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User Experience: Reimagining Productivity and Business Value

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User Experience: Reimagining Productivity and Business Value

A better user experience (UX) is proving to be a major tech disruptor. People may not exactly be getting more technically proficient, but they have become more comfortable using their phones and tablets to download music, find the nearest movie theater or pay for purchases. This raises the bar for user experience at work, too, and that is disrupting existing IT models focused more on functions and features than end-user needs.

Over the past four decades, providers of enterprise software emphasized benefits such as scalability, richness of features, robustness and reliability. In that scenario, UX had second billing. Historically, developers tended to forget about the end-user and many companies forced business units to use cumbersome, monolithic software. Today, however, the focus has shifted from features to a user experience closer to those chosen outside the office.

Wharton marketing professor Jerry (Yoram) Wind points to the folly of having different user experiences at home and work, especially for the same person. "This artificial separation is absurd." Before and after work, [employees] have a good user experience, then between "9:00 a.m. and 5:00 p.m. he generally has a poor user experience. If Amazon or Google sets the standard for ease of use, that is what [people] expect everywhere — in all categories," says Wind, who is also director

of the Wharton SEI Center for Advanced Studies in Management.

"A lot of in-house interfaces are terrible to use. People have to go through multiple layers of interfaces in order to get to what they are looking for," adds Lynn Wu, Wharton professor of operations and information management, whose research specialties include IT productivity. "It sometimes feels like submitting a reimbursement needs a Ph.D." to navigate the process.

This dilemma represents a clarion call for CIOs to make the user experience simpler and better in their companies because complexity drains efficiency and ultimately hobbles competitiveness. One telltale sign of a cumbersome UX is that impatient employees bring in unapproved software because they are frustrated with the old system, note SAP experts. It hampers them at work.

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>
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"UX and agility are the two things that lines of business expect most from central IT," says Sam Yen, the San Francisco-based chief design officer at SAP, a German business software company. "IT organizations are now measured more by adoption, or how much the software they provide is actually used." That means "UX isn't a nice-to-have feature anymore."

So what constitutes a good UX? It has to be intuitively simple to use, personalized for the individual employee and most importantly, empower end users to be more effective and productive. The UX also must be consistent across desktop and mobile environments so employees do not have to relearn new commands for different devices. Here are three case studies on how a better user experience benefited their businesses.

Mobile Access: The Case of Fisker Automotive

Take the case of Fisker Automotive, a carmaker from Anaheim, Calif. As it prepares to resume production of its hybrid electric car — the Fisker Karma — for a re-launch, Fisker has been busy buying equipment, parts, components and other supplies. But hampering its efforts was unfriendly software that caused errors and delays in approvals of purchase requisitions. Indeed, employees at its manufacturing facility were so disenchanted with it that they threatened to switch to third-party software to make their job easier.

Recently, Fisker embraced a new UX for a pilot group of 25 employees. It sparked a dramatic turnaround: Purchase orders showed up instantly on manager's phones after submission, reducing time to approval

by up to 60%, and errors were eliminated. Executives said they loved the new UX and decided to stick with the existing software, saving precious dollars for a company re-entering start-up mode.

Perceptions of the software within Fisker changed from "very difficult to use" to "super easy," says Ketan Gohil, Fisker Automotive's director of ERP (enterprise resource planning). At present, speed-to-market is critical for Fisker, and the UX innovations improve that significantly by streamlining purchasing functions. Between now and June 2016, Gohil plans similar UX enhancements to software that enables customer support, plant maintenance and quality management.

Simple Products: The Case of Dunn-Edwards

Those higher UX expectations brought fresh challenges for Jose Garcia, who oversees enterprise software applications at Dunn-Edwards Corp., a $600-million paint maker based in Los Angeles. In late 2014, Dunn-Edwards' 250 sales and support staff began complaining about their customer relationship management (CRM) software. They said its complicated design caused them to lose orders to competitors. They wanted a better software experience.

The CRM software had been originally designed for an entirely different purpose — for a call-center — and salespeople found it cumbersome to retrieve customer data while using laptops at project sites, where they typically win many of their orders. Garcia engaged the maker of the software to incorporate UX enhancements, including providing users with mobile and tablet

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access. He then formed a study group of 15 users to test out the new UX. The feedback was encouraging.

"It has been overwhelmingly positive," says Garcia. "In terms of speed and mobility, it has been a huge win." The software was installed on Samsung Note smartphones that Dunn-Edwards provided to salespeople. It gave them mobile access to relevant customer information and analytics, job specifications, color schemes and walk-through visuals of properties. It was faster, too, because it compressed transaction data down to three screens from six in the earlier version.

Consequently, Dunn-Edwards' sales staff began winning more orders at building sites, those that previously went to competitors with access to customer data, Garcia says. Profit margins also rose as salespeople were able to access better customer information to negotiate more attractive pricing. Meanwhile, the improved software reduced errors that previously called for expensive reworking and decreased training costs because the team was trained using video tutorials.

Personalized UX: A Look at Disney and Greatship

In 2013, The Walt Disney Co. in Burbank, Calif. wanted "a personalized experience to engage and inform" employees and managers with its human resources apps. According to Rachelle Nickell, manager of human resources information systems, the company wanted its HR software to be (a) mobile-friendly, allowing access to data from anywhere, anytime and on any device; (b) globally available but locally configurable; and (c) simple, intuitive and a one-stop shop, among other features.

