

**V O C O**

# Transformational Change Initiatives Opportunity to Benefit Realisation

## Capability Overview

MAY 2006 COMMERCIAL-IN-CONFIDENCE

Established in early 2001, i-solutions has evolved and changed – we are now called Voco and are the largest independent telecommunications and interaction optimisation consultancy in New Zealand, providing independent, non-proprietary specialist advice and services.

We are continually evolving our service offerings, and pride ourselves on being a company without walls, bringing an open-minded approach to the way we work, the problems we solve and the change issues we tackle. We focus on translating business and customer expectations into executable programs of work and delivering the potential benefits available from advances in technology and management models. We changed our company name to “Voco” (Latin for “Voice”) in May 2006 to reflect our evolution and our willingness to speak up for and champion effective change.

We remain specialists in helping our clients improve the quality of their communications and interactions, resulting in improved end-user experiences, and in optimising the performance of interaction channels to achieve improved business results.

The Voco team comprises people with the range of skills needed to assist medium and large organisations design and deploy solutions that help them to get the best value from their telecommunications and customer interaction operational spend.

This document sets out Voco’s approach and capability in delivering Transformation initiatives. Transformation expertise and capability has been a core component of our success. We take pride in bringing to our customers the benefits of our hard experience achieved by aligning organisational resources to achieve business results.

## THE BUSINESS CHALLENGE

If your organisation is facing business change and having to react to market forces, systems and or technology upgrades and replacements, we offer you a safe pair of hands to effect your changes.

Businesses focused on managing operational issues are often reactive and focused on the detail – losing sight of the bigger picture and not always aligned to delivering the best service experience possible for the customer. Effective transformation is more often effectively brought about by engaging external change experts to drive initiatives that staff involved in operational “business as usual” operations cannot be freed up to make happen. Often the skills needed to effect transformational change do not exist in-house, and consequently change programmes fail.

Voco has created a Transformation Lifecycle which builds on the overarching business direction and strategy. The Lifecycle approach models current interactions, identifies the gaps in alignment to the desired business direction and identifies key areas for action. Voco can and does manage the personal and corporate capabilities that underlie successful transformation in virtually all situations. Voco understands why managing an organisation through change requires actions and capabilities beyond those needed for existing organisational performance.

We take a practical and pragmatic approach to business change, based on our experience and which is underpinned by our Transformation Lifecycle change framework – thereby driving sustained high performance.

## WHY VOCO?

The nature of our assignment base affords us:

- unparalleled insight and experience with driving transformational change within business environments
- a rich set of experiences and client references to draw upon to effect change in your organisation
- a proven methodology developed and continually enhanced over five years of successful transformational programmes of work
- domain knowledge that is second-to-none
- real-world experience leading the technical and business deployment aspects of transformational programmes
- a practical understanding of risks and mitigating strategies and tactics

We take a balanced approach to transformational change design and implementation, focusing equally on the technical and service delivery aspects that combine to deliver business results. Our approach allows us to bridge the gap between technology and business, and align goals at all levels. And most of all - our clients are happy to reference our contributions to their success.

## WHO ARE WE?

We started as a team of specialist, independent consultants focusing on the convergence of IT and Telecommunications and the sharp end of communications.

As individuals we've all been in and around the Business, IT&T and Contact Centre worlds for 10 – 20 years and more. We've been there – with the past wins and scars to show for it.

Our team comprises people with the range of skills needed to help medium and large organisations design and deploy transformational change programmes focusing on solutions and actions that help them to get the best bang for their buck.

We are:

- highly experienced professionals who have worked in senior Transformation roles across a significant number of industry areas;
- specialists in the converged technology domain;
- take a balanced approach that provides the best long term results; and
- have a referencable track record of success.

