

Leadership Forum
Financial Services

Building the contact centre's new target operating model

Featuring

Sarah Card, Head of Delivery and Risk, Marcus by Goldman Sachs

Claire Hawkes, Head of Banking, Tesco Bank

Catherine Lindsay, Operations Director, Newcastle Strategic Solutions

Lisa Range, Head of Telephony Sales, Tyl by NatWest

Fran Rea, Director of Contact Centre & Service Delivery, NewDay

Anita Renyard, Head of Mortgage Operations & Underwriting, TSB

Kelly Shippen, Head of Contact Centre, Leeds Building Society

Rachael Titterton, Associate Director, Monzo Bank

Helen Wilson, Chief Operating Officer, Atom Bank

About the Leadership Series

The Leadership Series is the documented output from CCMA's Leadership Forum meetings. These meetings take place at the House of Lords and provide an exclusive opportunity for senior contact centre leaders to explore the key factors driving change in the industry and to consider how to continue to innovate for the benefit of the customer, colleagues, and the business.

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Building the contact centre's new target operating model

Whether it's changing customer behaviours, rising cost-of-living issues, post-pandemic resourcing complexity, or concerns about global conflict, today's contact centre leaders continually have to fine-tune their Customer Experience (CX) and customer contact strategies to stay ahead. But how do they make sure they keep things on track?

Recognising that transforming customer engagement requires a clear service delivery strategy, it's essential for organisations to have an agreed target operating model against which they can measure the effectiveness of their contact centre activities. Typically, this will embrace people, processes, and

technologies, but they also need to be flexible to avoid the risks of legacy systems or ineffective customer journeys.

Of course no one size fits all. The most successful operating models are those that are specific to an organisation, its dynamics and customer expectations. To gain a sense of how today's Financial Services contact centre leaders are addressing the challenge, we asked our CCMA Financial Services Forum attendees how they were evolving their Target Operating Models to future-proof customer engagement.

Where are we on our transformation journeys?

The CCMA's CEO, Leigh Hopwood, was keen to find out where guests felt they were on their own transformation

journeys. Did people feel that contact centre operating models were changing, and were factors such as the increased use of data, hybrid working, and the adoption of AI (artificial intelligence) helping to drive this shift? How would attendees score their transformation progress on a 1-to-10 scale?

For Kelly Shippen, Head of Contact Centre at Leeds Building Society, the team **"was currently working on the replacement of their contact centre and back-office systems, backed by additional external support"**, suggesting a 7.5 out of 10 in their transformation. Catherine Lindsay, Operations Director at Newcastle Strategic Solutions, shared that **"we're deep into our transformation journey with lots on the change roadmap."**

Payment provider Tyl by NatWest was formed four years ago, and has been innovating consistently over that period. Lisa Range, their Head of Telephony Sales, says: **“as a contact centre we have gone through huge change this year in terms of the way we operate, next year will be about consolidating and embedding this change. As a business we will be spending 2024 ensuring the stability of our core platforms to future proof our growth ambitions”**

Marcus by Goldman Sachs uses core bank technology for its contact centre, back-office, risk and fraud functions. For Sarah Card, the online bank's Head of Delivery and Risk, **“we're not focused on technology transformation, so this gives us more time to focus on our people and supporting their ability to deliver great outcomes for customers.”** At Monzo Bank, Associate Director, Rachael Titterton explained that **“we're currently focused on ensuring that our technology platform remains positioned to support the business as it scales up to handle next level growth. From an operations perspective that's where most of the transformation is happening.”**

Atom Bank's Chief Operating Officer, Helen Wilson, talked about **“how, for a digital bank, transformation meant constant change all of the time – it's never-ending! We're strong from a people and**

operational processes point of view, however we're always assessing our technology to check its keeping pace with business growth.”

Fran Rea is Director of Contact Centre & Service Delivery at NewDay, it's the country's leading provider of consumer credit. With regard to transformation, she reports **“we've taken our legacy operation to create a fintech business, and we're always moving forward doing our own in-house agile builds. From a transformation perspective we're operating at 99% of our Customer Service interactions either automated or online. When a customer gets in touch, it invariably means something isn't working. This puts us in a position where we can feed critical insight back into the business.”**

Claire Hawkes, Head of Banking at Tesco Bank, has also moved to an agile operating mode. **“We've now got agile all set up, with our centres of expertise feeding information into the system. There's still a few months to go with this project, and much more we can do with the data, so we're an 8/10 at the moment.”**



How do you know when you've reached your optimum Target Operating Model?

