

*investor*Review

ChangeWise

Managing Change in Financial Services

Founded in 2011, ChangeWise believes that employee engagement is critical to successful change. ChangeWise will lead, train and coach your employees to embed successful change and build the momentum to continuously improve and adapt to your environment. In terms of the clients they serve, the firm specifically works in the financial service, public, higher education, utility and outsourcing sectors.

Why Companies Are Realising the Value of Effective Change Management

One of the many clichés overheard in a corporate environment is that ‘a company is only good as its employees’. While this statement is certainly true, it also overlooks the importance of how the company is managed and how crucial the management of these employees and their teams is for them to truly unleash their potential.



‘In the struggle for survival, the fittest win out at the expense of their rivals because they succeed in adapting themselves best to their environment.’

Charles Darwin

Managing Change in Financial Services

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C ChangeWise specialises in streamlining processes using lean to increase efficiency, enhancing customer interactions with Service Excellence techniques, improving quality with Six Sigma tools and reorganising work to provide greater effectiveness, reduce costs and build a competitive advantage. We ensure change is embedded successfully and sustained, using excellent operational management techniques and ways of working.

We also support strategic change through specialist planning tools, aligning project portfolios to strategic objectives and providing portfolio insight and prioritisation methods, so you will be able to invest in the best projects matched to your competitive environment. Furthermore, you will be able to ensure an efficient and successful delivery in terms of time, quality and budget.

In regards to the process of change, our goal is to ensure you have the right tools, techniques and experience along with the management systems to identify the processes that will improve customer satisfaction and operational productivity. With these in place, we believe you will be able to realise an improved customer delivery at a reduced cost. Essentially, ensuring that you can understand your business processes better, and have the skills to continuously improve in this area is what ChangeWise are all about. We believe that this sustains a culture more adaptable to change in the long term.

Encouraging employees to adapt and embrace change is not always easy, because people can easily get stuck in their ways. However, that is where ChangeWise come in, indeed it is our job is to ensure the leaders of a firm can manage people through any process of change. As a result, we help you share your vision for change, prepare and manage different change scenarios and ultimately support staff during the transition journey through engagement, involvement, communication and hands-on delivery.

In regards to the financial services sector, we have worked with a retail bank based in the Republic of Ireland (taken into government protection in 2010) supporting the delivery of a transformation plan ready for a return to public ownership. The focus was improving the customer service processing activities (circa 1000 staff and 90

teams) through target operating model design, implementing ways of working (WoW) operational excellence techniques, and process improvement based on lean.

This created exceptional customer service, best-in-class operations, reduced cost-to-serve and improved profitability enabled by a continuous improvement culture. There was a 26% improvement in productivity, a 20% reduction in direct costs realised as 114 FTE released and a 300% gain in mortgage applications that were right-first-time.

A major UK retail bank's anti-money-laundering function was significantly behind its year-end target in May, with headcount costs increasing sharply (trying to catch-up) and the consequent training and quality issues of on-boarding new staff into a complex process. We delivered Operational Excellence (OPEX) training and coaching to team leaders, managers and senior managers across sites.

We designed and implemented two centre of excellence workflow designs enabling significant increase in operational performance by removing non value-added work, enhancing planning and prioritisation methods as well as improving workflow and quality. One site was able to hit end-of-day targets mid-afternoon and use the latent capacity created to support other teams and the other site doubled output from the same number of people, better matched skills to work types, improved first-time quality with better feedback loops and achieved that end-of-year target before October.

With a major UK general insurance group, we helped create centres of excellence in the back office claims, contact and accident repair centres. For another large German insurance provider, we delivered multiple operational diagnostic reviews in the UK and India to identify opportunities for improving performance of telephony and back-office claims centres for their pet, commercial and motor insurance products.

In the higher education sector, ChangeWise worked with a south coast University and helped them to set up the strategic governance framework, and to create a portfolio of strategic change projects, aligned to organisational strategy. In addition, we initiated a lean process review programme across the administration processes, to save costs to re-invest in the academic staff and enhance the student experience.



ChangeWise Accredited Lean Practitioner Training

FD asks MD: “What happens if we spend money on training our people and they leave us?”