## APPROACHES

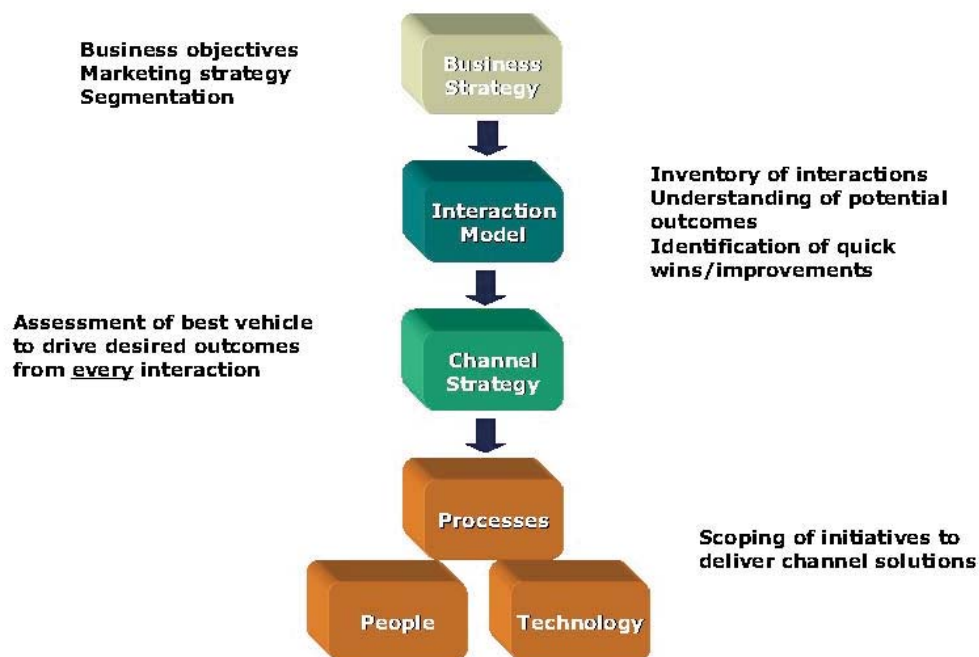
### BRIDGING THE BOARDROOM-TO-TECHNOLOGY GAP

Operational business units do not exist in isolation from the rest of the business, and almost invariably are a business critical enabler.

We use a top-down approach to ensure business objectives are not compromised by short-term quick fixes that may cause other problems later. We base our detailed recommendations on a clear understanding of the organisation's direction, how it flows through to end-user interactions and how the delivery channels work together to create an enhanced customer experience.

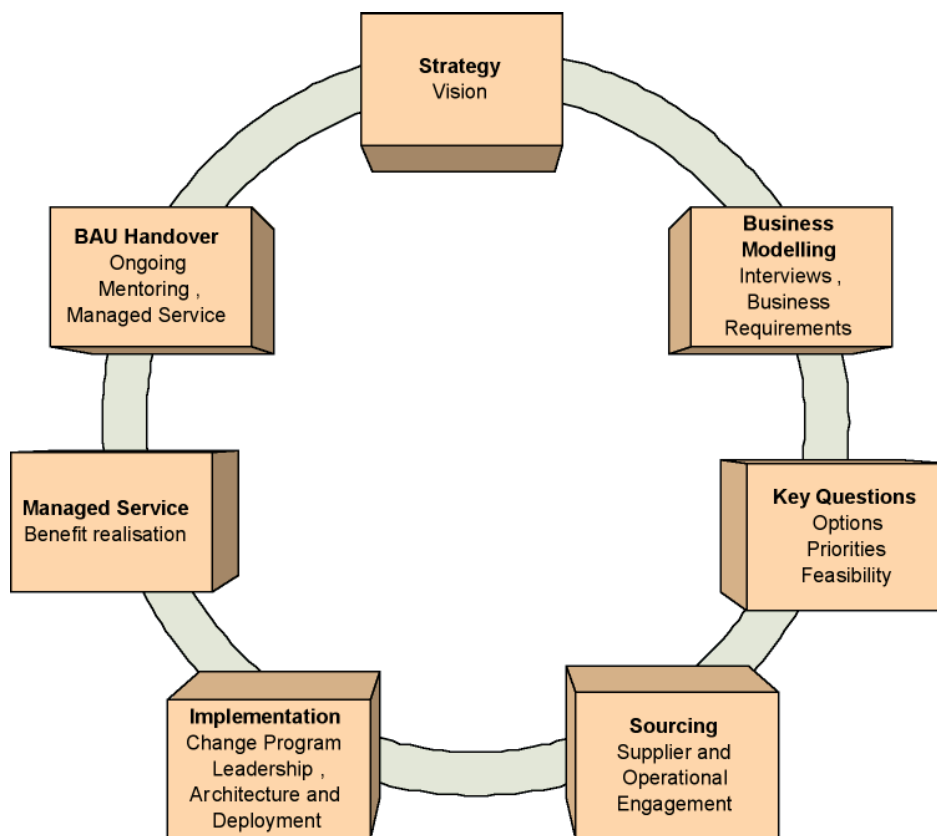
Our methodology allows clear review points in consultancy assignments, enables management understanding and buy-in, and facilitates evaluation and selection of the most appropriate processes, organisational constructs and supporting technology components.

