



Case study

Industry sector:
telecommunications

Setting a leading customer contact example

To ensure customer satisfaction and adhere to customer contact regulation, best practice in BT embeds compliance into business as usual

“The volume of customer complaints has decreased, at a time when we have had to be more compliant in many more areas: exactly the circumstances under which you might expect complaints to rise. We cannot prove a causal link between the two events, but the empirical evidence is that BT is getting its compliance regime seriously right.”

Robin Mackenzie
Head of Consumer Strategy
BT Retail

Executive summary

Three years ago, BT started working at all levels of its organisation – and particularly with its customer-facing staff in contact centres – to develop and implement processes, training, tools and technologies to offer the highest level of customer service, while remaining fully compliant with a burgeoning regulatory environment. BT’s approach, described here, provides best practice guidelines on how to achieve the right balance between running a profitable business day-to-day at the same time as achieving compliance with the various laws and regulations that govern that business.

The company introduced a BT Group compliance team to develop compliance strategy as well as a customer contact centre compliance team to help proactively implement the strategy across 33 contact centres. At the agent level, BT focused on providing people

with high quality training and equipping them with integrated tools – including a BT-developed knowledge management system – to guide them compliantly through every call, whether that call is to or from a consumer or a business.

BT now has an extensive customer contact compliance strategy that is helping it to meet its legal obligations, while at the same time allowing it to manage its business efficiently and cost effectively. It has welcomed visits by Ofcom, customers and even competitors to see its strategy in action. Now the Compliance Institute has been invited to benchmark BT’s compliance performance against other regulated industries.

Case study

“In the past, we tended to wait until a contact centre told us there was a problem and then try to solve it. Now a member of my staff is always integral to every new contact centre initiative, helping and advising on compliance issues. It is a much more effective way of working.”

Janet Fraser
Compliance Manager, Customer Contact Centres
BT

Setting a leading customer contact example

Marketplace

BT, a leading telecommunications service provider, has 20 million residential and business customers in the UK, more than virtually any other organisation in the country. Every year, it makes about nine million outbound telephone calls to them and receives about 40 million. It is crucial that those calls are well managed.

In today's fiercely competitive telecommunications market, where a growing range of new products and services is being offered by an expanding number of operators, customers are easily tempted to switch provider. To encourage customer loyalty, BT is aiming to excel in its dealings with its customers, enabling it to remain a leading player in a dynamic marketplace.

Three years ago, to underline its importance, BT made customer satisfaction a strategic priority. Since then it has been working at all levels of the organisation – and particularly with its customer-facing staff in contact centres – to develop and implement processes, tools and technologies to continually improve customer service.

Business opportunity

BT's goal is to offer the highest levels of customer service in terms not only of the success of its customer contacts but also its compliance with the law. In a heavily regulated industry like telecommunications, every step of the customer contact process is covered by legislation, from the Data Protection Act that governs the collection, storage and use of personal data to the Privacy and Electronic Communications Act that controls whether businesses and consumers can be contacted and the technologies that are used to contact them.

For BT, strict compliance has a three-fold purpose. It helps to prevent reactive investigation by Ofcom (the industry regulator formed in 2003 when the UK's communications regulatory regime changed) and it saves the company incurring financial penalties and negative publicity for non-compliance. It also assures business and residential customers that they are not being misled or mis-sold products or services and that their personal information is not being misused – subliminally reinforcing the fact that BT is a brand they can trust.

Internally, however, compliance is often seen as a barrier to business, especially by sales and marketing teams. To avoid this attitude spreading, at a time when the rules being applied to customer contact were increasing in number and complexity, the company decided to develop an approach that would embed compliance – as unobtrusively as possible – into the way people worked.

Furthermore, BT saw the opportunity to share its customer contact compliance ideas with other telecommunications companies as well as other industry sectors that share similar customer contact compliance challenges, such as financial services.

BT solution

Under BT's new approach to customer contact compliance, one of the most significant changes was the establishment two years ago of a BT Group compliance team. The team develops compliance strategy, ensures that it is applied consistently, and monitors progress within the business. Wherever possible, it arranges benchmarking studies against other customer-centric companies.