Catherine Lindsay sees the whole process as a journey – **“you get the foundations right and invest in the technology needed to service customers where it suits them best. It's all about making the customer journey easier. You've also got to use your people skills better, removing as much manual work as possible so that colleagues can provide their best service to customers when they need it the most.”**

Lisa Range recognised that lots of financial services firms still have work to do. **“At Tyl we're now seeing an increase month on month in new applications going through our boarding process without human intervention. But as we open up the digital channel to more customers you also need to expect proportionately more drop-off into the support team. That's why it's important to stay on top of the numbers.”**

For Fran Rea the key is to keep moving forward, but always backed by a strong business case. **“As a private equity business, we previously created value creation plans at NewDay, in order to move forward at pace, where we put forward bids for major change funds. This led to the in-house development of our digital**

channels and mobile app, for example, which means that we can be very targeted about additional developments to unlock further value, and – when successful – we can prioritise initiatives to get to those savings quickly.”

How has hybrid working impacted the people aspect of your operating model?

With many organisations now looking at whether hybrid working is still right for them, Leigh Hopwood asked how this was currently impacting Financial Services contact centres. Not surprisingly, there were a range of views and experiences. Kelly Shippen said **“I can’t get our people to go home for love nor money. They’re free to choose whatever works best for them, but they all seem to love coming in!”**

Lisa Range only joined Tyl by NatWest ten months ago. **“When I started, there was a disjointed approach to hybrid working, teams were coming in on different days and we needed a more integrated approach. There was talk of bringing everyone back five days a week to drive productivity, I didn’t think that was appropriate or required and certainly wouldn’t have helped from a colleague engagement/retention perspective. Now we have all teams in together for two days a week, collaboration is much improved and the data shows us there is very little difference in productivity whether colleagues are at home or in the office.”**

At NewDay people are now spending two days in the office. **“We’re making sure that one of those is a team day and providing food and drinks to make it more of an event,”** explained Fran Rea. **“However,**

we’ve also got to recognise that returning to the office for five days a week might be a financial stretch for some, particularly with current cost-of-living pressures. We’re also finding that it can be an issue for those who now have dogs at home!”

Claire Hawkes felt that the hybrid working mix still needs to be more tailored to individual needs. **“What should advisors do? What should team leaders be doing? While we’ve certainly missed the camaraderie from working in a busy office, we have to make sure that there are also operational benefits for people when they come into work. We’re now running at around 40-50% in the office at Tesco Bank. One thing that’s helped our colleagues in Glasgow is that Scotrail is still running off-peak pricing throughout the day making travel more manageable.”**



What resources do you use to support your Target Operating Model?

Leigh Hopwood then asked what sort of resources people had to support their operating models, whether these were in or outside of the contact centre, and if they were building operations teams that are fully self-contained. For Helen Wilson at Atom Bank, it was a matter of scale. **“We’re still a small business, so although we have our own Operations Effectiveness Team that handles resource planning, knowledge management and training, we still rely on corporate functions to provide us with communications support and the technology piece.”**

Tyl’s Lisa Range said that her team have operated as a start-up venture within NatWest. **“We are building out our own Sales Optimisation function that supports L&D,**

resource planning and project implementation.” However, Anita Renyard reflected that **“our industry always goes in cycles – sometimes we’re centralised, sometimes operations get spun out. Whether the function’s inside or outside of the contact centre, what matters is that it performs well.”**

What new roles are developing to support your operations?

Given the pace of change in the customer engagement sector, it’s hardly surprising that leaders are seeing new roles evolving. For example, Sarah Card from Marcus needed additional IT support for its Target Operating Model but has also now created roles for communications and knowledge management in the team. Kelly Shippen says **“the next role for us will be a dedicated analyst to read, digest and act on all the MI**

data we have gathered. We now need to be feeding this through to other areas of the business.”

Fran Rea agrees – **“it’s all about putting insight back into the business. We started at NewDay by setting up an operations support function with MI skills, resource planning and PowerBI reporting skills. That’s now established and sits within a central function. However, still in the team are all the risk control and regulatory QA skills, CX journey mapping and app feature requirement creation – including speech analytics, as well as our original optimisation team. Speech analytics is one of our tools to really deliver the value back to the business – and it’s the key reason why we no longer need to conduct call reasoning and categorisation.”**

When considering the transition to agile applications development, Fran also raised the need to acknowledge the resource implications of deploying such a model. **“When we started with agile, we had just one or two squads. I remember one of the original agile team telling me we would end up need around 30 squads. Guess what - we’ve now got those multiple squads across the business. Change can move really quickly with agile.”**



How is compliance regulation impacting your contact centre operations?