Aligning people, processes and technology with marketing/segmentation through complementary channel mix



## OPTIMISING BUSINESS PERFORMANCE

We apply our approach by applying our end-to-end balanced methodology that looks not only at the usual metrics but also at the underlying causes and effects on customer service and business objectives. We assess how the core competencies, management practices, policy frameworks and supporting skills interact. Our Transformational Lifecycle framework ensures we address and balance all aspects of optimised performance.



This approach:

- is grounded in the business requirements;
- captures the underlying interactions that define how organisations truly deliver services;
- delivers market proven sourcing and engagement approaches and documentation;
- Manages the transition from concept to delivery; and
- Has a very strong focus on benefit realisation.

## CHANGE FOCI

People management through a change initiative is a critical skill in effective transformation management. We use a structured framework based on the transformation lifecycle to understand the business drivers, and assess how all the components align.

This proven approach is technology-neutral and has been successfully adopted by organisations that span the maturity model, ranging from those that:

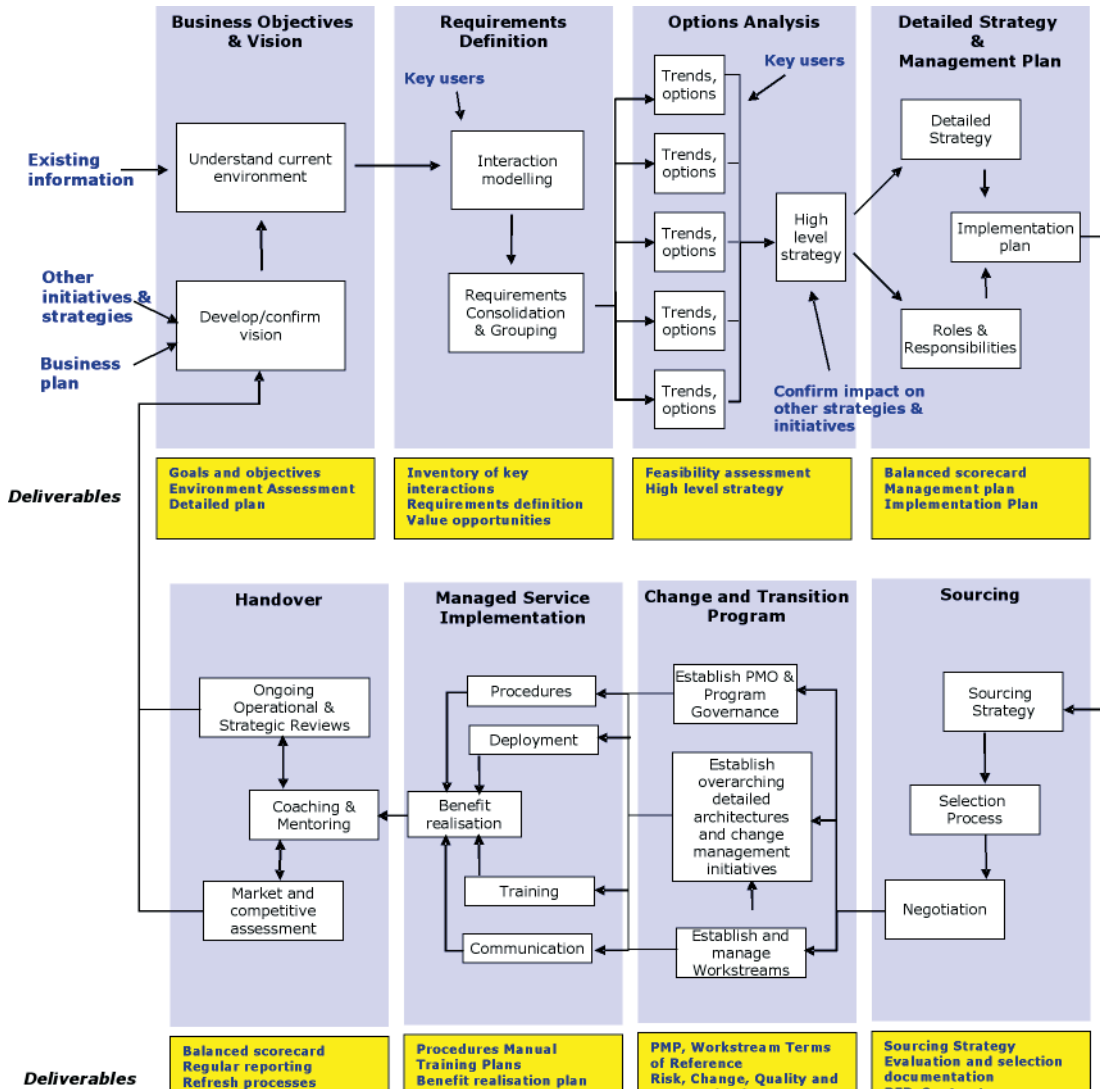
- Are facing business change and having to react to any of the following drivers:
  - Systems and technology change-outs / upgrades
  - New opportunities driven by global and local market changes, new stakeholders/ownership, competitive threats
  - Regulation or legislative changes
  - Suppliers changing their products and / or the way they do business
  - Lack of internal capability to execute change programmes
  - Expiration of current supply contracts / current technologies
- Are constantly competing for business in a down-turning market
- Need to “lift their game” to reduce operational spend, while focusing on improving customer service
- Need the operational business environment to be more closely aligned to their overall organisational objectives
- Suspect their customer contact channels are less effective than they could be
- Are experiencing increasing call volumes, call and/or response times causing customer service levels to suffer
- Are getting more customer complaints than they should be
- Are considering the opportunities convergence presents for their organisation
- Need to drive business/process or organisational change in their customer contact operations
- Are aware their customers get a different experience depending on how they choose to interact with their company
- Suspect they are incurring unnecessary cost in their customer contact operation
- Are trying to identify quick wins that won't compromise them downstream
- Are trying to work out what the CRM opportunity is for their company
- Are experiencing high customer-facing staff turnover than they'd like

