



## Think global. serve local.

# Helping a global bank in its efforts to increase competitive advantage through improved customer service.

### Abstract

A global bank needed to improve the customer experience of clients in its highly profitable “transaction services” business. As the business evolved and clients expanded their global footprint, the bank’s traditional country-specific approach to service needed to evolve. Although local business practices remained important, clients were increasingly demanding more consistent processes and service, and a global view of their transactions.

The bank is addressing the issue by implementing a new global service model with the flexibility to accommodate local and regional needs, and by completely revising the processes and technology to support the model. The resulting process and platform improvements have increased customer service speed of resolution by 30 percent, boosted productivity by more than 20 percent and reduced operating costs by \$15 million annually.

### The challenge

A large company, government or financial institution typically conducts thousands of bank transactions each day. Handling these transactions – which banks refer to as the “transaction services” business – can be extremely lucrative, but also extremely demanding. Transaction services clients have many options for allocating transactions between different banks. Customer experience is one of their main decision factors. They expect top-notch service, and if they don’t get it, they take their business elsewhere. This is a serious problem because the loss of a single large transaction services client can have a visible impact on a bank’s bottom line.

In recent years, this bank’s transaction services operations had grown significantly while achieving record profits. However, a client survey showed that customer satisfaction had fallen behind the competition in some areas. In particular, the survey revealed that the bank was hard to do business with, and that customer service representatives were taking too long to address issues.

The fundamental problem was that the business had outgrown its customer service model and information systems. The bank has a significant global presence. It had thrived by allowing its local transaction services operations to function independently and tailor their service to local needs. But as the business became more global, these country-specific silos led to inefficiencies and delays, especially when providing clients with a global view of their operations. For example, it could take weeks of effort just to compile a client’s scorecard across different regions.

The bank’s first attempt to solve the problem actually made things worse. A newly deployed global system for tracking customer issues was harder to use than the systems it replaced and did not reflect the realities of local markets. This forced many customer service representatives to resort to paper-based processes, which took up to six times longer and deprived the bank of crucial visibility into ongoing work.

### How we helped

Deloitte helped the bank conduct a global assessment of its existing customer service operations. Then we made detailed recommendations on ways to improve. We were chosen to assist them because of our subject matter knowledge of transaction services and global banking, as well as our knowledge and experience in strategy, operations and technology integration, which enabled us to provide insights that were practical, comprehensive and balanced.

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The assessment was conducted through on-site analysis at 10 regional hubs in North America, South America, Europe and Asia. It included direct observation of more than 600 customer interactions and more than 200 interviews with global and local managers and staff. The resulting analysis showed each site's team structure, service model and performance metrics, as well as an end-to-end view of the service request lifecycle. In addition, it provided high-level process maps, detailed process maps by product and a prioritized list of key pain points based on cost and overall impact on the customer experience.

After an in-depth analysis of business needs and regional variations in systems and processes, our team helped the bank develop a vision for the future and provided specific recommendations on ways to:

- Reduce complexity through simplified service processes that are standardized across geographies and aligned with strategic customer segments.
- Improve response times through system and process improvements that enable faster analysis, status tracking and problem resolution for service requests.
- Reduce manual processing through automation of critical tasks.

The recommendations were supported by a prioritized roadmap of strategic changes that would help achieve global standardization, as well as a business case that showed the required investments and expected benefits.

### Solution

The resulting analysis gave the bank a detailed look at its customer service hubs and global operations. It showed just how different the customer service practices in each region really were. Against this backdrop, a number of recommended improvements have been implemented, including:

- **Automated work distribution:** Under the old process, managers had to review every customer service request and manually assign it to a specific service center and representative. With the new process and modified platform, customer service requests are distributed automatically to the right service hub and customer service representative based on capacity, time zone, expertise and cost.
- **Streamlined user interface:** Instead of requiring customer service representatives to plow through six screens of data, all critical information is now available on a single screen for easy access and data entry while on a call.
- **System integration:** In the past, customer service representatives had to access several different systems in order to answer questions and resolve problems. Now, all of the critical information has been integrated into the customer service platform, greatly improving productivity and responsiveness.
- **Integrated telephony:** Customer service records are automatically pulled up on the screen based on the customer's phone number or personal identification number (PIN), so service representatives can hit the ground running.

Implemented improvements have reduced response time by up to 30 percent and increased productivity by more than 20 percent. The organization is now able to resolve customer issues much more quickly. It can manage the workload with fewer customer service staff. Also, 30 full-time employees that were previously dedicated to producing reports have been redeployed to higher value service tasks. These improvements have enabled the bank to boost customer satisfaction and retention, while at the same time reducing annual operating costs by \$15 million.

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