MD: “What happens if we don’t, and they stay?”

Invest in the only training that teaches people to continuously improve their processes for better customer satisfaction, increased productivity and lower operational costs.

ChangeWise are delighted to announce that their Lean Awareness and Team Based Process Improvement training courses have been accredited by the only industry recognised UK authority qualified to certify Lean training for its content and quality.

LCS (Lean Competency System) only accredits training that develops the thinking, knowledge and practical skills to enable organisations to implement Lean and Operational Excellence in services and operations.

Our blended training and experiential learning approach includes highly participative group activities to allow knowledge and idea sharing; using business simulations, games and practical hands-on experience to give delegates the opportunity to apply their learning. Backed up with clear explanations of the theory in their reference books.

The wide-ranging experience of the trainers supports this learning by providing ‘real’ examples from production and service operations. Ongoing coaching develops the skills and practical experience to apply the knowledge appropriately for effective solutions back in the workplace.

The benefits of your people achieving a ‘Certificate of Lean Competency’ will be:

- Self-sufficient, high performing Lean Practitioners from operational, support services and business change teams able to drive forward operational and service improvement programmes to deliver better customer satisfaction, improve quality and achieve greater value for money
- A recognised qualification demonstrating their level of competence with evidence of training and progression which can support programmes like Employer of Choice and Investors in People
- A development path, encouraging skills improvement and experiential knowledge growth to help attract and retain high quality staff
- A qualification with high perceived value and external currency

Mike Williams says *‘This is great news for our customers as it means they now have a route to a recognised qualification on their CV. Recognition like this means employees are more skilled, are able to apply Lean to improve their workplaces and ensure better value for money for the organisation they work for. Not only that but they will receive practical experience of using these unique improvement tools so when they come back to the workplace they can immediately apply their skills. Truly adding value to both employer and employee. A great return on investment’*

These are fun, energetic and interactive courses ideal for teams of people to do at the same. If you are interested in prices and dates, please call Mike Williams on 02380 464 153 or 07866 537 580 or visit our website. www.changewise.co.uk



1 LEAN AWARENESS (1 DAY)

Ever wondered what Lean is, why people use it or how it applies to your sector?



This course will help you understand the history of Lean, how to apply the principles of Lean Production in different environments and how to improve your internal processes. We will then use the principles of Lean Consumption to understand your external processes and the effort your customers have to exert to use your services.

2 TEAM BASED PROCESS IMPROVEMENT (2 DAYS)



How to engage your people to work together to continuously improve their products and services.

This course builds on ‘Lean Awareness’ to give practical experience of how to engage staff in improving the processes of creating and delivering products or services. You will understand the customer journey in order to provide excellent customer service and high quality at affordable costs using team based process improvement in 5 steps: Define, Measure, Analyse, Improve and Control.

3 ACHIEVING EXCELLENT CUSTOMER SERVICE (1 DAY)

How do you achieve excellent service for your customers and reduce complaints?

This course covers the concept of *customer demand* split into *value demand* and *failure demand*, you will understand the *Voice of the Customer* and the principles of Lean Consumption to reduce the effort a customer has to exert to use your services and in turn improve response levels and customer satisfaction. In addition, it covers improved complaints handling, ‘true’ root cause analysis and most importantly how to link these back to improvement activities that prevent them happening again and again.

4 LEADING PEOPLE THROUGH CHANGE (1 DAY)

Why is change so poorly handled, badly implemented and rarely creates behaviour change?

The course covers the drivers for change, how to change organisational culture, Kotter’s 8-step process, the impact of change on people, the emotional and rational responses they have to change. It also covers the factors that lie behind resistance to change and how to gain staff engagement, support and buy-in so that any transition can be successfully embedded so that it becomes the new ‘way we do things round here’.

WHERE & WHEN?

Please call Mike Williams on 02380 464 153 or 07866 537 580 to find out the latest dates and availability in your area or see our website: www.changewise.co.uk.

NB: These public courses can be run in-house for groups of 7 or more with examples tailored to your sector.