Having identified the gaps, we then develop a balanced scorecard (see below), recommend specific actions to close the gaps and coach staff as they implement improved processes. These assignments extend beyond the typical operational focus, to encompass aspects of skills, process, marketing planning and quality management.



# TYPICAL APPROACH

## INDICATIVE STEPS



## TRANSFORMATIONAL BUSINESS ENGAGEMENTS

Voco has been, and continues to be engaged in large scale change and transformation projects for leading New Zealand businesses. The following examples clearly demonstrate the extent of our capability in this area.

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### CREDIT CARDS CONTACT CENTRE OPTIMISATION REVIEW AND IMPLEMENTATION MANAGEMENT



The Bank of New Zealand Credit Cards division had undergone significant growth as a result of launching new products. The call centre supporting this line of business was experiencing issues meeting service levels and wanted a comprehensive strategy that enabled the centre to cost-effectively meet customer expectations and also transition to improved levels of measured customer service.

i-solutions:

- Conducted a comprehensive review of all aspects of the operation and provided a detailed report of performance against appropriate standards
- Developed a series of recommendations, socialised and secured stakeholder approval
- Programme managed the implementation of the recommendations covering:
  - Staffing levels
  - Workforce management
  - Hiring specialist support staff
  - Developing team leader competency descriptions, and coaching centre management
  - Implementing Call Quality Monitoring
  - Improved self-service
  - Management reporting and scorecard
  - Development of business cases for specific initiatives
  - Conducted a follow-up review and revised the scorecard

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## DEVELOP RFP FOR VIRTUAL CALL CENTRE ACROSS NEW ZEALAND AND AUSTRALIA

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AXA Australia planned to consolidate the operations of five discrete call centres under a virtual call centre model. While the business requirements and conceptual design were largely done the RFP needed to be created, approved and released to the market under a tight timeframe.

i-solutions:

- Developed the RFP content to clearly focus on the essential elements of the selection and their different requirements, including Workforce Management, initial IVR, load balancing, consolidated management reporting and support
- Developed the evaluation criteria, socialised and secured stakeholder approval
- Developed the communication plan for external and internal parties, and developed the detailed plan for the evaluation process
- Assisted in identifying and resolving issues

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## RE-ENGINEERING OF DISPARATE CALL CENTRES INTO A COMBINED OPERATION.

