



Chief Customer Officer Forum

Connecting with the customer



Welcome from the CCO Forum Committee

Welcome to the twelfth meeting of the Chief Customer Officer Forum, on behalf of the member committee and Limebridge Australia. The theme for the day is “Connecting to the Customer” and we think some great discussions will occur. We’re pleased to say the group is now back up to its maximum size.

Each year we find that the CCO Forum evolves and we think that is a good thing. There are about fifteen new faces around the table. To help us understand each other we’ll be discussing what people have achieved over the last 12-18 months. We hope that will lead to better information exchange around the group. As well as our normal case based discussions, we’ll be trialling some discussions around member nominated topics. We hope those will enable some of the free flowing discussions that we all value.

Today’s closing discussion will be led by Linda Nicholls. Linda is one of Australia’s most experienced board members and chaired Australia Post through some significant change. She’ll discuss the Board perspective on customers and customer service and we hope you’ll all contribute questions.

It has been wonderful to see the first of our members taking advantage of the international CCO Forum opportunities with Graeme Baker from Westpac recently attending the US Forum. Reciprocating the hospitality has brought us Sharon Rosser from the UK as a guest presenter. Sharon will be describing the award winning processes they have to turn front line feedback into improvement.

We also welcome other presenters from outside the group:

- Ian Harrison of Commonwealth Bank sharing how he created customer centred processes and culture in their mortgage processing unit
- Helen Wells from AMP describing some of their unusual reward programs that increase customer focus
- Keith Royston discussing how they match Customer Service Officers to the demographics of their customers at Salmat (Salesforce).
- Andrew Hager of Energex will be describing how they have had to recognise very different and special customer needs.

Our own Michelle Cox will describe how BUPA redesigned processes to align to customer needs. The day spans call centres, back office, sales and service so we hope there is something for everyone.

To “Practice what we Preach” we will also be trialing a new feedback system today – tell us what you think. We look forward to some valuable discussions and please tell us know your needs for future CCO Forums.

Dayle, Michelle, Colin, Geoff and David: Now joined by Andrew Kiel and Tony Forster





Agenda

Monday 17th May 2010

7:30pm – 10:00pm The ECQ Bar Terrace Room at Quay Grand Suites
61 Macquarie Street, East Circular Quay, Sydney

Tuesday 18th May 2010

8:00am	Registration and Coffee
8:30am	Welcome and Introductions
9:00am	What have you been up to?
9:45am	Coffee recharge!
10:00am	Break out session 1
11:15am	Morning Coffee
11:45am	Break Out Session 2: Discussion Topics
1.00pm	Lunch
2:00pm	Break Out Session 3
3:15 pm	Afternoon tea
3:45pm	CEO Perspective
4:30pm	What did we learn and what next for the CCO Forum?
	Closing questions and wrap up
5:00pm	Meeting Close





Editorial – Connecting at Scale: Can it be done?

Our local Subaru service dealership is fantastic. We wouldn't dream of leaving them. They have serviced our cars for twelve years and nurtured our loyalty to them and the broader brand. So what's their magic? They anticipate our needs, they put themselves in our shoes, make us feel in control and offer us choices. We know them and they appear to know us. Sounds simple enough, but of course at their scale its easy isn't it? A corner shop can really get to know you because they get close to the customer rather than six stages of separation away. So how can major Australian organisations get the same degree of connection and apparent intimacy at scale?

One answer appears to be to set up mechanisms internally that make a large company act like a small one. Let's call that "getting closer to the customer". The franchise models used for bank branches are an example of this. The theory is that having direct ownership and P and L responsibility for a group of customers will enable greater intimacy. Westpac, for example, is re-launching local bank managers to foster local relationships, Bank of Queensland use franchised branches. This almost implies that the "centralization" trend has gone too far and needs winding back. But management can find other ways of getting closer by spending more time at the front line, with customers or listening to those who handle customers.

Another option to make the connection to customers is to find ways to listen to them in ways that customers want. This can take many forms from more frequent and immediate customer feedback surveys (as we heard from Radisson hotels last year), more feedback from front line staff or greater use of social networking sites. However, if done badly, feedback mechanisms can themselves be bad experiences. A recent 20 minute banking survey was a great imposition on the customer and asked no qualitative questions. That isn't listening, that's quantifying internal frames of reference. Many customers come away from these surveys frustrated that their real issues aren't even exposed.