In regards to the public sector, we have experience of delivering Lean Six Sigma operational improvement training in a number of organisations (including the FCA, Rural Payments Agency, UK Asset Resolution), and we have worked with a Midlands Police Service, proposing new operational practices to improve sanctioned detections.

Lastly, in the business process outsourcing sector ChangeWise have worked with a final salary pension administrator, to implement project portfolio governance, and also to deliver £890k of extra revenue and a new customer relations centre. However, we are also proud of the fact that we have managed Lean Six Sigma and Operational Excellence initiatives, which saved approximately £750k per annum.

For another pensions outsourcer, ChangeWise performed a comprehensive operational diagnostic review across multiple UK operations (pensions, payroll, employee benefits solutions and shareholder registration services) to identify significant opportunities for improvement (circa 20%).

We trained 219 people in the basics of lean and 37 Team Leaders in operations management.

Finally, ChangeWise mapped all of the pensions processes, identified the variations between clients and schemes and provided the inputs for an automated workflow system, based on optimised skills matching and design considerations for their new target operating model.

"Profit in business comes from repeat customers, customers that boast about your product or service, and that bring friends with them."
W. Edwards Deming



Typically, our lean and operations management training courses are aimed at directors, managers, team leaders and key staff who are responsible for managing and facilitating operational back office delivery, complaints handling and customer service contact centres. Our training courses can also aid complex organisational transformation, process improvement reviews and the implementation of new IT systems and regulatory practices.

Our Lean Awareness course helps you to understand the history of lean, how to apply the principles of lean production in different environments and how to improve your internal processes. The Team-Based Process Improvement course builds on the former providing practical experience of how to engage staff in the improvement of processes that deliver products and services. You will learn about the customer journey in order to provide an excellent customer service at affordable costs using the team based process improvement in five steps: define, measure, analyse, improve and control.

The Achieving Excellent Customer Service course covers the concept of customer demand, and is split into value demand and failure demand. You will understand the 'voice of the customer' and the principles of 'lean consumption' to reduce the effort a customer has to exert to use your services and in turn improve service levels and customer satisfaction.

When you are sending someone on a training course and expecting them to change the organisation when they return, it is easy to underestimate the learning that has to occur before tangible results are seen. If training is backed up with ongoing coaching and support, then we believe that the development will of course progress much more quickly.

These courses we provide can be delivered on-site and partnered with on-going coaching and mentoring. This supports and encourages further development to maximise the individual impact in the organisation, through continuous improvement and sustaining change, leaving you to evolve the rest of your business.

ChangeWise strongly believe business management systems and processes can limit the ability of good organisations from becoming great. Successful management of change is essential to meet today's economic climate, and employee engagement is also critical to successful change. It is then our hope that your organisation will be able to build a continuous improvement culture - linked to your strategic objectives - enabling you to adapt to your competitive environment.

Any significant transformation can create people issues, therefore it is important the leaders of an organisation embrace new approaches to challenges, in order to both motivate and inspire the rest of the workforce. Involving team members in the process of change is essential if you want to achieve the best results.

Looking ahead to the future, ChangeWise's aim is to build our reputation in the industry and identify the opportunities to help our clients prosper. To become the outstanding leadership and organisation development firm we strive to continuously look at our 'ways of working' so we can improve our services for all of our clients.

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Case Study: Operating Model Review Business Process Outsourcing Group

Problem

The client was a successful financial services outsourcing business. They ran a number of operational sites in the UK (~1,400 FTE) administering pensions, payrolls, share registers and employee benefits schemes that were not all performing at their best due to:

- not integrating processes from historic acquisitions
- multiple versions of legacy administration systems
- limited ability to measure staff productivity
- bottlenecks and manual processing creating delays
- poor understanding of customer requirements
- errors and lead times causing customer complaints

The management team was keen to improve performance and gain market share to demonstrate value to its investors, grow profit organically and prepare for future acquisitions. This had to be supported by improving margins and creating capacity using an operational transformation programme to:

- implement agile operations fit for future growth
- empower managers to improve staff productivity through increased efficiency and effectiveness (higher output, lower FTE requirements)
- reduce failure demand and streamline the flow of work and data through the business by sharing best practices from across the group
- close the loop on complaints and poor customer feedback more effectively to support long term contract retention with current customers
- consolidate regional sites into strategic centres by moving high volume, simple tasks to centres of excellence/offshore and outsource functional tasks
- simplify organisational structures/spans of control

The organisation was keen to adopt lean thinking, operations and service excellence in these sites as a means of dramatically improving their performance.

