



## Solving Problems at the Source




Fujitsu Services is one of the largest providers of IT services in Europe, the Middle East, and Africa, with 15,400 employees in 30 countries and sales of \$4.2 billion in 2004. After providing technical support for its own products for many years, Fujitsu began to offer services to companies that were outsourcing their customer service and technical support activities. Here Fujitsu has often found itself playing the difficult role of mediating between hardware and software vendors and users about the problems the latter encountered. Typically, firms like Fujitsu are paid to respond to user complaints at the lowest cost per complaint handled. This call center model gives firms no reason to reduce the number of complaints received and, indeed, creates a disincentive: If the call volume falls, so does the service company's revenue. Fujitsu approached the problem with a completely different mind-set. It decided to eliminate the root causes of callers' complaints.

When Fujitsu took over the help desk contract in 2001 for BMI (an airline formerly known as BMI British Midland), Fujitsu immediately analyzed the different types of calls coming in from BMI employees. Then it set to work to understand the problems that gave rise to the calls; to track the time and effort required to fix them; and, most important, to measure the impact on the business of failures or delays in doing so. (Note that in this example, the users being helped are BMI employees, such as the check-in staff. Operationally, this works the same way as help lines serving customers at, say, Dell or Microsoft.)

Fujitsu found that more than half the calls to help desks were repeat complaints about recurring problems or repair delays. One of the most common reasons for calls—accounting for 26% of the total—was malfunctioning printers: Ticketing agents kept finding that they couldn't print boarding passes and baggage tags for passengers at check-in. It was immediately apparent that solving the printer problem was critical to the airline's business. Given tight airport security, the inability to print boarding passes and baggage tags that could be scanned at a number of points could cause flights to miss their takeoff slots.

Under BMI's previous contractor, the help desk had struggled to get service technicians to respond more quickly so check-in staff wouldn't keep calling with complaints. Fujitsu's response was to find the most cost-effective way to eliminate the root cause of the printer problem. The answer was to convince BMI senior management to spend money up front to install better printers. As a result, the number of calls about malfunctioning printers was cut by more than 80% within 18 months. This action translated into major savings in flight operations far exceeding the cost of the new printers. In addition, Fujitsu improved the technician-response process so that the average time needed to fix printers that still failed fell from ten hours to three.

Fujitsu coupled this problem-solving approach with a different business proposition for BMI. Instead of being paid for each call handled, Fujitsu asked to be paid a set



fee based on the number of *potential* callers to the BMI system. This allowed Fujitsu to profitably offer BMI a lower bid than its current vendor.

By addressing root causes, Fujitsu reduced total calls to the help desk by 40% within 18 months and improved customer satisfaction. As the company has progressively applied this problem-solving approach to all of its customers, it has moved beyond its original role as a mediator between vendors and frustrated consumers to become an analyst and optimizer of entire IT response systems. Fujitsu is solving the customer's problem completely—and then some.

While discussing a customer's current problem, for example, Fujitsu personnel pass on new information about the user's computing systems, including how to prevent problems the customer hasn't yet encountered but will, if not warned. At the same time, Fujitsu can learn more about what problems the customer is trying to solve with the system, which can lead to ideas for new products. Instead of simply fixing defects so that customers get the value originally promised, Fujitsu creates *new* value by offering them additional information and services they might want. What starts as a negative customer interaction can turn into an opportunity for information sharing that builds loyalty, generates fresh market intelligence, and saves Fujitsu money. As a result, satisfied clients have rewarded Fujitsu with extra work previously divided among competing subcontractors—a win-win for both parties.

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