chaotic or unstable environment for the processes.

- Level 2 – Repeatable: It is characteristic of processes at this level that some processes are repeatable, possibly with consistent results. Process discipline is unlikely to be rigorous, but where it exists it may help to ensure that existing processes are maintained during times of stress.

- Level 3 – Defined: It is characteristic of processes at this level that there are sets of defined and documented standard processes established and subject to some degree of improvement over time. These standard processes are in

place (i.e., they are the AS-IS processes) and used to establish consistency of process performance across the organization.

- Level 4 – Managed: It is characteristic of processes at this level that, using process metrics, management can effectively control the AS-IS process. In particular, management can identify ways to adjust and adapt the process to particular projects without measurable losses of quality or deviations from specifications. Process Capability is established from this level.

- Level 5 – Optimizing: It is a characteristic of processes at this level that the focus is on continually improving process performance through both incremental and innovative changes/improvements.

At maturity level 5, processes are concerned with addressing statistical *common causes* of process variation and changing the process (for example, to shift the mean of the process performance) to improve process performance. This would be done at the same time as maintaining the likelihood of achieving the established quantitative process-improvement objectives.

1.2. Summary of the 6 Dimensions Customer Experience Dimensions?

- Vision / Strategy: A measure of the degree to which there exists a Customer Experience Management theme in the enterprise strategy and of its effective integration with the other dimensions of strategy. A measure of the clarity of communication and consistency of actual behavior by the senior management with respect to Customer Experience Management, related to many of the customer experience dimensions listed below.

- Organization / Influence: A measure of the degree of focus of organizations on Customer Experience Management and the degree of cross-organizational coordination toward effective results. This includes aspects of governance and management as applied to Customer Experience Management

- People: A measure of the degree of development of awareness, skills, knowledge, and performance of those delivering value to the Customer.

- Processes: A measure of the degree to which there exists a process-centric approach to Customer Experience Management and the effectiveness of the processes in place.

- Business Metrics / KPIs: A measure of the adoption/use of a system of enterprise-level measures, operations-level measures, or both, which are related to Customer Experience Management.

- Tools / Systems: A measure of the intensity of use of business management IT systems in support of Customer Experience Management.

1.3. Attributes

The matrix below defines attributes for each of the Customer Experience Dimensions at each maturity level. The initial attributes placed in the matrix below are meant to initiate discussion and further refinement of the attributes, as well as linkage to Frameworx. These updates will be the subject of subsequent enhancements to this document.

As an aid in refining and enhancing these attributes, a Business Benchmarking survey of the industry is being commissioned for the latter half of 2012. Based on responses to that survey, analysis and conclusions drawn from the survey will further refine and detail more attributes and more specificity in relationship to Frameworx.

The ranges of issues which will be specified in detail as the survey and other sources are included are outlined in the following sections.

Vision / Strategy

- Clarity of vision across organization
- Existence of strategy
- Supplier/partner (extended value stream) coordination of CE strategy
- Relative emphasis on CE strategy
- Establishment of CE "culture"

Organization / Influence

- Who has responsibility
- Use in organizational goals
- Awareness across enterprise
- Effect on decision making
- Quantification of benefits
- Relationship to SLAs
- Business case development
- New service coverage of CE topic
- Degree of interaction across organization

People

- Coverage of management training
- Coverage of staff training
- Human resources involvement
- Recruitment of CE skills
- Staff turnover
- Employees rewards for CE involvement

- Relationship of staff goals to CE SLAs
- Supplier/partner value stream correlation with CE goals

Processes

- Processes in place
- Customer life cycle touch point coverage
- Process maturity
- Alignment with Frameworx
- Customer feedback mechanisms
- Negative/positive feedback follow-up
- Social media monitoring
- Supplier/partner value stream process alignment

Business Metrics / KPIs

- How CE is quantified (external and internal)
- Sharing across value stream
- Customer life cycle coverage
- Actual use of measures
- Action taken from results
- New measures added
- When new measures are added
- Coverage of self-care measures
- Use of social media measures