A recent market scan showed relatively few Australian companies have embraced social networking as a feedback mechanism, despite this being an expectation of the younger generations. We're not quite sure what is stopping us, but we know that in the UK and US this is no longer considered optional. We suspect the entrenched positions of market research companies and marketing departments is preventing innovation. Unfortunately companies still want to "control" the listening process but until they let go they'll only hear what they want to hear.

So we still have a long way to go to make connections and hence the door is still open for smaller, more nimble and more connected companies in many industries. Companies like Apple and Amazon have, so why not others? We look forward to some interesting discussions today.

David Jaffe, Peter Morrison and Graham Howard



Breakout Sessions

A. The RAC story: how to fix customer and colleague issues by connecting the front line to the areas which can solve them

The RAC, Britain's major roadside assistance business, had a common problem: Front line staff were frustrated by dealing with the same customer issues day after day but couldn't seem to connect to the parts of the business that could deliver the long term solutions. The business had many improvement initiatives on the go, but not many of them seemed to focus on issues critical to the customer. This case study will describe how RAC established an award winning process to connect the front line to the areas which could make change happen. Sharon will describe how they created a cross business process that prioritised and actioned key changes and the great results they have achieved.

B. The Power of Demographic Matching for Sales and Report: Connecting Customers to People Like Them

As a specialised sales and service provider Salmat have sophisticated customer analysis and call routing technologies and now they are showing what can be achieved. Keith is their insight guru and has some great results to share. In this case study they will talk about the increase in sales and service outcomes they have achieved by matching the person taking the call to the customer. You will learn about the sorts of technologies you need, the issues in scale and how the results have varied by contact type and industry.

C. Use of Innovative Reward Mechanisms to Help Staff Focus on the Customer

At AMP Helen Wells was looking for ways to get front line staff to really listen and take ownership of customer problems. She wanted to find a way to incent staff to help customers and go that extra mile for them. To do that, she felt that she needed incentives that would really motivate, to show how serious the business was about these kinds of behaviours. Some of the things she put in place were radical. Helen will describe what she did and what impact it had including the staff reaction.

D. How to Create a Back Office Focused on the Customer: The CBA Revolution in Mortgage Processing

At Commonwealth Bank, Ian Harrison took over a mortgage processing team where the customer experience delivered failed to meet many customer expectations. Many of the efforts to market and sell home loans were wasted if the bank couldn't approve loans or settle in the required period. This produced high costs of rework and lost productivity. Ian will describe how he enabled the employees to transform processes, define and create their own culture and deliver fantastic results. CBA has moved





from being a market laggard to a leader in operations performance in this area at a time when the bank has increased market share and risen dramatically in customer service ratings. Ian will describe how he brought about these dramatic changes. This is a dramatic transformation story.

E. The Value of Tailoring the Customer Experience

As companies have grown we have seen increasing standardisation of the customer experience. Trends like Six Sigma seem to be saying “if in doubt, standardise”. Yet Energex, a regulated energy distributor with a captive customer base, has recognised that it worth identifying and handling the special needs of some customers in a different way. Treating customers equally was less effective than differentiation even where revenue was not at risk. First they had to work out how customer needs were different and make extensive use of customer analytics to do so. Andrew Hager manages that evolving process and will describe why they initiated these processes, what they do and the way the process is evolving. Come and discuss the cost and benefits of personalising the customer experience in both monopoly and competitive markets.

F. Enabling the Delivery of Exceptional Customer Service through Process Realignment

The processes we put our customers through can look abysmal when we look at them through the eyes of a customer. That’s the situation BUPA found itself in, despite positive satisfaction ratings and many other success measures. In this case some of these processes were also costly and ineffective for the business. So Michelle and her team set out to rethink many of these processes and to try and re-align them with customer expectations. She’ll describe the process they followed and what they learnt along the way as well as insights on what made this challenging.



Member Discussion Topics

G. How do we stay connected to self service customers?

Some organisations have been successful in their migration of many interactions to self service. Whilst this has cost and convenience benefits on both sides, it also creates new challenges in areas such as cross selling, creation of loyalty and effective support. Self service sales pose challenges in developing a relationship with the customer or prospect. Forum members have raised questions about the effectiveness of different mechanisms used for self service support. The technologies seem in a state of flux with things like click to talk and chat having limited take up in Australia. If these issues are of interest to you or you have a story to tell, come to this discussion.



