

Transforming back office for clients & colleagues

See how planning and transformation teams worked with operations on an operating model that raised productivity 32%, employee satisfaction 13% and halved turn-round times for customers

Summary

See the value that can be gained by visibility, control and engagement in back office operations. Remarkable transformation in Group Protection at L&G has driven growth and profitability on the back of outstanding service, with new corporate clients signing up for this. Brought about by a new model of collaboration, the Transformation, Planning & Operations teams (the 'customer service triangle') have engaged people, using powerful frameworks for change, planning, workflow and communication. Re-launching EG Workforce Manager has been key to establishing control and creating an emotional connection for colleagues. Results are impressive: 21% FTE savings, renewals 75% faster, outstanding premiums cut by 50% and double the consistency of service. The new ways of working are now driving sustained, incremental improvement far beyond the initial recovery.

Key Initiatives

Emotional connection: focus on the why

The need for change in the business and culture was clear – neither customer perception nor commercial performance were where they needed to be, and colleagues were disengaged. Clear sponsorship from the top with strong collaboration and shared objectives across functions enabled closed-loop transformation to embed sustainable change using a human approach. A systemic approach aligned key deliverables – control frameworks, process definition, planning, workflow, and insight. Crucially, establishing a clearer purpose for the area engaged colleagues; focussing on 'why, what and how' drove buy-in to the changes. Emphasis on 'why' established an emotional connection to their purpose as an insurer in offering protection – and helped people really appreciate the value of their work for their customers. "There's a strong theme of collaboration" "Focus on the why" "It's the biggest thing we've done".

Routine: creating certainty in delivering change

A new change delivery framework set engagement and empowerment at its heart. They established a strict 3-month change window, supported by a new communication cycle focussed on last month, this month and next month. It gives everyone time to understand what's coming, when and why, and embeds changes more comfortably. Every change is evaluated by the Transformation Team and fed into the framework with a clearly defined scope. Deliveries pause if the communication cycle has not completed. Subject Matter Experts in Operations support delivery, so that changes work practically for colleagues and customers. Governance enables multiple changes from many sources to be delivered each month (over 100 in 2019) and resulted in an exceptional green rating from Internal Audit. "The hard change window is so important" "There's a clear routine for how we do change now".

The communication cycle that supports change

The new communication cycle was key to success. Drawing on the best elements of various methodologies, the team created a bespoke approach, with key components such as:



"This transformation is changing the perception of L&G with our key customers and in the marketplace."

Arnaud Carette, Head of Operations, Group Protection

"We looked at our core purpose, why is it important and it wasn't clear; there was no emotional connection for colleagues."

Paul Rogers, Head of Business Transformation

"The new MI has given us visibility that just wasn't there before."

Juliet Jetson, Workflow & Back Office Planning Manager

"We had to re-imagine the way we work with people and help them through the journey."

Gemma Martin, Business Improvement & Readiness Manager

"The 'why' is a huge part of the change process now."

Paul Gendre, Team Manager



- Engage managers as employees first, then empower them to be advocates of every change to their teams
- Focus fully on explaining 'why' alongside 'what' and 'how'
- Consistent monthly cycle of communications
- Drop-in Q&A and feedback sessions
- Reinforce key messages frequently to breed familiarity with what's coming
- Celebrate success and learning

The cycle recognises that Team Managers are vital cogs in the process. Whilst the Transformation Team creates the communications, they are delivered by Operations Managers. As a result, change is landing much more effectively, and benefits come much quicker and stick. "It's a complete cycle that joins everything up" "Colleagues have time to understand what is coming".

Operational & workflow planning

Re-establishing and reinvigorating EG Workforce Manager was crucial. Implementing robust process mapping and governance provided accurate data to support capacity planning. Aligning this to business transformation, the Planning Team 'close the loop' by operationalising all changes. They are reflected in process maps within EG and actual process timings are used in the capacity plan. This means that change benefits can be assessed, supporting benefit realisation and a right-sized operation. The team revamped their governance framework; instigating new meetings and communications to improve the visibility of, and engagement with, the planning process. Key relationships extended into new areas, their success driving confidence and establishing Planning as a shared service across other parts of the Group. "When data comes through, we know it's right" "Everybody knows the plan now".

