

CREATING AN AMAZING CUSTOMER EXPERIENCE WHEN IT REALLY COUNTS

4000
CUSTOMER
INSTALLS
A WEEK

When you and all of your major competitors can market similar premium content and the gap in broadband speeds is narrowing, how do you stand out? If you have the heritage of the Virgin Group, then the answer is simple: you build and deliver an amazing customer experience.

Virgin Media is the first provider of all four broadband, TV, mobile phone and home phone services in the UK. It delivers ultrafast broadband to over half of all UK homes. Virgin Media identified three reasons why customers might choose to cancel the service: customers leaving cabled areas, price and customer experience. They believed that a stronger emotional relationship with subscribers could reduce that final cause of attrition.

They wanted a great customer experience that was worthy of the Virgin brand. There were many aspects to the strategy, from creating the best catch-up TV service to providing the UK's fastest broadband, but a key part was transforming their approach to installations and upgrades. They asked us to work with them to make that change happen, but neither of us could have anticipated how far-reaching the change would be.

5600
CUSTOMER
SERVICE CALLS
A WEEK





We wanted to use this opportunity to make a truly transformational change to service delivery and achieve sustained change.

396 PEOPLE IMPACTED: C150 PEOPLE TUPE'D FROM THE INCUMBENT SUPPLIER

THE CHALLENGE

Installations and upgrades are real moments of truth in the customers to service provider relationship.

It's often the only time that customers have a face-to-face interaction with the company and can permanently shape their perception of the service. The process could be an opportunity to open the customer's mind to the range of services available to them. Yet most companies outsource this touch point to third parties.

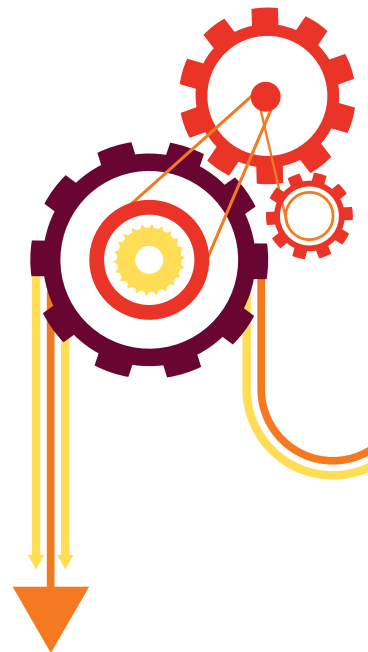
Virgin Media think differently. They wanted to deepen customer relationships by changing the installation so that it was performed by engaged Virgin Media teams. They also wanted to radically improve the culture and end-to-end service delivery. The challenge was to move from outsourced installation to an in-house approach that they could fully control to fulfill their objective of creating exceptionally satisfied customers.

On the face of it, there was an easy way to do it: simply lift and shift installation staff from the partner to Virgin Media. Job done. But we wanted to go deeper. We wanted to use this opportunity to make a truly transformational change to service delivery and achieve sustained change.

Together, we aimed to reengineer every aspect of the service around a goal to increase the number of customers who would recommend Virgin Media. From processes to roles. From reporting to reward. No stone was left unturned to create a Virgin-like service for the end customer.

CIRCA 200 TECHNICIANS RETRAINED AND CIRCA 56 NEW PEOPLE RECRUITED

A UNIFIED UNDERSTANDING OF SPECIFIC BUSINESS TERMS IS ESSENTIAL



**“IT WAS A BIG TASK...
BUT EVERYONE INVOLVED HAS SHOWN JUST WHAT YOU CAN
ACHIEVE WITH GOOD PLANNING AND GREAT TEAMWORK”**

Paul Hutchinson, Operations Director, Virgin Media

THE APPROACH

This was a complex process, as we pursued the best possible customer experience. Our aim was to see the entire programme through from strategic intent to business results.

We did the things that you would expect: developing a robust operating model for the insourced operation and clear KPIs. Yet we also went further, supporting the TUPE process, managing the transfer of 150 management and technicians, the recruitment of 50 new employees and the training of 200 existing technicians. We then worked with the installation teams to blend their work, widening the scope to include installation and network care. This increased job satisfaction and optimised capacity.

