

The Corporation of the City of London Service London Assessment

Audit Performed: January 2020 - March 2020
Report Issued: July 2020

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Executive summary

Background

Service London, which leads corporate initiatives focused on improving customer experience, recently assumed a Contact Centre in September 2019. Service London recognizes the opportunity to improve the structure and framework of the Service London Contact Centre and requested that the internal audit focus on leading practices for consideration. Internal Audit has used the opportunity through this review to provide leading practice recommendations for consideration by management as the Contact Centre continues to improve their policies and processes and develop their strategy. The leading practices within this report can be used to standardize processes for other contact centres at the City.

Objectives and scope

As part of the 2020-2021 Internal Audit plan, Internal Audit conducted a review of the Service London Contact Centre. The purpose of this review was to evaluate the control framework and assessment criteria required for this type of service according to Deloitte's Contact Centre Strategy and Operational Assessment Framework (*Appendix 5*), and to identify key requirements for the City to consider when developing how the unit will contribute to Service London.

The detailed Internal Audit scope can be found in *Appendix 1: Internal Audit detailed scope* of this report.

Strengths

In the completion of this assessment, Internal Audit noted the following areas of strength:



Dedicated Manager: Service London's recent hire of a dedicated manager for the Contact Centre has improved the Contact Centre's overall culture and morale in the transition into Service London. In addition, it has assisted in focusing capabilities on knowledge and workforce management, scheduling, training, data analysis and reporting.



Leading Technology: The technology used to process service requests, capture caller data and report performance metrics aligns with leading practices in the industry.



Continuous Improvements: Stakeholders express a positive attitude and ambition towards the continuous enhancement of the Contact Centre and have created the ITS Discovery Project, demonstrating initiative to move the Contact Centre towards becoming a centre of excellence.

Areas for continued enhancement

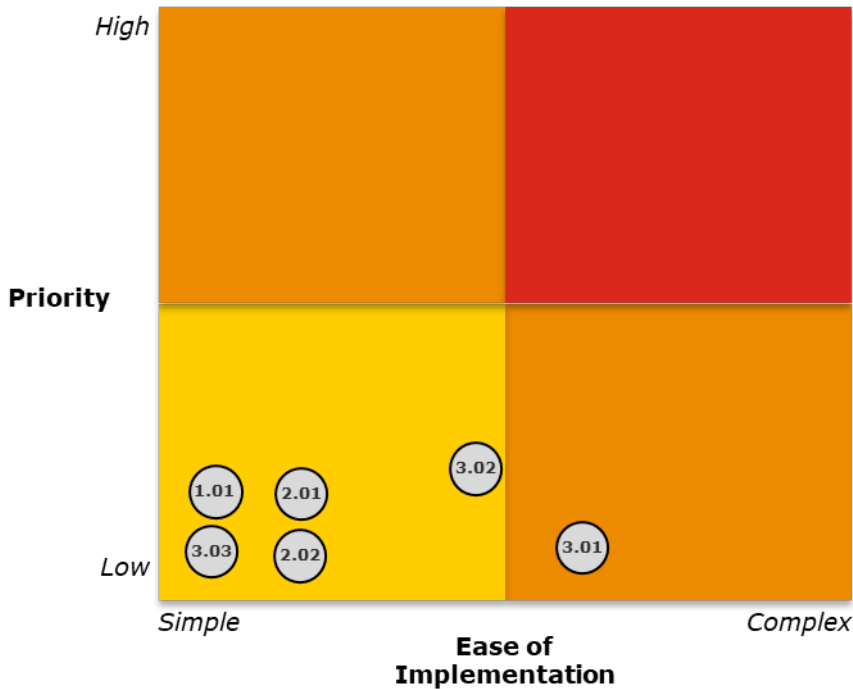
Based on our review of the City’s Service London Contact Centre, we identified three low priority observations, and three leading practice recommendations that Service London should consider going forward. Please refer to *Appendix 2: Internal Audit rating scale* for definitions of the four-point scale.

