



## Spotting vulnerable customers – How quality assurance can help

2/27/2018

By Martin Ellingham

Vulnerable customers are hard to define, hard to legislate for and even harder to identify. This is reflected in much of the diagnosis and provision targeting vulnerability in the financial sector. Consequently, a company's responsibility to ensure appropriate levels of care for their vulnerable customers has become a high priority for the Financial Conduct Authority (FCA).



### Vulnerability as a fleeting state

Customer vulnerability that is based on clear disability - such as blindness and deafness – is clearly identified by most firms. Vulnerabilities that are less tangible – including those arising from age-related conditions or learning disabilities - also have a degree of recognition. Temporary states of vulnerability, which can typically hit at any time, have the vaguest definition. This is where customer service is invariably playing catch-up.

Temporary vulnerability is an exceptionally broad category, encompassing a range of personal life circumstances, including debt problems, bereavement, and emotional

instability. Any one of us can be vulnerable at any stage in our life. If your staff are not fully aware of this, your actions and lack of responsive processes can aggravate the customer and make the situation worse.

## **Are you failing in your duty of care?**

The lack of an all-inclusive approach has meant organisations are being accused of turning a blind eye to those who are temporarily vulnerable. However, this could be explained in a number of ways including commercial pressures, high customer service staff churn and only a few concrete examples of vulnerability to compare against.

So how can you make sure you catch those who are temporarily vulnerable, and not just those customers your staff might spot immediately? Is your internal criteria enough to be able to spot a person crippled with debt or about to be evicted?

A key way to identify those less visible types of vulnerability is to review your customer service team's cases. There may be flags hidden amongst the information they possess that could point to a vulnerability, but it may not be obvious during a busy shift. Reviewing cases, or carrying out Quality Assurance (QA), will help you to spot trends and shape the criteria your organisation uses to define vulnerability under multiple guises.

Many organisations admit that they are just not doing enough QA, but budgets and resources are finite. Any growing requirement to recognise temporary vulnerability is largely a direct result of the FCA's initiatives which firms could come under scrutiny for.

The FCA's efforts in promoting a degree of accountability is designed to increase awareness rather than implementing a hard and fast set of rules due to the personal nature of vulnerability. The regulator is empowering companies to take a critical view of their own customer complaints management systems to reach their own conclusions. In doing so companies recognise that improving their QA creates a powerful differentiator that confers competitive advantage. Does your organisation make adequate provision for vulnerable customers? Are there actions and processes that you should be implementing above and beyond your existing policies?

## **Taking up the challenge of vulnerability**

Providing a completely effective response to something so fluid and intangible provides a unique challenge. Is your existing expertise able to deliver significant improvements? Your core complaints management staff will already have an awareness of the nuances of vulnerability. However, your biggest logistical problem is extending this understanding and enabling a consistent response from what might be thousands of frontline call staff in multiple facilities - in a department of your business that probably entertains a 12 to 20 per cent staff turnover rate year-on-year.

The task of maintaining and continually updating core knowledge as a central plank of your customer service objectives - particularly when staff might deal infrequently with a

live case - is a strategic and data management challenge for which you need a powerful ally.

## **Moving above the baseline**

Every company does some form of QA or quality checking which provides a base level from which to view progression. Settling at this lower end of the scale could mean you miss cases where a handler has not identified a vulnerability. Checking five to ten per cent of all case complaint communication is not enough. Inefficient processes derive from not analysing the necessary volume.

The ideal should involve checking every single response letter, but in reality this is rarely possible. However efficient your dedicated team, chances are very few processes are quality checked in real-time. As a result, sensitive information is sent to vulnerable customers without adequate checks.

## **Are your staff missing the signs?**

Rising numbers of arbitration cases with the Ombudsman is evidence of the impact of vulnerable customers. Any case that goes to the Ombudsman is a negative customer experience you cannot afford. Regardless of the fee involved, a customer relationship is ruined and involving a third-party arbitrator is doubly inefficient.

Has your 'average' customer service employee got the requisite skills to deal with the wide range of vulnerabilities that might exist? The risk of losing knowledge stresses the need for ongoing training, which in turn may be limited due to high costs. The requirement for a second line of defence is clear.

Training your staff in asking the right sensitive, yet probing questions is paramount. Beyond raising the obvious red flags, your questions will need to quickly highlight short-term vulnerability. For example, interpreting whether missing payments represent anger at a bank's perceived greed or are evidence of an underlying debt problem illustrates the huge spectrum involved. Staff can use a script to detect all elements of a customer's story. However, initiative is required as well as a dependence on frontline staff being sympathetic to be successful.

## **Data-driven efficiency and consistency**

Many firms still use manual processes to select and identify cases for review, as well as during the review itself. If there are mistakes in the process and it goes through an inefficient loop several times over there is a combined negative effect on staff morale and consumer outcomes, potentially harming any unrecognised vulnerabilities. Stopping manual work is a massive efficiency saver as well as going some way to maintaining good customer relationships.

Consider the significant improvements in efficiency if you could deliver real-time and retrospective checking as core features of your complaints management solution. Features that can scale up with the complexity of your QA processes, instituting a 5 to 10 per cent real-time checking regime with a 100 per cent retrospective check, is a significant and effective ratio to achieve and one that will enable you to scour every single complaint for those nuanced instances of vulnerability that may or may not have been spotted by your complaints team. Imagine having a documented vulnerability process backed up with evidence from your own cases, and being able to reference example customers who may be repeat callers.

Typically you might check a number of times on multiple different real-time check points with risk-based assessment. You might also need to keep an eye on a new staff member who would typically not be as tuned into the subtleties of vulnerability and check 60 to 70 per cent of their workload. Add a new product to the mix and moving such a complex configuration process from a manual system will deliver a massive potential efficiency boost.

## **Skills and competency**

Real-time checking enables you to fix at source, providing a better outcome for the customer and giving constructive feedback to the staff member. While a manual quality checking process may not include the staff member ever getting sight of comments made by the checker, having an integrated, fully transparent process will help your customer service staff to constantly improve as well as see quality checking in a positive light, rather than a necessary evil designed to catch them out.

It also captures that complaint before it is resolved, thereby preventing escalation outside of your control and perhaps into the hands of the Ombudsman. It will also help to defuse potentially volatile situations by misinterpreting a vulnerability. Identifying a mistake to a member of staff at this stage has a far more positive impact on their education, as well as their ongoing morale. Especially so, if it prevents embarrassment in front of the customer or exposure further on up the company hierarchy. Crucially, if a staff member is persistently failing and this is never detected, you are effectively reinforcing bad behaviour; while high achievers will gain a positive kudos in knowing that the quality of their work is recognised.

With an advanced skills and competency function you could identify the different levels of skills within your business. It may also help with routing complaints to those more skilled to handle them, for example, a staff member who scores highly in handling complaints from the elderly or those with debt problems will be able to effectively resolve those cases compared to another staff member with skills in a different area. Experience does not necessarily mean excellence as vulnerability is often extremely personal and will manifest itself differently in every complainant, and this would ensure it is never taken at face value.

## A pressing case for investment?

The dilemma with QA is the amount of investment you should make. Your decisions will inevitably be based upon your company's strategic focus, budget, ambition and priorities, of which vulnerable customers should be high on the list. Those companies consistently rated the best in the world for customer experience have an almost fanatical obsession with QA. Correct investment puts quality at the heart of your customer service to drive significant rating improvements, make sure you are aligned with FCA focus and give each and every one of your customers the service they deserve.

*Martin Ellingham, Senior Product Manager, [Aptean Respond](#)*

*Image source: Shutterstock/BeeBright*