The operation: data, visibility and control

The governance and support around workflow planning have had very positive impacts on colleagues and managers. From a largely paper based operation, use of EG has digitalised the workflow. All work flows through the system and is fully tracked, freeing up Team Manager time to support their teams. The quality of data enables more meaningful performance conversations and gives colleagues a clearer definition of what they need to do to be successful. Colleagues love the standard processes and visibility of how they are performing against them. Live, self-service reports in PowerBI complement EG data to give managers even greater visibility of pipeline and performance and a new quality framework supports a robust coaching and continuous improvement model. "You can manage in real-time; you know how much work and where it is" "It gives great visibility to the business".

GP Customer Service Operations – Innovation & Transformation



L&G Group Protection provides business level protection for employees. 300 FTE operate across three business areas (GP Operations, Scheme Underwriting & Claims), four Planning FTE and 10 in Transformation support GP Operations using Anaplan, NICE IEX, Verint EG, Power BI and SQL.

Results

- **21% FTE saving**
- **Turnaround times halved**
- **Employee satisfaction up 13% points**
- **32% productivity increase in 2018**



"We make sure people really engage with what we're trying to do."

Emma Harrison, Business Implementation Manager

"The change communication framework made it come to life. The more times you communicate to people the more they believe it."

Jimmy Turrell, Senior Manager, Group Protection Operations

"There's always something different and there are great relationships across the team. That's why I like coming in every day."

Josh Lock, Customer Service Consultant

"The Customer Services Triangle is the constant piece in everything we are doing. Whenever we make a change, we make sure all parties in the triangle are involved."

Craig Ide, Senior Operational Planning Manager

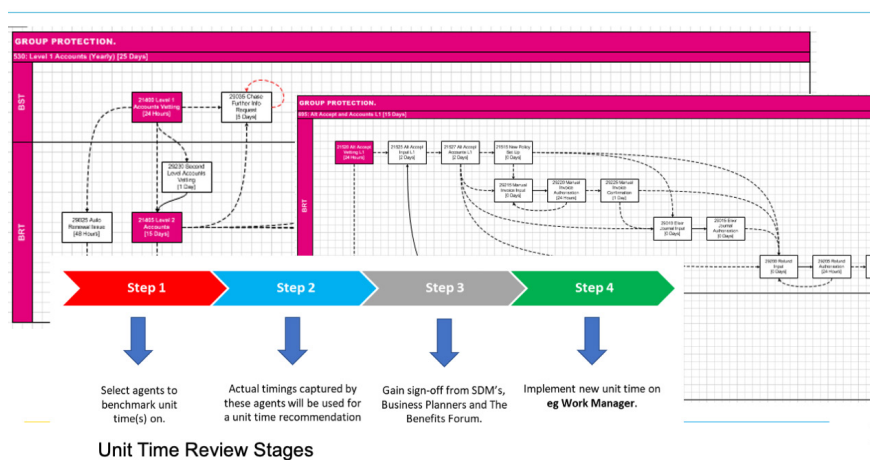
Workflow planning

A robust process links together the method for creating average timings with the way people are trained and educated, alongside some careful, rigorous closed-loop data validation. Several roles within the team have been created to ensure the accuracy and usefulness of this key data, which is based on average timings from the EG system.

- Crucially, advisors use the stop-start function in EG for every single task they undertake, and the system automatically logs the process ID, as it is used on every task, to manage the process flow. This total time is used to create an occupancy percentage, which is used to validate the data.
- Olli and Liz map and set up processes in the system, so that every task is part of a complete customer journey, including each task that an advisor needs to undertake and any automated checks or activities in the system. They work with the Transformation team who designs the business processes.
- Rose supports operational teams in using the system so that the levels of data accuracy are at the required levels. She explains to use the system and why the data accuracy matters – and works with EG champions in every team.
- Tom is responsible for the methodology of creating average timings. Working in SQL/Excel he takes average timings but excludes data where people may have failed to log every call (typically 93% occupancy percentage). Some data points may also be excluded based on final checks on the margin of error and sample size. Anomalies may lead to an investigation or a changed or new process design.

