

The value of a Chief Decisioning Officer

There are a number of critical elements that need to come together properly to create an omni-channel decision engine and use it to effectively drive customer-centric engagement and increase customer value. One of the most important elements is identifying and empowering a senior executive champion who will not only set the strategic direction, but who will also actively advocate on its behalf, educate stakeholders across levels, and persuade other executive leaders to adopt decisioning across their teams.



What does this person do?

- Act as an **executive-level sponsor** that has the authority to build and defend the program, and successfully advocate for incremental investment. They also provide a very visible, executive-level face for the program.
- Define the **vision, objectives, scope**, and **priorities** for the program, as well as a roadmap for success that maps to outcomes the organization values and is ready to embrace.
- **Develop** and **standardize the high-level KPIs** (the outcomes), like retention rate, sales revenue, CSAT/NPS, customer lifetime value, etc., instead of allowing the business to remain focused primarily on sales and more tactical, campaign-based measurements.
- Champion the concept of **centralized decisioning** throughout the organization, the same way that analytics leaders had to champion the value of analytics a decade ago. Now that seems silly, but when a concept wasn't well known or accepted, it resulted in laughs and claims of "That's crazy."
- **Navigate political waters** to drive adoption/buy-in from business line, technical, and channel stakeholders. This often requires going channel-by-channel or business line by business line to get them on board, run a pilot/test to prove the value, measure the lift, and move on to the next group.
- Form a **centralized governance forum** for decisioning, and give the business a mechanism to request changes – both large (new channels, implementation priorities, LOB conflicts, vendor hierarchies, etc.) and small – like a tactical forum to handle day-to-day change requests, new offers, and treatments.

Why is this so important?

Without this person, risk-adverse executive stakeholders may resist investing in a seemingly-risky idea that lacks a truly committed champion. In that scenario, the centralized decisioning concept is often seen as an experiment that a passive leader could abandon if it doesn't work perfectly.

It can be valuable if this role is filled by a person from outside of the organization. An outsider will be free from the political baggage that can accumulate with long tenures in large, complex organizations. The Chief Decisioning Officer will need to influence LOB leaders to leave the comfort and security of legacy operational silos to embrace a unified strategy that puts the customer at the center. That's a challenging task on its own. Someone from outside the organization will be able to take on this task with a clean slate.

What happens if you don't fill the role?

- The business may invest in decisioning, but as organizational structures inevitably shift, new incoming executives may compel investment in traditional technologies they've used in other places. That leaves the **decisioning group vulnerable, and possibly even quashed**, regardless of how well they've done.
- Decisioning can be implemented in an initial channel with great results, but then **struggle to radiate** to other channels or lines of business. Those groups have preferred technologies and are generally resistant to change. This often requires a leader to form partnerships with top-level executives, to drive adoption from the top down. This means showing how decisioning can be successful for their specific use-cases. This will require piloting and proving the value, which requires resources – and a champion.
- **Marketers may hesitate** to adopt decisioning, because they fear they'll lose control and autonomy. Marketing groups often require top-down guidance to start the conversation, and ultimately, make the transition.
- **Analytics teams may debate** adopting decisioning, because they haven't yet been educated on AI and the power of Pega's adaptive analytics. Traditionally, activating real-time data sources and operationalizing machine learning at scale has been a challenge. So, it's the Chief Decisioning Officer's role to demonstrate how Pega can work *with* the existing teams to activate their data and models for real-time use, and operationalize them at far greater scale. They must show how Pega's adaptive analytics can be used to model and supplement their current modeling without replacing it.
- LOBs will need to **shift their thinking** about targeting and customer investment, as they **move away from the traditional campaign model**. The Chief Decisioning Officer needs to cultivate trust and has to show the business line leaders how they'll maintain control over their responsibilities and KPIs, and have a say in what happens via the governance forum.
- Lastly, without a Chief Decisioning Officer, the decisioning team may not receive regular, **year-over-year investment** to resource appropriately. And without the appropriate resources – be it staffing, training, or system optimizations – it will be difficult to maintain the expected level of ROI.

Best examples of people who play this role:

Christian Nelissen, Chief Data Officer at RBS (now at CBA)

Andrew McMullan, Chief Analytics Officer at CBA