

CASE STUDY

Asset Finance

Problem

A large division of a major high street bank wanted to create extra capacity to achieve cost saving targets. Lean was viewed as a key enabler for development of a sustainable capability through effective and structured skills transfer.

A variety of projects were identified to achieve the capacity release required, whilst training and mentoring staff in lean to ensure future benefits and sustainability:

- Develop an efficient Customer Services telephony department through reduced failure demand, better planning & resource management and introduction of staff coaching. Then use freed capacity to combine operations on a single site.
- Streamline retail administration function, following the successful automation of front-end application system for customers and create sufficient capacity for the launch of a new product.
- Consolidate secured loan administration teams onto one site and increase capacity sufficiently for 100% of workload to be handled within the department.
- Improve productivity within the motor finance department and apply lean principles to improve operations.
- Improve effectiveness and investigate one best way in collections environments.
- Train and continue to mentor 21 bank staff in lean techniques to ensure sustainability and internal capability.

Solution

A number of initiatives were instigated jointly between **oee** and the client:

Customer Services and Sales Call Centre Telephony – Examination of call routing revealed that over 40% were non value adding. Changes to customer IVR options led to a significant reduction in calls and created sufficient capacity within the department to improve skills through side-by-side coaching. Alongside this, highly visual short interval control boards and daily team huddles greatly improved awareness of performance and allowed the teams to generate further improvement initiatives. Finally, analysis of call volumes allowed for better resource planning.

Similar changes were made in the Sales Call Centre, though here failure demand was initially at 75%. Of 67 call types, only 21 were identified as value adding – addressing this issue led to immediate improvement in morale and the start of a continuous improvement culture within the team.

Retail Administration – A review of internal processes identified the need to increase multi-skilling and cross-functional team working to better meet changes in customer demand through the day. This was achieved through improved operations management and better coaching of staff.

Productivity was also improved through changes to workstation layout and the establishment of key performance indicators on workflow boards.

Secured Loans – A cellular workflow process was implemented which greatly reduced delays and improved team working, leading to improvement initiatives from the team within 2 hours of starting. Introduction of visual management, a one-best-way guide and daily team huddles improved performance further, along with multi-skilling to improve flexibility and simplify resource allocation.

Motor Finance – A number of kaizen events were run to implement 5S, workflow boards with hourly targets and improved operational

management practices. Incoming telephony queues were combined through multi-skilling, reducing delays and hand-offs.

In all cases, the internal project team embedded a member within the department to aid sustainability and ensure that continuous improvement initiatives were maintained.

Results

- Customer Services telephony realised a capacity release of 23%, with customer abandon rates dropping to 1% and team processes recognised as best practice across the division.
- The Sales Call Centre saw abandon rates drop from 18% to 4.5% in 4 months, with transferred calls dropping by 37%.
- Retail administration saw a 21% increase in capacity.
- Secured loans administration increased productivity by over 40%, comfortably allowing it to take on more volume. Freed up capacity was realised.
- Motor Finance productivity increased by an average of 33%.



oee

Southill
Cornbury Park
Charlbury
Oxfordshire
OX7 3EW

tel: +44 (0)1608 811900

fax: +44 (0)1608 811901

www.oeeuk.com