"Someone once asked me why their occupancy was 200%, I said it was because they had left themselves logged in overnight. It didn't happen again."

Processes mapped and optimised in eg Work Manager



"We have to start and end with colleagues in mind and empower them to get things right. Strong sponsorship is the cornerstone of what we've done."

Paul Rogers,
Head of Business Transformation

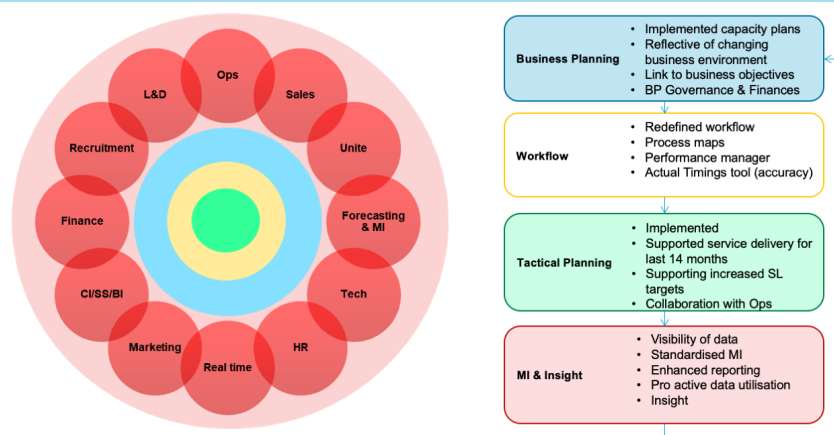
"I get people on board, up and running quickly ... communication is very good across the business areas."

Rose King,
Workflow Manager

"The productivity improvement is quite something and we make sure the data for planning and operations is accurate."

Juliej Jetson,
Workflow & Back Office Planning Manager

Planning: our structure and spheres of influence



"We've shifted the focus to make sure everything runs smoothly for the customer now."

Josh Lock,
Customer Service Consultant



Raising Standards in
Customer Operations

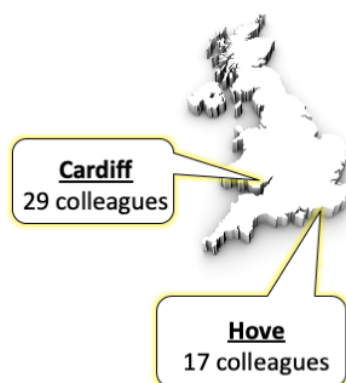
The planning framework in more detail

The Planning Team has evolved themselves to be an even more value-adding part of the Customer Services Triangle. Key areas of their development include:

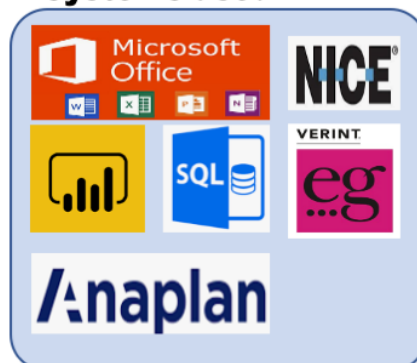
- Implementing capacity plans supported by trusted data from EG
- Aligned capacity planning to Finance Planning, using tools such as the benefit tracker to track actual spend, forecast spend in order to plan annual spend versus budget alongside servicing
- Recruitment planning – including building relationships with L&D to understand training capabilities
- Project tracking through the “planning hopper” in order to understand, plan and track Ops efficiencies
- Change benefits are incorporated into the plan at specific confidence levels (i.e. a reduced level of benefit) depending on how long to the delivery date. For example, there has to be a 70% confidence level at 60 days prior to get sign-off
- Revamped governance framework – new meetings, communications and service agreements to ensure it is robust and matches business need
- Daily Capacity Plan meeting (DCP) to discuss previous day and the day ahead
- Mapped all planning processes and built their own capacity plan – in effect, planning for planners
- Standardised data into a data warehouse – a single source which enables them to drive performance through insight
- Significant investment in training and coaching for the team – evolving planners from data analysts into relationship managers, providing insight snapshots and recommendations

