

CONSULT™ for senior managers overseeing regulated operations



GOVERNANCE & DECISION MAKING



I put in place organisational structures and processes to ensure oversight and control by me and my managers and I prioritise suitable outcomes for clients above all else

BENCHMARKS

- ✓ I have appropriately skilled and senior people on my governance groups and other decision making teams to decide policy and make decisions.
- ✓ I have robust and effective Change Control procedures when authorising any changes to regulated standards or processes, and ensure a full archived record of decision making is maintained.
- ✓ I regularly review any customer operations using appropriate MI to identify and act on areas of concern.
- ✓ I lead on risk management and ensure major risks (including Conduct Risks) are identified and appropriate systems are in place to ensure these are monitored and managed.
- ✓ Senior managers keep up to date with regulatory thinking and requirements

NEGATIVE INDICATORS

- ✗ Decision makers appointed who do not have the required level of seniority/capability.
- ✗ Authorising changes without change control procedures, which allows haphazard changes to processes or guidance without due consideration and authorisation.
- ✗ MI is distributed but recipients do not use it or do not understand when they should take action/ what action to take.
- ✗ Risk Function assumes that because MI is available, the operational leadership is capable of using this data to identify risks and mitigate them successfully.

CULTURE



The culture and behaviours my team and I develop ensures an appropriate focus fair treatment of clients and suitable outcomes

BENCHMARKS

- ✓ The importance of ensuring clients receive suitable outcomes, and are treated fairly, is at the heart of my strategy, my plans and budgets and the leadership behaviour of my team.
- ✓ I ensure that reward in my area reinforces the drive for suitable client outcomes, and the impact of reward on behaviours, consequences and outcomes is regularly considered by my management team.
- ✓ My management prioritise expertise in fair customer treatment and promote training and development for all levels which supports this.
- ✓ My team and I demonstrate commitment to improvement, with a focus on learning lessons and making changes to improve service quality for customers

NEGATIVE INDICATORS

- ✗ Leadership demonstrates an inappropriate and aggressive focus on sales, targets or other organisational priorities.
- ✗ Senior management does not support operations or control functions in adhering to standards or requiring improvements.
- ✗ Senior management does not have a strong understanding of regulatory expectations.
- ✗ Training is seen as a minimalist, compliance requirement.
- ✗ Reward systems prioritise efficiency, cost control and other internal measures rather than the quality of outcomes for customers.

PEOPLE & PERFORMANCE MANAGEMENT



I have ensured clear and robust management approaches are in place to monitor and supervise performance

BENCHMARKS

- ✓ I have clear and effective supervisory standards setting out the activities I require from managers to monitor and supervise staff.
- ✓ I ensure all managers are trained and assessed in the knowledge and skills required to effectively fulfil their role.
- ✓ We use comprehensive and clearly defined KPIs which are relevant to business and customer needs.
- ✓ We prioritise the management of staff undertaking or working on regulated processes.
- ✓ Our MI is comprehensive and accurate to allow close and continuous supervision and monitoring of staff.

NEGATIVE INDICATORS

- ✗ Manager training is minimal and focused on knowledge of supervisory activities rather than ability to complete them effectively.
- ✗ No identification of or attention paid to staff working on regulated processes or those key to customer outcomes.
- ✗ KPIs are in place but lack clarity and as a result are inconsistently applied.
- ✗ MI is achieved through a number of labour intensive manual processes which have the potential for high degree of human error.
- ✗ MI is not effectively used by managers in supervising staff.

TRAINING



I ensure that training for people in regulated operations is based prioritised and structured to provide education and assessment 'learning paths' from induction onwards

BENCHMARKS

- ✓ I require all training to be well structured and based on a clearly defined syllabus or requirements. It is consistently conducted and regularly reviewed and evaluated.
- ✓ Our staff are assessed in their ability to apply key processes and standards as part of their training.
- ✓ Clearly defined learning paths exist for staff development, which are closely linked to identified needs and to the tasks and activities of their roles.
- ✓ Effective, consistently applied processes are in place to ensure learning is embedded in working practices.
- ✓ Robust systems and controls are in place to ensure that training needs can be identified and actioned.
- ✓ Staff competence status and CPD is monitored and recorded to efficiently allow us to plan resourcing.