	High priority		Medium priority		Low priority		Leading practice
	0		0		3		3

Priority	Observation item	
Low Priority	SL 1.01	Formalized performance metrics: Performance metrics exist between the managers and Public Service Representatives (“PSRs”); however, performance target expectations are not formally established and shared with the Contact Centre group on a scheduled basis.
Low Priority	SL 2.01	Formalized schedule for review of knowledge based articles: Service London updates the knowledge based articles on an ad-hoc basis and there is no scheduled frequency of review for articles.
Low Priority	SL 2.02	Talent Management Strategy: Service London currently has an onboarding program in place for PSRs but a talent management strategy that focuses on career planning and training requirements does not exist.
Leading Practice	SL 3.01	Online Knowledge Base: Several of the inquiry based calls pertain to commonly asked questions that can be published as content on FAQ pages or be housed in a self-service knowledge base. Customers can then refer to this content, reducing the number of inquiry based calls.
Leading Practice	SL 3.02	End-of-interaction customer satisfaction surveys: Deloitte observed that Service London does not have an end-of-interaction survey.
Leading Practice	SL 3.03	Voice of the customer: In order to provide valuable insights into customer needs, behaviours and satisfaction, the voice of the customer should be captured and analyzed.

Priority heat map

Based on our assessment of the City’s control framework for Service London Assessment the following image maps areas of continued enhancement based on priority and anticipated ease of implementation of our leading practice recommendations.



Conclusion

Based on our assessment of Service London Contact Centre, we have identified three low priority observations, that should be addressed to improve internal controls and process efficiency. The three leading practice recommendations are for management’s consideration. The identified considerations and observations noted in this report should be addressed in a timely manner to enhance current controls and mitigate relevant risks.

Areas for continued enhancement

In completing the procedures noted in *Appendix 4: Audit procedures performed*, Internal Audit identified the following areas for continued enhancement:

SL 1.0 – Performance Management	
Low Priority	SL 1.01– Performance metrics and key performance indicators (KPIs)
Observation	With the appointment of a new dedicated manager, there is an increasing focus on daily operational performance monitoring in areas such as volume of calls, speed to answer calls and duration time to handling customer inquiries. The manager generates weekly KPI reports and discusses informally with the PSRs.
Implication	A lack of documented and standard KPIs could lead to misalignment between an organization’s expectations and employee performance.
Recommendation	Service London Management should formally establish KPIs for PSRs and build the KPIs into performance plans. An established frequency to discuss performance metrics with PSRs should also be established to ensure that performance feedback is being discussed.
Management Comments	<p>Management agrees and will undertake the following actions:</p> <ul style="list-style-type: none"> • Formalize reporting mechanisms and standard KPIs (Q3, 2020). • Establish monthly business review meetings with all team members. These meetings will include discussion of standard KPIs as well as performance feedback (Q4, 2020).

SL 2.0 – Talent Development	
Low Priority	SL 2.01– Knowledge based articles review schedule
Observation	To provide a standard level of expertise and knowledge for PSRs, Service London has adopted a leading practice in developing a library of knowledge-based articles. Upon adopting the knowledge-based article practice, Service London updates the articles on an ad-hoc basis and there is no scheduled frequency of review for articles that Service London and the business units have formally agreed upon to ensure the content of the articles are accurate and users have current content.
Implication	There is risk that without an agreed upon schedule of article review, PSRs may provide customers with outdated information that is non-compliant with updated laws, regulations and/or bylaws.
Recommendation	Service London should establish a formalized schedule with business units to update and review knowledge based articles and create new articles as needed.