With the new user experience solutions, Disney launched a four-month pilot program in December 2014 involving 200 users across its operations in Europe and the Asia Pacific region. Disney received positive feedback on the new apps, and promptly abandoned plans to buy replacement software.

Among other functions, the improvements cover apps for travel expense approvals, paystub views, leave and travel requests. Users were "very pleased with overall look and feel" of the new user experience and "managers were able to approve expense reports from anywhere," says Paul Koukeyan, IT manager at Disney Technology Solutions & Services. It also helped the company get feedback on "heavily transactional apps" like those for timesheets that earlier had multiple screens and were not easy to use, he adds. Disney now plans to deploy the new apps in 14 languages to its 130,000 employees globally.

At Greatship (India) Ltd., an offshore logistics and drilling services company, UX innovations helped managers view data and make informed decisions on the go, while improving user satisfaction scores. It achieved a 40% faster turnaround between the time of decision-making and a project launch, and 30% faster resolution of IT issues.

Tracking Business Value of UX

Research data from the Design Management Institute, a Boston-based nonprofit, show that the stock prices of companies that invest in design outperformed the S&P 500 Index by 219% between 2004 and 2014. The think tank tracked the stock performance of 16 companies that made up its market cap-weighted "Design Value Index," or DVI, including Apple, Ford, IBM, Nike

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and Starbucks. Moreover, the return on investment of a good UX ranges from $2 to $100 for every $1 invested, according to a 2010 book by Roger Pressman called "Software Engineering: A Practitioner's Approach."

Several other studies have identified the following areas where UX innovations could bring tangible and measurable business value:

Monetary Value:

- increased use of existing software licenses;
- increased employee productivity;
- fewer data errors thus lower costs;
- lower training costs;
- lower load on IT service desks;
- faster resolution of IT issues;
- fewer change requests;
- time and cost savings with mobile and cloud access; and
- savings from upgrading instead of replacing existing software.

Human Value:

- more satisfied employees;
- higher retention rates;
- greater internal collaboration and cohesion;
- better performance.

What is more, UX gains are not limited to internal operations. For example, an online retailer with an easy-to-use shopping website could achieve a higher conversion of prospective buyers into actual customers, higher sales per customer, increased traffic to the site, lower visitor drop-off rates and the like, SAP experts say.

So what are the roadblocks to the fast lane? Many organizations operate in silos that hinder "cross-pollination across disciplines," causing poor understanding of the skills and processes of their UX teams, says a report by Forrester Research. Other obstacles include difficulty attributing specific gains to UX improvements since metrics are in the development stage; ambiguity in case studies that attempt to track UX investment returns; and the fact that each organization needs to find its own UX sweet spots since "one size does not fit all," the report adds.

Also, "a huge cultural change" is required for businesses to focus more on UX, Wu says. User experience is the "lowest on the totem pole" in much of enterprise software, and their developers are trained to deliver on functionality. "In such cases, it is difficult to change the culture of the firm to all of a sudden elevate one marginalized theme into the spotlight," she adds.

Wind notes another potential pitfall to avoid. UX improvement efforts could fail when developers view it as "something superficial and add a little feature here and a little feature there." Successful UX improvements more often take a holistic rather than a piecemeal approach. "It is the totality of the design, the totality of the experience" that matters, he says.

Key Takeaways

What appears increasingly clear is that IT organizations need to prioritize UX improvements as their employees and managers demand software that is easy to use, efficient and performs seamlessly across functions, say the Wharton and SAP experts. The result is demonstrable gains in

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adoption rates, productivity, time and cost savings, as well as reduction of errors and change requests. And all that can be done by extracting more value from existing software instead of replacing it, according to SAP. These gains lead to improved profitability and consequently, higher stock market valuations.

"The need for a great user experience is very well understood," says Yen. "In the last few years, we've heard it loud and clear from customers. Now that users see that there can be a better experience, there is no going back."'

UX Reality Check: Five Questions for CIOs

1. Are your employees reluctant to use company software and resort to using other solutions?

2. Is your company's software routinely blamed for delays, errors, cost escalations, unhappy customer relationships and loss of market share?

3. Is your company losing sales opportunities to competitors that might have superior business software?

4. Do you see employee turnover that is higher than the industry average?

5. Is your company perceived to be weak on technology, which hampers recruitment of younger, digitally savvy workers?

The answers to these questions will go a long way in determining what steps companies need to take to improve user experience.

CIOs can no longer afford to settle for yesterday's UX if they wish to stay relevant in today's digital economy. The first step is to change their mindset: Providing a good UX should no longer be an afterthought but rather part of the core strategy of forward-thinking enterprises as they reimagine worker productivity in the mobile age, say experts at SAP and Wharton. And providing a good UX goes beyond deploying a user-friendly interface — the challenges are deeper and more substantial.

An optimal UX provides several levels of benefits: It can help attract and retain talented millennials who are used to an always-on digital experience; it takes complexity out of business processes that bog down efficiency; and it enables the right information to reach the right people at the right time so they can make decisions more quickly to compete in the global economy.

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This article was produced by Knowledge@Wharton, the online business journal of The Wharton School of the University of Pennsylvania. The project was sponsored by SAP.

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