Transforming the Digital Supply Chain
What this document is about

This is a discussion document on how digital services need to design their supply chains:

- Digital products and services are the new wave of consumption
- Organisations need to build processes and ways of working that fit in with this ‘new world’
- Consumers want digital services that integrate into their lifestyle
Digital Services are the new supply chain for consumption

- **Increasingly consumers prefer to communicate digitally for interaction and transactions**
  - The retail sector has been ahead of the game, but the public service, b2b sector and other service sectors lag behind
  - The UK government has invested in the ‘Digital by Default’ transformation to ensure consumers access a full range of services and information digitally
  - The over 50s are now becoming even more digitally savvy and creating new demands: never previously considered

- **Organisations who cannot bridge into the digital world will be isolated**
  - Consumers are demanding digital services that fit with their lifestyle
  - Data and information is increasing exponentially to create new knowledge and insight: this is transforming decision making and bringing organisations to wider accountability

- **There is rapid growth in digital applications and platforms**
  - Integration and collaboration becomes key for organisations: it is completely impossible to work productively in silos
  - Moving to better platforms becomes key: customers are not wedded to one platform or organisation portal

We will no longer search for products and services; they will find us
Digital Services are reshaping and creating new economies

‘The ability to take data - to be able to understand it, to process it, to extract value from it, to visualise it and to communicate it is going to be a hugely important skill in the next decades’

Hal Varian, Chief Economist Google, Jan 2009

‘Making the billion annual transactions between government, citizens and businesses “digital by default” will see accelerated savings [£2.9B from 2015]’

Francis Maude, Cabinet Office Minister UK, Nov 2012

‘Every day I wake up and ask, how can I flow data better, manage data better, analyze data better?’

Rollin Ford, CIO of Wal-Mart.

Better customer experience can reduce costs both to an organization and to society
They are important issues for organisations in delivering digital services

- **Keeping up with customer demand and needs**
  - Organisations continue to invest in ‘in-house’ IM assets and continue to operate in technology silos
  - Customers are not part of the creative process and tolerance of ‘fast failure’ in design of new products or services is talked about but not executed
  - Customer support, publishing information and continuous engagement are not integrated

- **Doubling up on resources and supply chains**
  - Organisations are wasting resources when wanting to provide their traditional ‘functional’ based services whilst trying to overlay things with a digital service
  - Organisations continue to perpetuate internal processes and do not consider ‘end to end’ services that provide value to the customer

- **Slowness in change**
  - Reliance on traditional ways of process/ IM improvements that are too unwieldy and take too long to implement
  - A lack of collaborative teams that work across boundaries, and, in a creative way
New services/ solutions will be required for digital transformation

• **New Transactional and Information Services**
  - New ways to involve stakeholders; embed digital services; and, ensuring that all digital services are inclusive
  - How to integrate customer support and user engagement?

• **Internal Collaboration**
  - Creating the right infrastructure (physical and IT) and the right teams to work in a way that is responsive and swift
  - Fundamental redesign of processes that add value to the customer journey and outcome

• **Multiple Systems Integration**
  - Internal systems will need to integrate with open source applications and platforms
  - Outsourcing of non strategic IM tools and infrastructure will become key for leveraging change

• **Partnerships**
  - Leveraging the use of partners to extend the depth and breadth of services

• **Continuous Evaluation and Improvement**
  - Accepting that the user’s needs are continuously evolving and that previously supressed demand exists
Collaborative teams must exist in every organisation to deliver innovative digital products with speed

Understand delivery mechanisms with technology and platforms

Understand how users interact digitally

Digital Technology Experts

User Interface Experts

Product Experts

Horizon Scanning

Benefits Tracking

User Engagement

Understand how digital products fulfill needs/wants
Our approach is multi-dimensional and focused on sustainability

Kinetic Solutions can support this digital changes in three ways

- Effective customer engagement: Faster and more accurate intelligence and feedback
- Effective use of resources: Focus on working with defined audiences and away from a singular approach
- Improved Reputation: Perfect an Organisation that is agile in digital products and harmonious with customers

Develop agile processes to deliver digital services
Create collaborative working internally and with other organisations
Support process integration across all boundaries

Leading to Effective & Sustainable Digital Services
We have a three-phase approach to getting service experience right

**Phase 1 (2 - 4 months)**
- Clarity around users and needs
- Map new Digital Services
- Identify new capabilities and skills
- Align with organisational strategy

**Phase 2 (5 - 18 months)**
- Design new digital processes
- Build collaborative teams
- Build organisational capability, infrastructure and skills

**Phase 3 (on-going)**
- Sustain services with continuous review against customer needs
- Adapt and make services more ‘personal’

**Manage organisational change**

**Track Benefits (Tangible/Intangible) – Allocate Resources**
kinetik solutions
agility to sustain change
Consultancy profile

• Established in 2007, kinetik solutions delivers complex change for large organisations in the public and private sectors

• Our team consists of highly experienced consultants each with over 10 years change management experience in blue-chip organisations or a ‘Big 4’ management consultancy

• We continually invest in learning to offer the latest thinking in transformational change to our clients. We run regular public events on Lean learning for our NHS clients and are members of:

  - Lean Enterprise Group
  - Deming Alliance
  - Operational Excellence Group
  - Enterprise Thinking Group
Our solution areas

• **Complex Transformation Programmes**
  We make change happen in a sustainable way

• **Operational Design and Improvement**
  Strategic design for complex processes and their implementation

• **Systems Implementation**
  Integrating process and IT change to achieve operational effectiveness

• **Facilitated Workshops**
  Fast, informed decision making, from strategy to continuous improvement

• **Digital Content Collaboration**
  Creating structures for rapid delivery in digital supply chains
We work with a range of clients in a variety of sectors