Solution

An end to end review of the operation to compare performance concluded that the current operating model was not fit for purpose due to:

- process silos with specialised / narrow skilled

staff

- complex work flow, manual work arounds and printing off case notes to create case files for quality inspectors to check.
- lack of communication from sales and collaboration with operations during new and repeat customer contract negotiations
- customers experiencing unpredictable and unreliable responses, often not right first time
- short-term tactical improvements focused on fixing symptoms rather than curing customer problems
- poor information about staff productivity and lack of performance management

After presenting the findings the principles of lean design were used to completely rethink the operating model to be fit for the future. This involved:

- redesigning the site-level, departmental and functional layout of the operations based on runners, repeaters and rarities to identify the simple, standard and complex work types
- documenting and standardising best practice to migrate simple work to UK centres of excellence, before increasing productivity and finally offshoring to a dedicated site in India (where appropriate)
- creating generalist multi-skilled teams to focus on a larger number of standard customer requests
- forming specialist teams dedicated to complex processing and high net worth customers to build relationships with key customer contacts

The operating model design was piloted and proven before it will be rolled out across the various site locations with coaching and mentoring support.

Results

The benefits of the transformation will be:

- simplified workflow through redesign of core and support processes to be more customer focused
- streamlined decision making in the teams
- greater sharing of best practice amongst

staff and a focus on continuous team-based problem solving

- job roles and responsibilities redefined to give clarity and greater accountability for performance
- more emphasis on skills tracking, development and multi-skilling to create flexible staffing models
- revised management information allowing greater insight on staff productivity and transparent discussions about individual performance
- front-line managers with the skills to coach staff on operational performance improvement
- enhanced customer feedback, reduced complaints and less failure demand using up valuable capacity
- lower telephony abandonment rates, better grades of service and higher right-first-time scores
- updated operations capability and mind-sets in the front-line managers based on lean service principles through formal training, coaching and mentoring of leaders to embed behavioural change

Leading to the following outcomes:

- an embedded continuous improvement culture to yield year-on-year cost benefits (typically >10% pa)
- greater engagement and support from operational staff enthused by improving their own processes
- the creation of a customer-centric culture based around service and operational excellence
- shorter lead times, increased capacity and lower operational costs will improve margin and profit
- increased sales from existing customers (through renewed contracts and additional 'project' work) and new clients taken on.

Embracing Change – Why Companies Are Realising the Value of Effective Change Management

One of the many clichés overheard in a corporate environment is that ‘a company is only good as its employees’. While this statement is certainly true, it also overlooks the importance of how the company is managed and how crucial the management of these employees and their teams is for them to truly unleash their potential.

A business could have a great set of employees, but the business management systems, procedures and processes can limit the ability of good organisations from becoming a great company. Poorly designed processes, ways of working and workarounds that have grown over the years, like a stream filling up with silt, limit flow and prevent employees from achieving their best.

Although effective management is important in any business environment, the current climate necessitates a level of flexibility and adaptability like never seen before. Whether it is the continuous changes in technology or the ongoing volatility of the financial markets, businesses need to constantly adapt and innovate in order to become successful and distinguish themselves from their competitors.

This is where change management comes in. As the name suggests, this refers to any approach for transitioning individuals, teams and organisations from one state of working to another in order to re-direct the use of resources, business processes, budget allocations, or other modes of operation to significantly reshape a company or organisation.

In borrowing another corporate cliché, communication is key to any process of change management. It is essential that an employee has a clear understanding of any changes in the company, and that any misunderstandings or miscommunications can be kept to a bare minimum. And of course, communication goes both ways, and the leaders be listening to the members of their team to understand the ‘real’ process, the barriers to change and their challenges to the new way or working.

At our firm, we specialise in providing leaders with the support to execute individual, team or organisational change. Using a tailored change management framework, our clients can ensure the process, engagement and communications suit your situation and lower the barriers to embedding successful transformations.