Recognising that robust long term planning requires full engagement across the whole, end-to-end business, relationships have been built with the likes of HR, L&D, Recruitment, Sales, Marketing and others – all of whom were not part of the process before. The team’s reputation is growing significantly and they are expanding their services into other parts of the group as a true shared service model. Plans are also in place to move to using Anaplan as a single, centralised planning model which will drive greater automation in the planning process. This is in its early stages currently. “We’ve got all the basics in place now” “It’s transparent; if anyone wants to see the plan, they can”.

The Business Planning Team at L&G



Systems used



Results

- Renewal turnaround 75% faster
- Outstanding premium reduced by over 50%
- 25% of work that was not being fulfilled now is
- Consistency of service delivery more than doubled



“We aim to provide answers to questions that stakeholders didn’t know they needed. With more visibility we could understand where the gaps were and how to fix the fires.”

Craig Ide,
Senior Operational Planning Manager

“It’s given us much more confidence in the workload for capacity planning purposes.”

Juliet Jetson,
Workflow & Back Office Planning Manager

“The work is so much more visible to be able to plan the day.”

Mark Finney,
Team Manager

Ideas for change come from different sources

Change is not simply driven by the Business Transformation Team. A continuous improvement culture across the business is supported by mechanisms that enable everyone to engage in the process of idea generation. A bright ideas portal enables colleagues to submit their own ideas for improvement and many do. Additionally, further ideas fall off the back of ongoing transformation – as one task/process is worked on, there are natural spin-off opportunities. Other sources of ideas include Operations' process reviews, Business Transformation diagnostics and deep dives, customer feedback and hackathons. Crucially, every idea is passed to the Business Transformation Team for evaluation and the 'Customer Service Triangle' prioritises those that are to proceed and those that remain in the change hopper. The changes will then form part of the change delivery framework. "It's a good way for us to be heard as individuals" "I put 21 ideas forward last year and 7 have been implemented".

Change methodology: using the best of the best

Members of the Business Transformation team use a number of different change methodologies to inspire their approach to delivering and communicating change. They take the best/most pertinent elements from those different methods to create their own, unique approach. Examples of their points of reference include (for example): Prince 2, Lean, Six Sigma and books like Black Box Thinking by Matthew Syed and Start with Why by Simon Sinek. Their approach to delivering change is very flexible. They recognise the need to constantly pivot – change direction, review, test & learn and adapt as they go. But some things are constant: the governance and control of the change delivery framework and the continual use of the communication cycle, keeping colleagues at the heart of everything they do. They are very clear on the scope and interdependencies involved in any change – highlighted through their 'honeycomb' graphic. Interestingly, they now identify their 'controllables' and aim only to control those things, looking to influence those things they cannot control. Combining this with continual strong sponsorship from senior leaders, which is supported by very honest conversations, makes this a very strong change delivery proposition. "We were out of control, trying to control what we could only influence" "There's a lot to draw upon, we look at what we can learn" "The team has to pivot all the time".



Legal & General

"Clear sponsorship will always empower transformation. We draw upon many methodologies creating a different approach overall."

Paul Rogers,
Head of Business Transformation

"It needed lots of groundwork to create a plan – that's where the collaboration was so important."

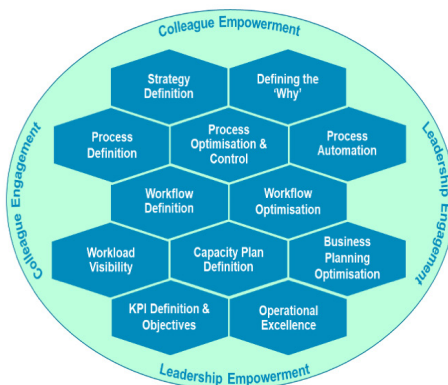
Craig Ide,
Senior Operational Planning Manager

"We support managers to lead people through change."

