Re-establishing great relationships

Faced with a growing number of customer complaints – along with pressure from regulators to handle disputes faster and more fairly – financial services firms need a new approach.

Traditional, manual systems can’t cope. An automated system – delivered on demand through the cloud or on site – is needed to provide a consistent approach. As well as streamlining compliance, while cutting costs and improving customer service, it also provides invaluable insight into your customers and business.

Microsoft Dynamics CRM for Complaints Management: Improving customer insight

Complaints are the ultimate customer feedback. They show what’s not working so it can be fixed. Turning a dissatisfied customer into a happy one is good business. Ultimately it aids customer retention and loyalty.
Using complaints as a business barometer

It’s a new approach encouraged by regulators, who are increasingly looking to financial services companies to handle complaints more efficiently, within set time limits. Initiatives like ‘Treat Customers Fairly’ are aimed at instilling a new culture where complaints are not seen as negative, but instead the chance to gain a real insight into how well the business is working.

This Avanade Point of View shows how an automated system of complaint management, based on next-generation Customer Relationship Management (CRM) technology, provides a flexible and cost-effective way to deal with disputes, improving customer satisfaction and business performance.

We are in a more complaint-centred culture. Consumers are becoming increasingly financially aware and ready to exercise their power in a highly competitive market.

Media campaigns run by consumer champions are encouraging more to complain. These often generate a high volume of complaints that traditional paper-based systems can’t cope with. At the same time regulators are keen to ensure that complaints are dealt with fairly – and in a reasonable timeframe. The penalties are harsh – in fines, reputation and lost customers – if financial services companies don’t meet the standards required.

Recently, Royal Bank of Scotland (RBS) and NatWest were fined £2.8 million for poor complaints handling by current UK regulator, the Financial Services Authority (FSA). The reasons for the failure were said to be poor training and guidance for bank staff dealing with complaints, and inadequate monitoring of their work by managers.

An FSA investigation into the way the main UK banks dealt with complaints, which totaled 2,654,195 in the second half of 2009 alone, also found that:

- 36% of complaints had been investigated poorly or inadequately
- 18% of decisions were wrong and unfair to the customer
- Customer correspondence did not always explain the outcome of the complaint fairly and clearly
- In 62% of cases the complaints were not dealt with within the eight-week timeframe expected.

The generally poor performance has led to the regulator proposing further rules for the industry, which will bring additional compliance costs.

Benefitting from complaints

By adopting a different approach, financial services companies can turn customer complaints into business improvement.

It involves:

- Not treating complaints management as a compliance chore – as this does not bring any useful insight or improve customer satisfaction that can lead to more business
- Regarding complaints management as an integral part of the business – like new customer acquisition or upselling services to existing customers. It needs champions at a senior level, metrics for feedback and specific goals, such as churn reduction
- Integrating IT systems with business systems – to deliver better customer service at lower cost.

2 http://www.fsa.gov.uk/pubs/other/complaints_2009_h2.pdf

Avanade Point of View: Avanade CRM for Insurance
The Avanade advantage

The Avanade solution gives you better insight into the complaints you receive, greater control over your data and more accurate management information.

Through our experience with enterprises and the financial services sector, we are uniquely best-placed to create a solution that meets the specific challenges you face. As Avanade’s complaints management solution is based on the familiar look and feel of Microsoft technology little training is needed – making it easy and cost-effective for your people to use.

Our specially created user dialogues also guide your people through the complaints procedure to ensure the best quality outcomes, regardless of the experience of individual staff.

For the greatest flexibility, our complaints management solution is available on demand, as a hosted service on the cloud. Alternatively, it can run from your own data centres.

Quick as it is to deploy, our system can be easily tailored and configured to adapt to your own approach to customer care and any future changes in regulatory demands.

Transforming relationships

Much of the pain can be taken out of complaints management by automating the whole process to report, monitor and ultimately resolve disputes.

Avanade’s solution is based on the highly configurable Microsoft Dynamics CRM. This provides a fast, consistent approach to handling complaints across all customer touchpoints, including high street branches, contact centres and online.

With Avanade’s automated complaints management system you can:

- **Cut costs**
  Run complaints management on demand, using Avanade Online Services (AOS). Infrastructure and IT costs are reduced and you have a rapidly deployed, cloud-based solution for a predictable pay-as-you-use fee.

- **Resolve problems quicker**
  The workflow system ensures complaints are automatically passed to the right handler, who can resolve issues faster and more efficiently.

- **Increase customer loyalty and ultimately revenues**
  Delays and poor treatment can turn a minor complaint into a serious problem. Dealing properly with a complaint is little cost compared with acquiring a new customer. Reducing customer churn is also likely to increase sales and the lifelong value of customers.

- **Improve business performance**
  Customer complaints are a rich source of free feedback and an opportunity to spot problem areas. Only a small proportion of people who feel the urge to complain actually do so. This means that collating and analysing complaints will give you a valuable insight into the attitudes of a much larger customer base.

- **Ensure compliance**
  Streamlining complaints management makes it easier to comply with regulators’ guidelines – now and in the future – as well as company policies.

Avanade Point of View: Avanade CRM for Insurance
The Avanade approach
Avanade has a strong heritage in delivering Microsoft Dynamics CRM solutions to clients in the financial sector.

Exclusively dedicated to the Microsoft platform, our solutions, available on demand through Avanade Online Services or on site, help customers realise better business results – faster, at lower cost and with less risk.

Born from a partnership between Accenture and Microsoft we have the strength of both in our business consulting and technology expertise.

Our people work with customers in more than 25 countries to implement large-scale, enterprise-level solutions that help them achieve their business goals.

We are Microsoft’s worldwide Enterprise Partner 2010, an award we have won for the last three years running.

We are also Microsoft Dynamics CRM Partner of the Year 2010.