At ChangeWise we believe that employee engagement is critical to successful change. ChangeWise will lead, train and coach your employees to embed successful change and build the momentum to continuously improve and adapt to the competitive environment. Although each and every one of our clients is different, we do have a certain set of goals which applies to every business. First and foremost, we make sure they have understood the drivers for change, analysed its impact and created a strategic vision of the future. Once this has been achieved, we implement our tailored Change Management Framework which links the process to staff engagement and communications. Ultimately, the aim is to have prepared effective change management plans, where leaders can manage people through any change. This involves teaching methods to minimise resistance and techniques to influence political and cultural barriers. Lastly, but certainly not least, we teach methods and simple, practical techniques for employees to shape, adapt and embrace change.

Once this process is complete; companies should be well equipped to meet any of the demands of change within their business. They will have developed a range of different skills, including the ability to share their vision for change, prepare for and manage different change scenarios and standardise ‘best practice’ in managing change. Alongside these skills, they will also be able to support staff during the transition journey, reinforce changes made and celebrate success to build trust and employee engagement.

Although many companies in the current climate would be in two minds about hiring a third party to teach effective change management, we believe that the long terms benefit vastly outweigh the short term expenses.

For instance, we were hired by a leading University on the south coast who were investing over £30 million in the future. They had over 40 active

strategic change projects and 30 more planned across its campuses, schools and professional service function. Reporting to the Deputy Vice Chancellor the assignment successfully implemented, embedded and evolved a change governance framework for delivering capital projects. This comprised of a number of different approaches, including a change management board to approve, align and prioritise new strategic projects, new project documentation and a streamlined submission process.

Another case study that demonstrates the results we can achieve is the work we did at a major UK retail bank. This involved deploying lean across the front line, back office and support services of the bank which helped them achieve over £34 million of benefits delivered from 152 initiatives sponsored by 103 senior leaders.

'Lean' is an approach to management which involves achieving small, incremental improvements in order to achieve continuous improvement. In total, over 10,000 staff were exposed to lean, 2280 were active in projects, 1060 attended training and 183 managers were capable of using lean tools.

We have also urgently re-engineered a payments processing centre with failing customer service levels. We re-designed the centre layout, improved team work-flows and implemented a new cellular operating model. By engaging staff and coaching team managers to gradually transition 352 staff across 3 sites to the new method of working we

improved productivity by 19% (67 FTE or £1.3 million per annum saved) and lead-time was reduced by 48%. By exceeding their SLAs it resulted in lower complaints and revived morale with no disruption to business as usual operational delivery.

Looking further into 2017, we are confident that more and more companies and organisations will learn the value of effective change management. Although the future is uncertain, what we can be certain is that changes will come along, and the best way to face up to these challenges is with change management.

The Productivity Gap? Is the productivity gap due to people or process?

The government has talked a lot about improving the productivity gap of UK business and their rhetoric seems to focus on staff and individuals not working hard enough. However, in our experience people come to work to do their best and it is the systems and processes that hamper their ability to get more done in the time available, thus limiting their productivity.

ChangeWise has developed an operational assessment approach that quickly identifies the key factors that enable an efficient and effective operation. Whether they are admin support teams, shared service centres, back office operations, customer contact centres or manufacturing plants they all have similarities that enable success. For instance, they all have:

- Direct or indirect interaction with customers;
- Customer demands and capacity constraints;
- Processes and procedure to follow;
- Supporting roles or a dependence on others;
- Skills, capability and training needs;
- Communication and measurement challenges;
- Quality, controls and risks associated with their work;
- Management goals and performance targets
- Workplaces organised to deliver a product or service;

Understanding the enablers that make an operation effective, and thus productive, is key to identifying where improvements can be made to liberate staff from the shackles of poor systems and processes.

ChangeWise can provide insights and opportunities for improving your business through a short site visit where we walk the process, interview the managers, team leaders and support staff then observe the processes in operation or listen to customer calls. From this we can give you feedback to show where your business sits compared to best-in-class operations that have been using lean, operational excellence and customer service excellence methodologies to continuously improve their businesses over many years.