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New Zealand Post wished to develop a business case for re-engineering three disparate call centres and supporting new processes by appropriate use of new technology.

i-solutions was engaged to provide subject matter and best practice expertise, facilitate design of new processes and assist in developing the business case focusing in particular on improved Workforce Management, consolidation into a virtual call centre and improved processes.

The business case was accepted and the changes have been implemented by New Zealand Post.

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## WORKFORCE MANAGEMENT REQUIREMENTS AND RFP CREATION

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**EZIBUY™**

EziBuy wished to select a Workforce Management Solution to support growth in their contact centre covering over 200 staff. Building on previous design work with the EziBuy business and call centre i-solutions was engaged to define user requirements and create an RFP to enable EziBuy to select an appropriate system.

The output was developed to enable EziBuy to run the selection and evaluation process themselves.

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## OPTIMISATION REVIEW, SCORECARD DEVELOPMENT, CHANGE MANAGEMENT PROGRAM SUPPORT, BUSINESS CASE DEVELOPMENT

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Child Youth and Family Services (CYF) operate a call centre in support of a wide range of calls. Over time the scope and scale of the call centre had increased significantly, and a revamp of technology and management processes was required.

i-solutions:

- Conducted an optimisation review that quantified target and actual performance against business objectives
- Determined technology, people and process requirements to support the new operation
- Created a balanced scorecard for the contact centre operation that aligned business and operational objectives, and formed the basis for the ongoing change programme
- Project managed the implementation of a new Workforce Management application, and other technology and process improvements

As part of the change program an i-solutions consultant worked as part of the management team, in a coaching and monitoring role.

As a result CYF achieved sustainable and significant improvements in performance. i-solutions subsequently developed a business case for moving to a 7/24 operation, including assessing all people, process and technology components.

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## OPTIMISATION REVIEW, BALANCED SCORECARD DEVELOPMENT, CHANGE PROGRAM SUPPORT

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AMI Insurance operate two call centres in Christchurch and Auckland, as well as call taking to branches. Over time the scope and especially the scale of the operation had changed significantly, and as a result the previous technology and management processes were not keeping pace with the required customer experience.

i-solutions:

- Conducted an optimisation review that assessed performance against business objectives and quantified changes required in process, people and technology
- Developed and implemented a balanced scorecard in support of an ongoing change program
- Developed and implemented improved workforce management processes built around an improved understanding of the underlying disciplines, as a precursor to eventual installation of a specialist product.
- AMI achieved significant and sustainable improvements in productivity and customer service as a result.

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## WORKFORCE MANAGEMENT WORKSHOP

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Following the review of their Communications Centres in 2005, New Zealand Police engaged i-solutions to facilitate a one-day workshop to review their current workforce management approach and methodology. As subject matter experts, i-solutions critiqued the WFM processes and methods used by the three Communications Centres and provided Police with a number of high level recommendations:

- Align forecasting methodology across all three sites
- Align shift structures across all three sites
- Implement regular on-going communication between all WFM staff from each site to promote information sharing and coordination of resources.



As part of the implementation of the Telecommunications Strategy Review conducted in 2002 IAG New Zealand constituted a National Call Centre Business Support Team. The purpose of this team was to provide a central pool of expertise in specialist contact centre functions – particularly in the area of workforce management – to business stakeholders, achieve and champion high levels of performance, and to achieve a sensible level of standardisation of operational management to achieve a consistent level of customer experience.

To assist in that process, IAG engaged i-solutions to conduct a review of the Support Team and the functions they perform. i-solutions:

- Undertook a review of the Business Support Team processes, capacity and capability to identify opportunities for improvement
- Developed a comprehensive report with key recommendations:
- Restructured the National Call Centre Business Support Team by centralising the core workforce management capability
- Implementation of standardized best-practice workforce management methods where appropriate.
- Creation of an executive-level Call Centre Council within IAG to drive the development of the channel.