NEGATIVE INDICATORS

- ✗ Training is minimal and mainly focused on compliance or process aspects of role.
- ✗ Assessments are multiple choice test designed to assess knowledge, with limited or no assessment of application skills and real understanding of customer implications.
- ✗ CPD is not linked to identified training needs specific to staff but is only rolled out to support changes in operations and jobs.
- ✗ No evidence of continuous, planned development programmes.
- ✗ No evidence of controls in place to ensure staff are implementing training after attendance and that it impacts on performance.

OPERATIONAL STANDARDS



My operations have clear standards and documentation setting out how areas, which either interface with the customer or provide processes to customers, should achieve fair outcomes.

BENCHMARKS

- ✓ I insist on clear standards which describe when actions *must* be taken, with specific guidance on how to apply the standards
- ✓ Any documentation and standards we use is concise, easy to understand and the format is user-friendly so that staff can use it as clear reference and process guidance.
- ✓ Documentation is easily accessible to staff managers and Quality Checkers etc., is arranged in an intuitive, understandable order and is searchable when needed.
- ✓ I ensure that changes to standards and customer processes are implemented and communicated in an appropriate way and at an appropriate pace to reduce negative impacts.

NEGATIVE INDICATORS

- ✗ Standards are treated as inflexible 'rules' and do not allow for different client outcomes dependent on client circumstances.
- ✗ Documentation has been allowed to become excessively cumbersome by seeking to provide an answer to every circumstance or complaint.
- ✗ Standards are not easy to find, navigate, or search.
- ✗ Changes are communicated in uncoordinated and confusing ways.

CUSTOMER SYSTEMS & PROCESSES



I ensure that customer processes are clearly defined, with effective systems supporting them which are used consistently to maximise the benefits to us and customers

BENCHMARKS

- ✓ Customer processes under my management are clearly defined and any adaptations or exceptions to cover a variety of customer requirements are robust and well documented.
- ✓ Customer processes are supported by effective and streamlined systems and robust record keeping.
- ✓ We provide clear guidance on how systems should be used to ensure consistency of approach and record keeping/MI.

NEGATIVE INDICATORS

- ✗ Customer processes are inconsistent and not designed with outcomes in mind
- ✗ Multiple channels within one organisation with widely varying processes without any apparent justification.
- ✗ Manual advice process with insufficient controls to drive consistency and adherence to advice standards.
- ✗ Automated processes that are not clearly understood by users, or supported by user guidance, and leads to inconsistent use and potentially inconsistent records/MI.

QUALITY ASSURANCE OF CUSTOMER OPERATIONS



I have systems and processes to assure me that suitable outcomes are being achieved for customers and we act on risks or change requirements flagged up.

BENCHMARKS

- ✓ I have a clearly defined end to end QA process in our regulated operations (including sampling of customer outcomes and comprehensive root cause analysis).
- ✓ My QA grades identify customer outcomes with sufficient granularity to distinguish any unsuitable outcomes.
- ✓ I ensure that QA samples are selected via a risk-based analysis, which is regularly reviewed in light of QA findings, risk identification and Regulatory 'hotspots'.
- ✓ I ensure my team and I regularly review the root cause analysis of QA findings, risk reviews, audits and other relevant data to ensure changes in policy or procedures are made where necessary.

NEGATIVE INDICATORS

- ✗ QA is carried out without formal Checklists to ensure consistency of approach and process.
- ✗ QA systems are semi-manual with 'home grown' spreadsheet solutions used in lieu of bespoke systems and databases.
- ✗ QA grades lack clarity, making it difficult to differentiate between regulatory procedural failures where there is no customer detriment/re-work, and unsuitable customer outcomes.
- ✗ Case selection centres on simplistic volume based approach without adequate risk based focus.
- ✗ Senior managers do not meaningfully discuss and review QA and risk review information at their regular meetings.