H. How do we bring our customer feedback mechanisms together and act on them?

Companies now have more feedback mechanisms to choose from and often have multiple mechanisms running concurrently. Social networking is adding to the range of options. With more choice, CCOs face decisions on what feedback mechanisms to use and how? With more information, decisions are needed on the resources and processes required to make it valuable. CCOs have to turn this information into action. Join this discussion if these issues are top of mind or you have tried new feedback mechanisms and want to share the outcomes, feel stuck with the ones you have or feel overwhelmed by the data you now have.

I. Are segmented service delivery models more or less effective?

It seems to be an ageless debate: should we exploit scale and standardise or segment the services we offer to better match customer needs? Do highly segmented models sometimes deliver worse service or sale outcomes through lack of scale or availability of staff? Do these issues vary by industry or are they universal? Is the model less important than the execution? Join these discussions to share your war and success stories of the different models you have tried or experienced.

Guest Speaker Biographies

Linda Nichols – Board Member

Mrs Linda Nicholls is a corporate advisor and a director of a number of leading Australian companies and organisations. She is Chairman of Healthscope, President of the Australian Institute of Company Directors (Vic. Div.), and a Director of Sigma Pharmaceutical Group and Insurance Manufacturers Australia. Previously she was Chairman of Australia Post and a Director of St George Bank.

Mrs Linda Nicholls is a Member of Council of The Walter and Eliza Hall Institute for bio-medical research, a Director of The Smith Family, and a Member of The Harvard Business School Alumni Board (USA). She runs her own corporate advisory practice specialising in business strategy in financial services and health care.

Mrs Linda Nicholls has an MBA from Harvard Business School and more than 30 years experience as a senior executive and company director in Government owned and private sector banking, insurance and funds management in Australia, New Zealand and the United States. She has three children and lives in Melbourne.



Linda Nichols



Sharon Rosser

Sharon Rosser – RAC UK

Sharon has a background in accounts for a myriad of small businesses before moving into a larger organisation, RAC, in the UK some 13 years ago, where she has focussed on major IT change projects, business transformations and outsourcing. There has always been a key element of process re-engineering to all her roles and when, three years ago she was given the opportunity of bringing her skills to the main sales & service contact centre of the RAC, Sharon saw an opportunity to really get close to the customer experience via the front line staff in a people driven business.

She was able to explore a simple methodology of driving change from the bottom up with some amazing results which culminated in winning a prestigious first time international award within the Aviva Group.

More recently Sharon has been seconded to another multi £million change programme within the RAC which brings together technology, product, operational and cultural change.

Sharon is a member of the UK CCO Forum.

Keith Royston - Salmat



Keith Royston

Keith is architect and manager of BIG, the unique Salmat CCS Business Intelligence Group, a home to numerous contact centre specialists and business analysts whose role is to optimise the performance of every contact centre operated by Salmat, and to research and develop innovative solutions to contact centre business challenges; BIG is central to Salmat CCS success.

Keith has more than 12 years experience working in and with Salmat contact centres and has fulfilled a variety of management positions including several IT roles, business development and sales, general contact centre management, and manager of Salmat contact centre operations in New Zealand.

Keith is passionate about delivering customer experience excellence through leadership, unified corporate focus, empowerment, and reward and recognition for every employee, and he embraces these factors in every BIG decision; Keith believes that contact centres are fascinating bio-systems. In the near future Keith believes, given early Salmat experience, that rapport-based-routing will revolutionise contact centre conversations.

Helen Wells – AMP



Helen Wells

Helen has spent over 25 years managing Customer Service teams in both the UK and Australia.

Helen joined AMP Australia in 2001, as New Business Manager, she went on to manage all transactional teams and then all of Customer Service (including the call centres) and in 2007 was appointed Director of Customer Service. Helen manages the service delivery function for most of AMP's products including call centre services, administration and frontline IT support.



Before moving to Australia, Helen worked for Pearl Insurance in the UK as Operations Manager.