Tools / Processes

- Degree of automation
- Age of systems
- Method of collection and reporting of information
- Consistency of view of customer
- Common product catalog
- Use of CE requirements in procurement and development
- Use of systems across extended (supplier/partner) value stream
- Use of CE aspects in RFPs
- How feedback is used
- Self-care systems support

2. Model Matrix

Dimension	Definition	Level 1 Initial	Level 2 Repeatable	Level 3 Defined	Level 4 Managed	Level 5 Optimizing
Vision/Strategy (influence)	A measure of the degree to which there exists a Customer Experience Management theme in the enterprise strategy and of its effective integration with the other elements of strategy. A measure of the clarity of communication and consistency of actual behaviour by the senior management with respect to Customer Experience Management, related to many of the dimensions listed above.	No communicated vision regarding CE. No statement in strategy concerning CE	Generic statement of "the customer is king", no specifics. Recognition of CE as a strategic issue. No co-ordinated implementation.	Objective statement of the place of Customer Experience Management in the enterprise. Specific strategy components detailing approach to CE	Linkage of the vision statement to strategy and operations. Specific strategic goals for CE strategy	Forward-looking components in vision statement, not just "status quo". Specific industry performance goals related to benchmarks
Organization / Influence	A measure of the degree of focus of organizations on Customer Experience Management and the degree of cross-organizational coordination toward effective results. This includes aspects of governance and management as applied to Customer Experience Management	CE "Stove piped" in Customer Service department, "Not my problem" for other departments. Ad hoc department head approach to managing "our department"	Shared CE objectives and performance measures across organizational boundaries	Value Stream maps across organizational boundaries. Linkage of Manager-level goals/objectives to enterprise-wide objectives.	Process over department as operational management model. Full integration of goals, / performance assessment, compensation, and recognition	Lean principles fully in place. Process-centric operating model, with organizational management focused on workforce excellence, C-Level Process Owners
People	A measure of the degree of development of awareness, skills, knowledge, and performance of those delivering value to the Customer.	Coincidental knowledge of CE, no skills development, no CE-focused assessment of performance	Program of development of awareness, skills, knowledge, proficiency	Quantitative measures of required skill, knowledge, proficiency	Measurement of actual versus required skill, knowledge, proficiency—tied to compensation	Enablement of employee participation in continuous improvement
Processes	A measure of the degree to which there exists a process-centric approach to Customer Experience Management and the effectiveness of the processes in place.	No defined processes	Transformation to process-centric versus organization-centric operating model adopted as a policy	CE-focused processes developed and a program of transformation under way	Processes used as principle mechanism for delivering Customer Value, linked to performance and compensation measures	Continuous improvement of processes an established practice, tied to strategy and operational measures and compensation
Business Metrics / KPIs	A measure of the adoption/use of a system of enterprise-level measures, or operations-level measures, or both, which are related to Customer Experience Management.	No Metrics or KPIs related to CE	High-level Metrics and few KPIs	Cross-organizational Metrics and Customer Service-centric KPIs	Cross-organizational Metrics, tied to CE-focused process, KPIs across all CE processes	Benchmarking of Metrics to industry results,
Tools/Systems	A measure of the intensity of use of business management IT systems in support of Customer Experience Management.	"Siloed" software, data, no cross-organizational process flow support in systems	Cross-organizational interfaces and data access implemented on an ad hoc/"emergency" basis	End-to-end process flow support requirements identified, enterprise-shared information requirements identified	End-to-end process flows supported by major systems, information flowing among systems	Major systems directly implemented to support Value Streams, with full access to enterprise data from all systems

3. Administrative Appendix

3.1. About this document

This is addendum B of GB962 – Customer Experience Management Introduction.

3.2. Document History

Version History

Version Number	Date Modified	Modified by:	Description of changes
1.0 Draft	31-AUG-2012	Steve Cotton	first draft of document
1.0	28-SEP-2012		Team Approved
1.1	8-NOV-2012	Alicja Kawecki	Minor style and formatting edits prior to posting and Member Evaluation

Release History

Release Number	Date Modified	Modified by:	Description of changes
1.0	28-SEP-2012	Steve Cotton	First Release

3.3. Company Contact Details

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3.4. Acknowledgments

Company	Team Member Representative