

INTRODUCTION TO DIGITAL OUTCOME MANAGEMENT



Digital outcome management is a cornerstone of business for companies learning how to be successful in a virtual economy. That's because it represents a general shift in the business paradigm from quantity to quality. Digital outcome management may represent the evolution of a business that has successfully undergone [digital transformation](#) and is stabilizing itself as a fully virtual entity.

In this article, we'll discuss digital outcome management—what it is, the benefits of digital outcome management in the workplace and implications for how it impacts customer service.

Keep reading to learn all about digital outcome management.

What is Digital Outcome Management?

Digital outcome management is the philosophy that companies are more successful when they use technology to manage the outcome of development versus output. In simple terms, it's a quality-over-quantity philosophy that reinforces the core lean principle of producing high-quality software and services in a business climate where lean practices have been responsible for a culture of rapid-fire bug-free development.

While testing and debugging software before it ships is obviously an important guideline, it's misguided for managers to suggest that simply being bug-free indicates quality. This mindset comes from an era of businesses making primarily physical products. On a production line, there are

certain predictable things about each product rendered that looking for and addressing defects satisfies the measure of quality.

As businesses shift their mindset from physical products to digital services, it becomes clear that software quality should not be measured like a physical product. Enter digital outcome management.

By focusing on digital outcomes, companies manage product teams while accounting for uncertainty and allowing for creativity in an environment where development is likely continuous if a [DevOps](#) approach is applied. As a philosophy, digital outcome management challenges the notion that rapidly producing bug-free software is an avenue to quality.

Managing to quantity may be short-sighted in a development environment where uncertainty is a given. Uncertainty in development is almost guaranteed in a DevOps environment where continuous development means that software products could lay dormant for some periods of time and where all products become increasingly more creative and complex. It's also expected from customers whose needs are always changing as software companies must rise to new demands. This leaves multiple opportunities for managers to push for outcomes as a measure of software completions and success.

Benefits of Managing Digital Outcomes vs Outputs?

Here are some benefits of digital outcome management:

- **Happier project teams:** When companies shift to outcomes instead of outputs, team members feel more valued for their skills and are more satisfied with the company.
- **Disruption:** Responding to user feedback as a part of the development process allows software developers to disrupt in a market geared towards superior customer service.
- **Helps prioritize the project and departmental budgets:** By tracking what products, services and departments are performing the best, businesses have a better idea where they should invest money.
- **See the big picture:** Digital outcome management makes all employees in the development process accountable for seeing the big picture.
- **Agility:** Companies are better structured to move toward opportunities and away from competitive threats.
- **Prioritize:** Using digital outcome management helps companies prioritize their business goals while creating a better vision for their future.

When considering the many benefits of digital outcome management, it's easy to see why companies focus time and effort on digital transformation with help from consultants like the professionals at BMC.

Implications for Customer Care

Gallup research suggests that only 31% of enterprise business customers [feel like suppliers understand the needs of their business](#). That data suggests a gap between how suppliers think they are performing and the reality from a customer perspective. It stands to reason that digital companies need to know the service needs of their customers better than they do.

When companies strategize around digital outcome management they create a culture of happier

employees, less turnover and increased creativity and productivity that translates into better customer service. When enterprise businesses are focused on constantly training and onboarding new employees to compete with a high-turnover rate, service levels can suffer. A customer-centric culture where employees are judged based on the quality of software produced and whether it leads to customer satisfaction makes for employees who are more likely to prioritize customer service.

Next, it's important to acknowledge how customers want to interact with brands. In today's app-driven marketplace, customers don't want to speak to a person when the order a pizza or check-in for a flight. They don't want to carry physical tickets to events or carry a physical portfolio. Technology has made it so end-user can access all of their needs and wants without interacting with a person, and consumers demand more of this type of interaction.

By shifting your focus to high-quality digital services that are judged on their usefulness rather than quantity of output, companies become more creative and disruptive, with greater agility to meet customer demand. In the technology-driven environment in which businesses today compete, agility is driven by access to Big Data, which requires a sophisticated digital business intelligence framework. Digital outcome management is a natural progression that stems from the need to manage service levels in a fully digital environment.

The Bottom Line

Digital outcome management may seem like a foreign concept to companies looking to deploy the time-tested method of judging holistic success by measuring the quantity of output over its quality. However, when it comes to software development, there is too much unpredictability in both the product and customer expectation to take such a regimented approach.

Instead, businesses should complement their digital transformation by taking a digital outcome management approach that reinforces important lean principles and structures project teams for greater success by basing goals on outcomes instead of outputs. By shifting the focus to outcomes, project teams benefit by enabling their creativity, feelings of being valued and overall happiness in the role.

As a result, project teams produce a better product that is tailored to the needs of the end-user, in an environment where turnover is reduced, and business processes are centralized around what it means to be successful. If your business has undergone digital transformation but you're still measuring output instead of outcomes, BMC may have a solution for you.

BMC Helix: A Holistic Solution

BMC Helix takes a holistic approach to service management. Using BMC Helix, along with other products by BMC, enterprise businesses can compete in a fully digital economy. To stay ahead of the competition, digital transformation is the rule, not the exception. Let the seasoned experts at [BMC help you with your service management](#) today.