The team has an equally important external focus, acting as a central contact point for Ofcom and helping to foster an open working relationship between the two organisations. This is being achieved through regular dialogue, and by Ofcom visits to BT to hear about its customer contact compliance thinking and see it in operation.

Below BT Group level, there is a customer contact centre compliance team, set up in 2003 after BT had launched a contact centre consolidation strategy. The company merged what had previously been separate activities (such as sales, service and repair) into fewer centres, 31 of which are located in the UK and two in India. This team works across all of those contact centres – ensuring that group strategy is implemented more proactively than before.

“In the past, we tended to wait until a contact centre told us there was a problem and then try to solve it,” explains Janet Fraser, BT's Customer Contact Centre Compliance Manager. “Now a member of my staff is always an integral part of every new contact centre initiative, helping and advising on compliance issues. It is a much more effective way of working.”

Compliance process

Under the current structure, new propositions are reviewed at the design stage by the customer contact centre compliance team working in co-operation with contact centre management to identify compliance issues and, in particular, any high-risk areas. A programme is then developed – with appropriate training, scripts, systems and measurements. Once launched, it is monitored so that any problems are detected and resolved as early as possible to avoid customer complaints to BT or competitor complaints to the regulator.

For programmes and queries that include particularly sensitive compliance topics, such as competitor comparisons, BT uses specialist groups that it has created within its contact centres. These groups, which are more highly trained and more tightly monitored than other contact centre agents, are given exclusive access to sensitive BT material and are the only people allowed to discuss it with customers.

Agent training

At the agent level, where customer contact compliance is put into action, BT is focusing mainly on two areas: first, on giving people high quality training, not only when they join BT but also throughout their careers; and, second, on equipping them with smart tools to help guide them compliantly through every customer call.

Every agent who joins BT (including agency staff) is given five weeks' induction training that stresses in the first few days the criticality of compliance, but not in legal language. Instead, BT talks about four compliance principles that address in straightforward terms the key elements of every telephone call with a customer, and yet are the foundations for meeting rules and regulations governing business conduct.

Case study

“The processes and tools that we have put in place ensure that – in their dealings with both consumers and businesses – our customer advisors are naturally compliant.”

Theresa Whatling
Compliance Manager
BT Group

Setting a leading customer contact example

The four principles are:

- Validation (checking the caller's identity for compliance with the data protection rules)
- Mandatory statements (information that agents must convey to customers for compliance with various legislation, including fair trading requirements)
- BT's prices and services (providing accurate price, delivery and cancellation data for compliance with the distance selling regulations)
- Competitor discussions (selling on BT's merits rather than denigrating the competition for compliance with fair trading requirements)

Following this initial agent training, refresher courses are mandatory every two years. These are computer based and one – called Winning through Compliance – must be completed not only by agents but also by everyone else in the organisation, right up to the chief executive officer. BT Group compliance has systems that check when and if employees have taken the course.

Tools and technology

To manage its customer interactions, whether they are through the telephone or any other channel, BT uses state-of-the-art IT systems, including a customer relationship management (CRM) system based on Siebel software. Built into these systems is functionality that is automatically compliant with the rules and regulations covering customer contact. For the agents who have to use the systems, this means that they are guided through every customer interaction, helping to ensure that they ask the right questions and preventing them from moving on until they have.

In this way, BT is addressing many customer contact compliance issues. It is meeting the requirements of the Data Protection and Privacy Act by making sure that the correct data is captured from customers and that customers are aware how the data will be used. It is also meeting distance selling regulations by ensuring that customers understand the contractual nature of any purchase they are making.