We have recently completed an operational review of a contact centre for a bank in Ireland. The insights have helped them identify significant opportunities to improve their internal performance and the performance of the rest of the bank. By working with us to focus on key areas like reducing avoidable demand, improving first point resolution and using techniques to fix the root cause of errors and customer complaints they can become better at problem solving and start the journey to continuous improvement.

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'Change is the only constant.'
Heraclitus, Greek Philosopher



Learn to change for life...

The proverb '*give a man a fish and you feed him for a day; teach a man to fish and you feed him for a lifetime*' is just as applicable to organisational change as it is to mother nature.

Many organisations need to adapt to their ever changing competitive environments, but it can be difficult to recognise the early stages of future problems building up. If left too long organisations then need to take major action to avoid a crisis.

Employee engagement is critical to successful change and by training and coaching your people to use continuous improvement techniques they can embed change into the way they work on a daily basis.

ChangeWise is a specialist provider of successful business improvement and change management services to help organisations:

1. Streamline and improve processes using Lean to lower costs, reduce delays, remove backlogs, better manage demand or answer more calls
2. Achieve greater customer satisfaction by reducing lead times and improve the customer journey and service levels with Service Excellence principles
3. Improve efficiency and effectiveness using Operational Excellence tools to reduce staff and overtime costs and increase productivity
4. Assure and control service or product quality, reduce errors and lower complaints with Six Sigma and Quality Management techniques
5. Deliver project benefits on time, in budget and to scope using 'best practice' Project Management.

We engage, train and mentor your people to use simple tools and techniques to improve their workplace leaving them with the competence to continuously adapt to a constantly changing competitive environment.

Mike Williams says: *"With increasing demands from shareholders or central government to reduce costs, do more with less resource and still provide excellent customer service your organisation might need practical help to achieve this difficult balance. These on-site workshops and coaching sessions transfer skills, knowledge and experience to your staff so they can continuously improve for a lifetime"*

For more information please call Mike Williams on **02380 464 153** or **07866 537 580** or visit www.changewise.co.uk



Learning & Development

IN-HOUSE WORKSHOPS & COACHING

1 OPERATIONAL REVIEW (3 DAYS)

An intensive and comprehensive operational review of your business departments from the front office and telephony centre to the back-office, admin, professional services, shared service centres, support centres or manufacturing facilities. You will get instant feedback on opportunities for improvement of the process, service, organisational and work structure, layout and operational management practices.

Performed in partnership with local managers and improvement champions.

2 OPERATIONAL EXCELLENCE (3 DAYS+10, 1-DAY COACHING SESSIONS)

A combination of short, modular training sessions and on-going coaching for front-line managers and team leaders to understand the essentials of running an effective operation. It covers visual management using Quality, Cost, Delivery, Safety and Morale measures, team huddles, capacity and resource planning as well as performance management and team-based continuous improvement.

3 RAPID IMPROVEMENT EVENT (KAIZEN) (2-DAYS PRE-EVENT, 3-5 DAY EVENT PLUS TEN 1-DAY COACHING SESSIONS)

Short, sharp and action focused interventions to engage staff in improving specific problem areas of the organisation from quality defects, to poor processes, to reducing major complaints. These are all backed up with an on-going coaching programme that leads to team-based continuous improvement using visual management and a simple problem solving cycle that ensures on-going sustainable enhancements.

4 END-TO-END PROCESS REVIEW WORKSHOPS (12 WEEKS OF COMPREHENSIVE PROCESS AND SERVICE REVIEW)

A bespoke and comprehensive review of the end-to-end processes across wider sections of an organisation in order to design, pilot and implement an improved future state focused on providing the best customer and organisational value.

SECTORS

Financial Services, Public Sector, Retail, Utilities, Higher Education, Outsourcing, Manufacturing:

- Front-office: Customer Service & Contact Centres, Retail Outlets and Bank Branches,
- Back-Office: Shared Service Centres, Administration Processing, Fulfilment Centres.

WHERE & WHEN

To discuss your requirements further please call Mike Williams on 02380 464 153 or 07866 537 580 or see our website: www.changewise.co.uk.