SL 2.0 – Talent Development	
Management Comments	<p>Management agrees and will undertake the following actions:</p> <ul style="list-style-type: none"> • Work collaboratively with each service area to establish schedule for knowledge base article review (September 30, 2020). • Publish knowledge base article review schedule (December 31, 2020). • Review all knowledge base articles (25% each quarter), validating and updating content as required, including the creation of new articles (December 2021). • Implement ongoing annual review schedule (Q1 each year).
Low Priority	SL 2.02 – Talent Management strategy
Observation	Service London currently has an onboarding program in place for PSRs, but a talent management strategy that focuses on career planning, and training requirements does not exist.
Implication	Misalignment between an organization’s values, employee behaviors and/or organizational systems may result in sub-optimal employee performance, employee disengagement, low employee retention, decreased focus on service delivery and difficulty achieving strategic goals.
Recommendation	<p>Management should develop a talent management strategy for Service London. Items management should consider including are as follows:</p> <ul style="list-style-type: none"> • Developing departmental goals and a strategic plan • Talent Acquisition and Retention strategies • Performance Management • Learning and Motivating • Career Development, and • Succession Planning.
Management Comments	<p>Management agrees and will undertake the following actions:</p> <ul style="list-style-type: none"> • Finalize Service London plan, 2020-2023, including clear linkage to outcomes, expected results and strategies outlined in Council’s 2019-2023 Strategic Plan (December 31, 2020). • Formalize training program which includes both onboarding and ongoing training elements that support positive employee and customer experiences (March 31, 2021). • Leverage existing programs, including annual Performance and Development Program, to support career development, succession planning and business continuity (ongoing). • Develop key performance indicators, as well as quality standards and regularly coach to them (September 30, 2021).

SL 3.0 – Customer Centricity	
Leading Practice	SL 3.01 – Online knowledge base
Observation	Several of the inquiry based calls pertain to commonly asked questions that can be published as content on FAQ pages or be housed in a self-service knowledge base. Customers can then refer to this content, reducing the number of inquiry based calls.

Implication	There is risk that the lack of a current portal for customers to receive updates or access common knowledge can lead to an excessive volume of calls for the Contact Centre, leading to longer wait times, reduced customer experience, increased agent effort and lower service levels.
Recommendation	Service London should consider refreshing the Service London portal to include municipal standards, frequently asked questions, and linkage to the FAQ pages for ease of access to information by customers.
Leading Practice	SL 3.02 – End-of-interaction customer satisfaction surveys
Observation	To understand the basics of the customer experience, leading Contact Centres actively ask customers to articulate pain points in the customer service experience to ensure that at the end of the interaction, the customer walks away satisfied and with a positive customer experience. Deloitte observed that Service London does not have an end-of-interaction survey.
Implication	There is a risk that without capturing customer satisfaction data, Service London will not have a clear understanding of pain points in their customer service experience, which is required to create plans for addressing areas of improvements.
Recommendation	Leading Contact Centres have implemented small questionnaires at the end of their interactions to ensure that the customer’s needs are completely satisfied. Service London should implement an end-of-interaction survey to understand customer satisfaction. Before the end of an interaction, the PSR should measure customer satisfaction. The questions should be segmented by separately asking if the customer is satisfied with the level of service provided by the PSR and the level of service provided by the organization as a whole, and then follow up on explanation if the customer is not satisfied with the service.
Leading Practice	SL 3.03 – Voice of the customer
Observation	In order to provide valuable insights into customer needs, behaviours and satisfaction, the voice of the customer should be captured and analyzed.
Implication	There is the risk that a lack of analysis of the customer voice will result in an inadequate/inaccurate assessment of customer needs, behaviours and satisfaction.
Recommendation	Service London should consider implementing a tool to capture the voice of the customer data to allow management to better identify pain points and increase quality of service delivery. If management chooses not to implement a tool an alternative approach is that the manager performs shadowing sessions with the PSRs to conduct an informal review which will result in quality monitoring and coaching such as debriefing call recordings, quality assurance, compliance and efficiency.

Appendix 1 - Internal Audit detailed scope

Specifically, the Internal Audit addressed the following areas:


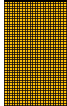


Reviewed the Service London Contact Centre that recently became part of Service London (September, 2019):