In 2006 Helen led her team to win the Australian Service Excellence Awards through Customer Service Institute Australia, in 2007 her teams won 5 gold awards through the Institute of Customer Service Professionals and in both 2008 and 2009 teams in Customer Service were recognised with awards for their training to the business.

Ian Harrison – CBA

Ian began work at CBA in 2003 within Institutional Banking (IB). He initially commenced in Working Capital Services as the General Manager for Customer Service. It was in IB that Ian first implemented MTK (Management Tool Kit) which dramatically increases staff efficiency and reduces turnaround times. MTK was eventually rolled out across most of the operational areas in IB.

Ian is currently running Mortgage Services where he set about challenging many of the traditional operational practices and again implemented the MTK methodology. Ian has seen Mortgage Services (now an operation of around 1250 staff across five sites) make significant steps to transform into a leaner and more customer focus organisation with a much reduced headcount but with enhanced output per FTE.

Before CBA, Ian worked for Vodafone Australia in various roles, all with a focus on operations, call centres and projects. Prior to this Ian spent several years working for TeleTech (one of the world's largest customer service outsourcers) running various industry specific call centres in Australia and, for short stints, overseas.

Michelle Cox – BUPA

Michelle specialises in distribution of product and services, primarily in roles of Customer, Sales, Operational Management and Service within the Financial Services and Health Insurance industry. Her management expertise includes the build and operation of a number of Call/Contact Centres, and Retail Outlets (including Bank branches) and transformation of others. Michelle is currently working in Bupa Australia and has been dedicated to Bupa Australia Contact Centres and the integration and alignment of these across the business since the merger with MBF.

Michelle has worked for over 20 years in the Financial Service and Banking Industries, incorporating the Call/Contact Centre Industry. Additionally, in this period she consulted to build the SOCOG, Sydney 2000 Olympic Contact Centre global turn-key solution, for distribution of all sales and services.



Ian Harrison



Michelle Cox



Andrew Hagar

Andrew Hagar – Energex

Andrew has been working in the electricity industry for over 4 years working in a variety of roles, including business management, contractual and relationship management and business planning and modelling.

Prior to this Andrew spent 8 years working in the travel and tourism industry in commercial analyst and sales roles.

Andrew’s current role with ENERGEX is to develop and integrate meaningful and measurable customer insights and knowledge, which involves influencing ENERGEX’s long term planning and investment strategy to incorporate the future needs and behavioural traits of customers within South East Queensland.

Chief Customer Officer’s Action Check List

	Issue or aspect of our end to end customer experience that requires my attention	What changes will I make to improve the delivery of our end to end customer experience
1		
2		
3		





LimeBridge

AUSTRALIA

Sydney

Level 57 MLC Centre
Martin Place
NSW 2000
Phone: +61 2 9238 6265

Melbourne

27/ 101 Collins Street
Melbourne
VIC 3000
Phone: +61 3 9499 3550

Brisbane

Level 30, AMP Place
10 Eagle Street
QLD 4000
Phone: +61 7 3305 0370

France

15, rue du 1er mai
F92752 NANTERRE
France
Phone: +33 1 47 86 17 17

United States

Bellevue
Washington
USA
Phone: +1 (206) 321 0841

India

49 Linden Street
Palmgrove Road
Victoria Layout
Bangalore 560 047
India
Phone + 91 (80) 5150 1654

Germany

Technologiepark 21,
33100 Paderborn,
Germany
Phone: +49 700 2372 6786

Hong Kong

12th Fl, China Merchants Tower
Shun Tak Centre
168-200 Connaught Road
Central
Hong Kong
Phone + 852 2559 0904

Sweden

Gamla Brogatan 26
111 20 Stockholm
Sweden
Phone + 46 8 22 55 29

Japan

Suite 301,
3-2-7 Azabujuban,
Minatoku
Tokyo 106-0045 Japan
Phone: +81-3-5730-8530

United Kingdom

8 Percy Street,
London
W1T 1DJ
United Kingdom
Phone: +44 (0)870 010 6190

Singapore

11 Collyer Quay #10-04
The Arcade
Singapore 049317
Phone: +65 9456 1702

LimeBridge Australia Pty. Ltd. | **ABN** 47 129 778 641
E info@limebridge.com.au | **W** www.limebridge.com.au
CCO Forum Australia Pty. Ltd. | **ABN** 56 134 464 056