BT's IT systems are easily adaptable and, at the request of the customer contact centre compliance team, can be quickly updated by BT's in-house specialists to accommodate new legislation. They are also integrated with many other best-of-breed tools that assist compliance. They include call recording (in case of a dispute with customers over information that has been given and received), automatic record suppression (to comply with corporate and consumer preference

services contained in the Privacy and Electronic Communications Act), intelligent automatic dialling (to limit or prevent silent calls, and comply once again with the Privacy and Electronic Communications Act), call scripting (to help agents navigate a call and comply with the Data Protection Act, as well as distance selling requirements) and caller verification (to help authenticate the caller's identity).

To further support contact centre agents and make an often-difficult job easier, BT has also developed an online knowledge management tool called OWL that has been rolled out to all contact centres over the past two years. It is a central repository of up-to-date and regularly reviewed information, covering all BT's business activities – consumer, broadband, mobile and so on. All agents have easy access to the site, increasing their confidence that they are not inadvertently providing customers with dated, incorrect information. In supporting such initiatives, BT ensures that all of its IT systems and tools work together seamlessly.

“The processes and tools that we have put in place ensure that – in their dealings with both consumers and businesses – our customer advisors are naturally compliant,” says Theresa Whatling, BT Group Compliance Manager.

Results

BT's integrated customer contact compliance approach helps to provide the company with the confidence that it is meeting its legal obligations – while at the same time allowing it to manage its business efficiently and cost effectively – secure in the knowledge that its people, especially its customer-facing agents, are adhering to proper procedures.

This new found confidence is manifest in many ways. BT now welcomes Ofcom, customers and even competitors to its premises to see its customer contact compliance strategy in action. Recently, BT also invited the Compliance Institute, the UK financial services compliance body, to benchmark it against financial services firms, and to share best practice.

Another measure of BT's belief in its compliance processes and technology is its work with the UK's Direct Marketing Association, lobbying for increased penalties against companies that fail to comply with the Privacy and Electronic Communications Act, the legislation

behind the preference services and predictive dialler guidelines.

Over the past two years, BT can also show that it has increased customer satisfaction, which was a strategic goal. “The volume of customer complaints has decreased, at a time when we have had to be more compliant in many more areas: exactly the circumstances under which you might expect complaints to rise. We cannot prove a causal link between the two events, but the empirical evidence is that BT is getting its compliance regime seriously right,” says Robin Mackenzie, BT Retail's Head of Consumer Strategy.

Case study

Setting a leading customer contact example

Technology blueprint

BT's CRM system is based on Siebel Systems' software along with other integrated applications to support customer contact compliance, especially with the Data Protection Act and the Privacy and Electronic Communications Act.

In the case of data protection, BT uses scripting tools that provide agents with screen-pops of compliant script to ensure that the correct data is captured and that the customer is told what will happen to the information. In addition, it uses Eyretel call recording technology to record and store agents' calls, enabling BT to monitor whether calls are compliant and that the correct data is being captured.

BT's CRM software also allows the source of a customer's data to be identified, as well as how long it has been on the system and whether the individual has expressed a desire not to be contacted – either specifically or via registration with one of the preference services. To ensure data is protected, BT uses LiveVault to automatically and continuously back up business data via a secure Internet connection and store it in a secure off site facility, where it is available for immediate recovery in the event of a system failure.

To help comply with the Privacy and Electronic Communications regulations, BT's CRM system is programmed to automatically suppress records in its contact database against the latest telephone, fax, mail or corporate telephone preference service lists using out-of-hours File Transfer Protocol connections. When using automatic diallers, it can also be set to minimise silent calls at or below the five per cent guidelines set out in the legislation, and ensure that those receiving a silent call are not scheduled to receive another call within 24 hours.

Main BT products & services

- BT customer relationship management system, based on Siebel software
- OWL knowledge management tool
- Eyretel call recording and storage
- LiveVault data back up and recovery



Offices worldwide

The telecommunications services described in this publication are subject to availability and may be modified from time to time. Services and equipment are provided subject to British Telecommunications plc's respective standard conditions of contract. Nothing in this publication forms any sort of any contract.

© British Telecommunications plc 2005
Registered Office: 81 Newgate Street, London EC1A 7AJ.
Registered in England and Wales no. 1800000.

Designed by Ecoutez Limited.

PHME 00000000