The team were properly equipped to always be able to provide an outstanding service during home visits. Processes were changed to ensure the same exceptional experience from end-to-end. A field coaching model changed performance management and the role of the manager was revolutionised to increase contact with customers.

The insight and knowledge that we brought to these elements was important, but how we did things was much more so. We worked tirelessly with the Virgin Media leadership to provide fresh thinking to long standing challenges and brought a sense of clarity to what we wanted to achieve and this helped us to keep the entire programme moving at pace.

We used a small and highly experienced Project One team. Our consultants. Phil Roberts and Jo Battam led the change, supported by a Delivery Director to provide additional insight and assurance. We worked with the Field Director to develop a clear vision and strategy, gaining the agreement of stakeholders as we progressed. A cross-functional team ensured a sense of ownership from field service to the back office. Communication was key, so we developed a strategy that ensured that the entire team and all of the stakeholders understood their role in the plan and its status.

The launch involved two phases, phase one to embed the new operating model and phase two to boost performance. We had a clear cutover plan, including dress rehearsals - to test our new operating model and recovery procedures - and additional pilot support, especially in those early days. From the outset the results in many areas outperformed the control regions, which attracted the attention of the leadership team.

Finally, we built several high impact showcases to demonstrate the improvement of the performance. When the CEO visited, we worked with the team to drive the agenda, enabling him to engage with the technicians who were the single face to face point of contact with the customer. He was astonished at the level of positivity in the team, who brought this project to life and transformed it from a presentation into an experience.

**RIGHT FIRST
TIME INSTALL
IMPROVED TO
97.1%**

**POST-INSTALL
FAULT CALLS
REDUCED BY
30%**

“THE RESULTS ARE BEYOND MY WILDEST EXPECTATIONS”

Paul Hutchinson,
Operations Director,
Virgin Media

OUR CLIENTS KNOW
THAT **REAL CHANGE**
DOES MAKE A REAL
DIFFERENCE

Projectone.com

EMPLOYEE
ENGAGEMENT
IMPROVED
TO 98%

OUTCOME

The change was far-reaching, but the results were impressive.

Pilot operation in the Greater Manchester area went live in just four months, with full ownership by the Virgin Media team. This was underpinned by a completely new operating model and fully implemented in a peak demand period.

Performance steadily improved over a three month period. Cost savings were delivered and every operational KPI improved compared to the control region. Service restoration increased to 90%, but most importantly customer advocacy improved by 48% and staff engagement increased to a best in class 97%. In the battle for customers, that ability to deliver a truly Virgin experience makes a real difference.

The Virgin Media leadership bought in to the concept and were astounded by the fundamental step change in performance with proven sustainable results. Virgin Media has now extended the pilot across the North West to test the scalability of this step change in experience. The initial results look more than promising.

Lastly, we created a legacy of lasting improvement to the Virgin Media team’s confidence in their ability to lead change in the future.

A 40%
IMPROVEMENT
IN NPS
TO +45

WHAT WE LEARNT

There are 7 critical things that made a real difference here. If you're implementing a similar business change and really want to create a step change then think about these...

1. UNDERSTAND THE BUSINESS TODAY

2. CREATE A REALLY STRONG COMPELLING VISION

3. A TARGET OPERATING MODEL IS NOT JUST ABOUT PEOPLE, PROCESS & TECHNOLOGY

4. PEOPLE PEOPLE PEOPLE!

5. THINK CUSTOMER!

6. PILOT AND TUNE

7. MANAGE THE CUTOVER WITH GREAT PRECISION

1. UNDERSTAND THE BUSINESS TODAY

Investing the time to really understand WHAT the business does, HOW the business works, and WHY gave us a real insight into what we needed to protect – and what we needed to change.

We used this to build a case for change and shape the transformation. So we asked ourselves WHY do things work the way they do, WHY do people behave in a certain way, WHY do technicians do the same install differently, HOW much time should a Field Manager spend in the field (vs office), HOW is performance monitored and WHAT is it that drives performance.