Emma Harrison,
Business Implementation Manager

"It's given people a clear definition of what they need to do in order to be successful."

Fletcher Elliott,
Team Manager



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Communication cycle in more detail

The communication cycle is vitally important to the success of both the initial transformation and the ongoing continuous improvement. As all change “starts and ends with the colleagues in mind” the consistency of this cycle is key to empowering people and enabling them to get things right. Key principles are:

- Explain: why, what and how
- Ensure full leadership understanding and engagement throughout
- Use different media to engage colleagues
- Ensure communication is 2-way at all levels
- Frequent reinforcing of key messages to make them familiar
- Absolute consistency in communications
- Post implementation reviews, gather feedback, learn & celebrate success

Comms are planned to give people time to understand what is coming and to be comfortable. Department ‘bay briefings’ at the start of the month, led by the Head of Ops and the senior team, explain the month’s change plan with great context of the ‘why’ and ‘what’. Through the month, further briefings give details on the ‘what’ and ‘how’ (in the context of the ‘why’), plus control sessions, Q&As and drop-ins. Crucially, key messages are repeated at least five times to breed familiarity. It works; colleagues feel engaged, empowered to ask questions and comfortable once the changes land. And success is celebrated with ‘Star of the Month’ awards where colleagues nominate each other for their outstanding work. “Give people a clear run-up to changes” “Communication is big” “Everyone’s closer together”.

Communication: engaging with team managers

Traditionally, team managers had been used to hearing change messages at the same time as their teams. This meant they not only had to digest the message for themselves but also, immediately, advocate the change to their teams. This was a very difficult position to be put in – in some cases team managers even felt they were the last in line to find out some communications. The new approach turns this on its head. The Transformation Team recognised that team managers are, first and foremost, colleagues – and need to be treated as such. Equally, colleagues wanted to hear key messages directly from their team managers, helping them understand the direct impacts of change on them. So, this has been a crucial change. Team managers hear and digest the messages first, so that they can advocate the changes for the teams. Business Transformation meet the team managers three times before they communicate to their teams. The communications are written by the Transformation Team but delivered by the team manager. Drop in sessions are set up for team managers to feedback and gain clarification. It all adds to up to a continual cycle that empowers team managers to lead. “It’s empowering” “We’re engaged” “It’s not being done to us”.



Moving forward with a human approach

- ✓ Explain the ‘why’, ‘what’ and ‘how’
- ✓ Full leadership understanding and engagement throughout
- ✓ Leveraging different media to engage our colleagues
- ✓ Two way communication at every level
- ✓ Reinforcing the messages
- ✓ Consistency in communications
- ✓ Gathering feedback & post implementation reviews



“You must have a clear strategy in mind with a direct line of sight all the way to small initiatives.”

Paul Rogers,
Head of Business Transformation

“People were involved – change wasn’t done to them. They were part of the change. Embedding the change is key.”

Craig Ide,
Senior Operational Planning Manager

“The communications framework is the single, most effective way to make change stick.”

Arnaud Carette,
Head of Operations, Group Protection

“The Transformation Team helped us understand how we should communicate changes.”

Tom Norris,
Service Delivery Manager

Innovation & communication hub

What started life as a thinking and ideas space, is now a flexible space which hosts amongst other things the DCP (Daily Capacity Meeting). Crucially, the walls are filled with a good variety of media and information. For instance, digital (TV/Monitor) is mixed with good old fashioned writing and print-outs allowing a break from the screen and sparking creativity. The information displayed is a constant reminder of why, how and what the department is there to do, from high level purpose through to long and short term department goals. It also has a lot of contextual information such as employee engagement trackers and a list of top areas to focus on. Colleagues using the space are not only more likely to make decisions that contribute towards business goals but can also see the impact they are having through the variety of performance reports displayed.

