

Institutionalizing Service Quality Initiatives

Service Quality has always been an area of high priority for International Banks. In fact in many markets, it is the quality of service – more than the price - that drives the customers' choice. One of the most important factors determining the quality of service to external clients, is the service given to internal clients (employees) of the organization.

This was the thought which lead a large bank of International repute to invite Encreate Consulting to study its internal processes. The aim of the project was to identify the deliverables critical to the employees and redefine the processes to improve the quality standards.

The entire project was divided into 4 phases:

- 1. The Diagnostic phase.**
- 2. Root Cause Analysis and Improvements**
- 3. Implementation and Institutionalization**
- 4. Monitoring and Control.**

The Diagnostic phase.

This phase was intended to identify the deliverables which were critical to the internal customers. A 3 step strategy was adopted with a view to capture inputs from all segments of the bank.

- a) *Personal Interviews* – These were conducted with members of the top management. During the interview sessions, members of Encreate probed the interviewees to enlist the areas which were of critical importance to the internal customers.
- b) *Focus Groups* – The middle and lower management of the bank was a part of these sessions. During these, the groups came up with the list of areas which needed attention and improvement.
- c) *Customer survey* – Customer survey forms were designed and circulated amongst the other employees. Results of the responses were tabulated and analyzed.

This approach resulted in the identification of 7 core processes, which were taken up for re-engineering during this project:

1. Visa Issuance
2. Purchase of IT hardware
3. Vendor Payment
4. IT Helpdesk support
5. Employee Expense Reimbursement
6. New Employee joining
7. Employee Exit

Root Cause analysis and improvement

The processes being followed in each of the above mentioned areas were documented. The Project team used Value stream Analysis to identify the non-value adding steps of each process. Each process was further broken down into multiple sub-processes and time taken to complete each step was mapped. Bottlenecks in the process were identified on the basis of this.

The Project team and officers of the bank held 'Brainstorming' sessions to study the cause and effect relationship for each bottleneck. A 'Fish Bone' diagram was developed to identify the root cause and the various repercussions it had on the process.

The results of the survey and the root cause analysis lead to defining the new alternate processes. The documentation of new processes included designing improved checklists used for inter-departmental handoff's and department level dashboards and scorecards for measuring the speed of completion of each sub-process

Implementation and Institutionalisation.

This phase included changing the actual work flows in the process shop. The Project team imparted system and process training to all individuals who were a part of these operations processes. The training had two phases viz classroom sessions and real time online guidance. Apart from performing the actual operations, the supervisors of each department were also trained to measure and maintain the

turnaround times taken by their part of the process. Ownership and Accountability were in this way introduced into the system

Monitoring and Control.

This was the final stage of the project which involved evaluation of the changes. The improvement in the delivery time taken by each process was monitored on a weekly basis over a period of 1 month. Random checks were conducted to ensure that the recommended processes were being followed.

The entire project was done over a period of 3 months. At the end of the project the following improvements were achieved:

- Clearly documented processes defining the path of process and document flow.
- Introduction of Handoff procedures and checklists which helped in identifying documentary deficiencies at the start of each sub process.
- Work-function charts showing the activities to be performed by each processor in the entire process chain.
- Department level dashboards giving details of the volumes and efficiency analysis.
- Reduced Turnaround Times for completion of processes from start to end.

This project was initiated with a mission to create 'Happy Employees'. Mapping the deliverables to their expectations was the primary idea. Hence after 2 months post completion of the project, the Project team conducted another survey – this time to seek improvement in the customer response and perceptions. **What they found out was that there has been substantial improvement in employee satisfaction.**

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