

Can I help you?

Can I help you? If you want to limit customer interaction with your call centre, why not listen to customers in the design phase of your processes and offerings?

About a year ago, I was speaking with a senior financial services product manager discussing his priorities for the year ahead. It was all about revenue generation and increasing funds under management. What about cost savings I surmised? No, he said, revenue was the objective for the year. What a difference a year makes...

As finances go into meltdown, companies are scrambling to cut costs across the board, which means reducing headcount and improving business processes to try and realise savings. However, while headcount reductions deliver an immediate boost to the P&L, other activities designed to reduce costs often end up costing money. Why?

A study on global productivity last year by Proudfoot Consulting (UK) entitled A world of unrealised opportunities showed that, for many large companies, managers spend nearly half their time on administration and unproductive activities. This was compared to just more than 10 per cent on improvement-oriented training and active supervision. In other words, around half the operational expenditure is being wasted, but this is disguised as the way business is done.

As the late Richard Pratt said: "If you have a good relationship with your customer, the business process flows that much more smoothly". So many large organisations stress this mantra, but let's be honest - how often is a customer actively involved in shaping decisions and processes within the business? One of the most important documents a financial services customer receives (like it or not) is a PDS (Product Disclosure Statement). Yet how many financial institutions workshop the PDS with their customers to make this unwieldy document more accessible and helpful?

Another area where it should be 'all about the customer' - is the call centre, where up to 60 per cent of callers to financial services companies end up as a result of 'failure demand', according to Vanguard Consulting (UK). The customer need was not able to be met due to a poor business process, so they wind up in the call centre. The truth is many business processes are designed from the inside out and reflect the organisation's priorities - not the customers', as is often proclaimed. So, it's all about the customer.

Give customers a voice

While major institutions continue to beat up their staff about the importance of customer service, how many are prepared to give customers a voice as a serious stakeholder inside their business?

This disconnect between the customer and the business manifests itself in a mushrooming need for people to 'take calls', 'chase progress' and reschedule and re-do work that would be unnecessary if service flowed smoothly to the customer. And this is where the unnecessary costs accrue.

Targeting costs directly causes overall costs to rise because managers are focusing on the wrong thing. By managing to the customer directly instead, costs will fall because the business is no longer paying to provide what the customer doesn't want - for rectifying mistakes and managing all that pointless productivity. Like living in a beautiful building - it's all about good design. And the crux of good design is focusing on the person who will use the service.

Similarly with online, good design is about keeping the customer front and centre during the process of conceiving and developing the online offering. Does the site reflect what the customer expects to see, rather than what the business thinks the customer wants? Can the customer navigate easily and not get lost? Is there proper order management and fulfilment?



A little while back, I worked with a major Australian financial institution on a customer service improvement project. The objective was simple. The customer should only have to make one request to get the business to do something for them. At the back end, the business should only have to do the work once. And online meant online - no manual touch points to interfere with what should be automated processes. We focused where possible on delivering simple requests via the web or electronically. We involved customers in the design of these processes. Service did improve. And so did the business' ability to reduce costs.

Sometimes, you have to spend money to save money. So by designing beneficial processes and business rules that the customer has input into or at least is properly represented (or, in other words, by delivering more closely in line with customer demand), costs will fall and service will improve.

Costs cannot be suppressed - they can only be eliminated by designing in the value. Until organisations get this message, overheads will continue to rise, productivity will stagnate and managers within these entities will continue to run on the spot. And customers will continue to phone the call centre.