

Digitalisation demands complaints excellence

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Banking digitalisation has been the hot topic of the last few years. In other sectors, consumers are used to interacting online; getting greater accessibility, personalisation and control. They now expect the same from their financial services providers.

In addition to meeting customer expectations banking digitalisation has the potential to increase revenue by 15%, reduce costs by 35% and increase customer satisfaction by 15%.¹

Digital transformation has great promise and firms are now grappling with making it work; while ensuring the right processes and controls. If a digital strategy is conducted in isolation the risk of regulatory, data and cyber breaches increases. The challenge lies in understanding how digitalisation relates to legacy business models and regulatory requirements. Failure to grasp how this translates at an operational level can result in failings, risking reputation and costly remedial action.

Poor digital implementation can also jeopardise good customer experience. In the last 18 months there have been well publicised cases where retail bank customers have faced weeks of disruption to their digital banking. Problems with data migration, compounded by poor communication and inadequate complaints management, has led to massive 'loss-of-face' and customers leaving in droves.

When spikes in complaints happen customer operations can quickly suffer capacity issues; leaving customers waiting and receiving low standards of service. Surges can also stress processes to a point of failure, further compromising customer experience. Planning is critical, first to test that complaint management processes are robust and to ensure contingency for coping with increased volumes.

When the unforeseen does occur, RFS can mobilise teams of expert complaint handlers; associates who are used to working to high standards under pressure. As well as resourcing the right people RFS can support firms with the scoping, design and delivery of their complaint management functions. Good complaints management should be proactive; using outcome testing and root cause analysis to reveal the sources of complaints and to derive the insight needed to mitigate against them.

Any change programme in a customer centric organisation should be underpinned by excellence in customer service. While new ways of transacting are important, customers still expect a positive experience when things go wrong. A bank's complaint management process can prove to be a key moment of truth where customer loyalty is won or lost. It is therefore essential that as banks embark on digitalisation they have robust, proactive complaints management processes firmly established.

RFS provide firms with a cost effective and credible alternative to the larger management consultancies. We can help you build and operate the right operational risk frameworks, with measures that stand up to regulatory rigour. A core area of expertise is outcome testing which we can implement across your business to monitor that systems, controls and processes are driving fair customer outcomes; yielding opportunities for improvement and providing evidence to the regulator that you're putting customers first.

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¹. Boston Consulting Group