- Understood and reviewed a sample of the current processes undertaken by the Service London Contact Centre for responding to service requests (online, phone, in-person, email)
 - Reviewed and analyzed performance metrics, key performance indicators (KPIs), and communication processes and controls that the Contact Centre currently has implemented
 - Reviewed and assessed the contribution of the Contact Centre to the integrated customer service requirements within the City as well as to provide guidelines for Contact Centres within the City
 - Reviewed, assessed, and tested a sample of the current CRM service requests created through the intake process, including service request attributes and provide recommendations on how to enhance and optimize the use of the system
 - Assessed the communication between public service representatives (PSRs) and customers with regards to customer satisfaction and quality of customer service, and
 - Compared results of the unit to leading practices, and worked with the City to determine "fit-for-purpose" (i.e. maturity level and future aspirations) and recommended areas of improvement.
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Appendix 2 - Internal Audit rating scale

Individual observation prioritization

Internal Audit has prioritized each observation and recommendation within this report using a four point rating scale. The four point rating scale is as follows:

Description	Definition
 High	Observation is high priority and should be given immediate attention due to the existence of either significant internal control risk or a potential significant operational improvement opportunity.
 Medium	Observation is a moderate priority risk or operational improvement opportunity and should be addressed in the near term.
 Low	Observation does not present a significant or medium control risk but should be addressed to either improve internal controls or process efficiency.
 Leading Practice	Consideration should be given to implementing recommendations in order to improve the maturity of the process and align with leading practices.

Appendix 3 - Stakeholder involvement

In conducting this assessment, the following Service London management and staff were interviewed to gain an understanding of the Service London Contact Centre's processes and practices.

Stakeholder	Position	Division
Rosanna Wilcox	Director	Service, Innovation and Performance
John Nolan	Manager III	Service London
David Ennett	Manager	Service London Contact Centre
Karen Somers	Public Service Representative	Service London Contact Centre
Heather Tomlinson	Public Service Representative	Service London Contact Centre
Maryam Khan	Specialist I, Municipal Policy	Service London

Appendix 4 - Audit procedures performed

As part of the Service London assessment, the following procedures were performed:

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- Conducted planning meeting with Deputy City Manager, Director of Service, Innovation and Performance, and Manager of Service London
 - Updated and issued finalized Project Charter and request for information
 - Conducted meetings and interviews with City management and staff to obtain an understanding of the control framework and assessment criteria
 - Performed interviews with key personnel on the current performance expectations of the Contact Centre
 - Inspected the City's current Contact Centre processes related to: responding to emails, phone calls and in-person requests, ensuring adequate process documentation (service requests), tracking and monitoring performance, compliance with applicable policy requirements, and training/onboarding of staff
 - Obtained documentation regarding relevant procedures and controls to perform an inspection of:
 - Key Performance Indicators
 - Training and onboarding processes and schedules
 - Standard operating procedures (SOPs) and knowledge base resources used by PSRs
 - Relevant modules and utilization of IT and CRM systems
 - Scheduling and management of PSRs
 - Monitoring and coaching procedures, and
 - Long-term and short-term aspirations.
 - Performed Job Shadowing with PSRs to deepen understanding of business controls, standard operating procedures, and utilization of business systems
 - Analyzed testing on Monthly Performance Metrics to compare pre and post implementation data to assess maturity levels of the Contact Centre's performances
 - Consulted with subject matter expert(s) on Service London's current processes and compared to best practices used by industry leaders
 - Using the reviewed documentation and interview narratives, assessed the effectiveness of Contact Centre activities with regards to efficiency and customer service
 - Drafted preliminary observations and verified observations with management
 - Conducted a closing meeting with key management stakeholders to validate and communicate our findings, and
 - Issued this Internal Audit report with our detailed observations.
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Appendix 5 - Contact Centre Strategy and Operational Assessment Framework

The approach used for this internal audit will assess and benchmark the Service London Contact Centre using the framework below to assist in developing leading practice recommendations:

Call Centre Strategy Service Organization Operating Model

Customer CX, service design and business value focus	Offerings Products, services and customer segments	Channels Ease of access to service delivery functions	An operating model is a blueprint and critical link between the organization's strategic vision and business model defining functional capabilities required to achieve optimal service reliability
Process Efficient and effective workflows and process	Operations Core support functions for service delivery	Technology Leveraging enabling and emerging technologies	
Organization Delivery structures and service models to execute	Partnerships Internal and external support functions	Talent Agent enablement and advisors of the future	



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