2. CREATE A REALLY STRONG COMPELLING VISION

This was not simply about a TUPE of 150 people. It was about creating the best Field Engineer model in the country, building a cohesive team focussed on the customer, making this the best performing region by far, and driving a real uplift in both employee engagement and customer advocacy.

Success would be judged on the step change created, not simply executing a transfer. The change was defined and mobilised as this from the start. We also worked closely with the Leadership Team to get everyone to buy into “what success looked like”

3. A TARGET OPERATING MODEL IS NOT JUST ABOUT PEOPLE, PROCESS & TECHNOLOGY

This was not just about mapping processes, organisation structures and systems. To create the step change we wanted we looked at Reward, KPIs, Overtime, Culture, Behaviour, Customer Feedback, “A Day in the Life Of” and the Customer Experience.

We asked ourselves questions such as “What would a simply brilliant customer experience look like”, “How do we make that the standard to be delivered by every Engineer every time?”, “What are the KPIs that really matter”, “Are we rewarding the right behaviours”, “How can we re-align reward and overtime with delivering a great customer service and a delighted customer”, “What metrics should we really use to measure performance that makes the whole “system” work “end to end” from first call to engineer install work.” and “How do we get people to trust one another and work as a team”.

Only when we understood and had redefined all those things did we know we had an operating model that we wanted to implement.

4. PEOPLE PEOPLE PEOPLE!

A huge focus of the transformation was creating a high performing cohesive team. We undertook “ride outs” with technicians and sat with call agents to understand the end to end installation journey and collaboratively build the ideal “Way of working”.

Our view was if we could get every field engineer, call centre agent, to sign up to this, get every area manager to be really motivated, to be really engaged, to ensure their teams have the right tools to do the job, to all pull together when problems occur, and be rewarded in the right way, we believed we could deliver a truly outstanding customer service. So we focused on immersing everyone in what good looked like, we gave people the tools they needed, we took away KPIs that didn't matter, we re-aligned bonus and reward to the customer experience we wanted to deliver, and we created role models. We created a “launch event” that would really excite and energise everyone.

We created a newsletter. And we communicated before, during and after the launch. We let people know what was happening and what was changing. We shared learnings and great stories. And we celebrated successes. And we involved everyone in designing, piloting, improving and embedding the change we wanted to achieve.

5. THINK CUSTOMER!

In a massively competitive market we wanted to create an emotional relationship with the customers rather than a purely financial one. So we looked at the business outside-in and through the eyes of the customer.

What constitutes a simply brilliant customer experience? How would we delight our customers? Can we really measure that? What gets in the way of that? How do we recover things when they don't go wrong? We set a standard - “Never ever letting a customer down or leaving them without working services” - and we created a whole campaign around that to win everyone's hearts and minds.

6. PILOT AND TUNE

The scale of change we made was never going to be perfect from the start. We knew we'd designed something special. But we needed to test it, to ensure it worked in practice, and to improve it. We implemented the change to a small pilot group and ran that pilot for 3 months, continually tuning the operation, the structures, the processes and KPIs - learning as we went, adjusting the teams workload, listening to the engineers, tuning structures and role descriptions.

We immersed the pilot group in this process of change, meaning we had something that not only really worked in practice, but which we created advocates who could help roll this out across a much bigger operation.

7. MANAGE THE CUTOVER WITH GREAT PRECISION

We knew the change was massive. We knew whilst we refocussed people and things bedded in there would be an impact on average Call Handling Times, Engineer visits per day, workload, capacity and customer lead times.

We made sure we were ready for this by modelling it all and creating sufficient “capacity” in the system to enable the launch and ongoing improvement. We also looked at “Day in the Life of” - i.e. what was every Engineer, Field Coach, Area Manager, Call Centre Agent, Scheduling Agent going to be doing differently at 9am on the day of go live. We defined this in great detail, and even role played different scenarios during “dress rehearsals” as part of the training. We made sure people knew when we went live exactly how things were meant to operate. We set weekly targets for how things would start to improve - and we repeatedly tested, monitored and tweaked things to really embed the changes and drive the outcomes we wanted.

Not only did this deliver the results we expected, it gave a smooth implementation and it ensured the new operation was owned by the business (not the project team) from the start.