Leigh Hopwood then asked how regulatory compliance in the Financial Services sector – such as the Financial Conduct Authority’s Consumer Duty regime – was impacting contact centre operations. Specifically, how were banks responding to the FCA tasking them with taking advantage of all the data and information available to improve consumer outcomes?

The consensus was that Consumer Duty with its focus on outcomes was closely aligned with the goals of best practice contact centre operations. According to Fran Rea: **“in Financial Services we always focus on outcomes anyway”**, while Lisa Range felt that **“Consumer Duty was a great way of driving things like QA and ensuring the right level on focus on good customer outcomes”**.

That’s why it’s important for contact centre leaders to ensure that other parts of the operation appreciate the kind of outcomes that

customers are looking for. Sarah Card said: **“we want our designers to come up with solutions that make it seem like we’re just sitting in a room with a customer – so we make sure that our designers spend half a day in the call centre to really get a sense of what customers are looking for.”** Anita Renyard agrees that it’s always important to champion customer needs – **“We regularly review our call menus with support from our Marketing Insights team, who run our CSAT survey, and the IT team, who make the changes to the call menus.”**



Supporting the industry to transform their contact centre operation

Concluding the CCMA Financial Services Leadership Forum, Leigh Hopwood asked the group for any advice they would like to share with other contact centre leaders to help accelerate their transformation journey:

- **Sarah Card, Marcus by Goldman Sachs** – “Invest in digital and self-service capabilities at the start of your journey rather than waiting until you really need them.”
- **Claire Hawkes, Tesco Bank** – “The future of the contact centre has to be one that's moved away from failure demand towards actually driving value for the business. Simply taking our insight into broken processes and sharing this with the right people can unlock significant value.”
- **Catherine Lindsay, Newcastle Strategic Solutions** – “It's important to think about how you take your people along with you on the transformation journey. Effective communications need to be active all the way through, business transformation can make people feel worried about their jobs.”
- **Lisa Range, Tyl by NatWest** – “Ensure you have solid foundations in place on which to build and grow, particularly in the tech space.”
- **Fran Rea, NewDay** – “For people not yet fully in agile mode, it's time to let go of expectations of big, waterfall-style new feature drops and instead get used to a pattern of continuous updates. However, this does mean you've got to keep right on top of your numbers so that you pick-up on the impact that changes are having. This will require close alignment and stronger relationships with other functions across the business.”
- **Anita Renyard, TSB** – “You've just got to keep talking to each other and sharing best practices across the business.”
- **Kelly Shippen, Leeds Building Society** – “You can't do any of this without the right insight, so commit to building the right data strategy.”
- **Rachael Titterton, Monzo Bank** – “It requires many different tech teams working well together, so get everyone bought in and aligned on priorities right from the start - everyone needs to be crystal clear.”
- **Helen Wilson, Atom Bank** – “With a digital business it's not enough to just keep pace – the people, processes and technology all have to be in place to support the business as you scale.”

About the CCMA

For nearly 30 years, the CCMA (Call Centre Management Association), as the longest established contact centre industry body, has been dedicated to supporting contact centre professionals across the UK. Founded on the principles of sharing best practice and networking to improve skills and knowledge, the CCMA is a thriving community that represents leaders from a huge cross-section of the industry.

Membership of the largest community in the industry offers unique opportunities, such as free annual benchmarking of 25+ KPIs, free entry into the UK National Contact Centre Awards and free tickets to the UK National Contact Centre Conference, invites to Executive Networking Dinners and exclusive events for members-only. Members also benefit from discounted training through the UK National Contact Centre Academy, the industry's training partner.

To support the industry further, the CCMA conducts regular original research for download, including the annual Salary and Skills Guide and the Voice of the Contact Centre Consumer research, the Evolution of the Contact Centre tracking the industry's progress and Good Practice Guides on a variety of topics.

www.ccma.org.uk

About Sabio

Sabio Group is a global digital customer experience (CX) transformation specialist with major operations in the UK (England and Scotland), Spain, France, Netherlands, Malaysia, Singapore, South Africa and India. The Group delivers solutions and services that seamlessly combine digital and human interactions to support outstanding customer experiences.

Through its own technology, and that of world-class technology leaders such as Amazon Connect, Avaya, Genesys, Google Cloud, Salesforce, Twilio and Verint, Sabio helps organisations optimise their customer journeys by making better decisions across their multiple contact channels.

The Group works with major brands worldwide, including Aegon, AXA Assistance, BBVA, BGL, Caixabank, DHL, loveholidays, Marks & Spencer, Rentokil, Essent, GovTech, HomeServe, Saga, Sainsbury's Argos, Telefónica and Transcom Worldwide.

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