The Quality Framework

A new quality framework targets a number of key outcomes:

- Consistent speed of service aligned with broker expectation
- Consistent high quality delivery
- A service proposition focussed on broker engagement and support
- Controlled, proactive contact at key stages of the end-to-end journey
- A process/user experience to support colleagues in delivering for customers

With this in mind a quality assurance process was introduced and embedded which checks over 1,200 tasks every month. This is helping to embed a right first time culture built on standardised processes, a clear quality assessment framework, related performance objectives and a robust coaching and continuous improvement model. An enhanced quality governance model is also now embedded which supports process and performance improvement through:

- Specific Team, Team Manager, Service Delivery Manager and department level reporting including QA scores at each level and also at a process level
- Individual feedback sessions supported by Quality Assessors and Learning Development Consultants

The QA checks thoroughly review the end-to-end process against a set of defined attributes – key criteria which must be met with a binary outcome of pass or fail. Each attribute has an associated score based on its impact on customer experience, risk or process control. Two metrics are created – a Quality Score (average of all scores) and a Complete Process Adherence Score.



“Biggest change was to go agile working; you’re more productive at home.”

Mohani Seaman,
Customer Services Consultant

“People were just doing what they thought was right, but everyone was doing things differently.”

Paul Rogers,
Head of Business Transformation

“We knew if we got things right, the market was there. This was an enabler for growth.”

Craig Ide,
Senior Operational Planning Manager

“We’re putting a person at the end of the process now.”

Antony Heaver,
Customer Service Consultant



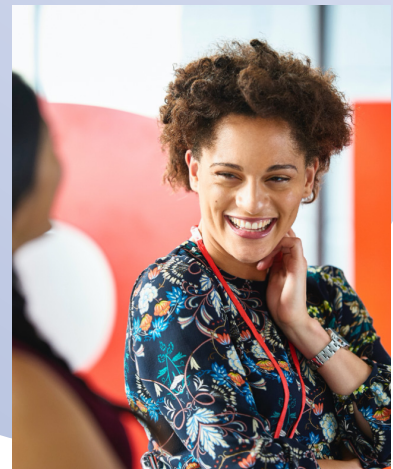
Agile working and workplace wellbeing

The introduction of 'agile working' has proved extremely popular amongst colleagues. This allows colleagues to work from home for two days per week on an ad-hoc basis. They are not allowed to choose the same two days every week (as that would essentially become a fixed flexible working agreement). It's made a real difference to work-life balance and benefits are coming through in terms of reduced absence and attrition. It's not for everyone – so it is not compulsory but interestingly many colleagues have signed up for it since they've seen the benefits experienced by those who did. Those working from home stay connected to the wider team at all times and any important briefings are filmed and recorded. Colleagues speak of feeling more productive when working from home and that it gives them time and space to focus on more technical or complex work. "It's been a game changer in terms of absence and attrition" "It's more relaxed" "Breaks up the week" "Gives me time to concentrate on more complex schemes".

A story of continuous improvement

The transformation and the end results have been incredibly impressive so far. However, this is not the end of the journey. The culture is now one of continuous improvement, plus L&G recognise that changing customer and broker perception takes time – so more needs to be done. With this in mind, in addition to the ongoing sourcing of new ideas from the various different methods already mentioned a new Customer Engagement programme has been set up with the specific objective of further improving market perception. This programme consists of seven workstreams:

- **Colleague collaboration** – working together better internally across the business and creating efficiencies
- **Relationship building** – visiting key brokers three times per year, getting tangible feedback, improving the quality model particularly for high net worth brokers
- **Marketing messages** – being smarter with messaging particularly on digital platforms
- **Colleague understanding** – equipping colleagues to have better stakeholder conversations
- **Reimagining retention & acquisition** – fundamental changes to the onboarding process
- **Customer insight** – getting better data (feedback) from brokers and incorporating into a central data hub to make it useful and actionable
- **KPIs** – aligning KPIs better to what customers really need, supported by more customer centric measures



"You can have the best process in the world but if colleagues are not empowered to deliver it, it is not going to work."

Paul Rogers,
Head of Business Transformation

"The communication framework and governance around it is very important."

Craig Ide,
Senior Operational Planning Manager

"We're making a good impression with customers now and that's what really counts."

Mohani Seaman,
Customer Service Consultant

