

M&G and IFDS: Putting Customers First to Achieve Outstanding Customer Service

Outsourcing customer contact services is not a decision taken lightly by a fund management business. The experience of interfacing with a fund manager's customer relations team is often a key influencer of investor confidence in the institution. M&G, a leader in this field, took this decision and implemented the transition in late 2008, choosing IFDS (International Financial Data Services).

IFDS had already gained the confidence of M&G through successfully providing retail administration services (investor record-keeping and data management services) over several years.

'Both companies recognised that a more collaborative relationship would ensure successful outsourcing of customer contact services'

How GBPA helped get it right for customers

M&G is a long-standing member of GBPA's community of participating clients and the company turned to GBPA for support with the critical relationship. Working with Laurence Mumford, M&G retail chief operating officer, and Simon Hudson-Lund, IFDS chief executive, GBPA helped make real both companies' beliefs that a more collaborative relationship would ensure the successful outsourcing of the customer contact services function. Crucially, both companies recognised that effective collaboration would be a journey.

In preparation for outsourcing its customer contact services, M&G initially utilised GBPA's

Cultural Diagnostic for Successful Partnering. This enabled M&G and IFDS to explore existing areas of compatibility and difference, providing the clarity to address key areas likely to influence effective deeper collaboration. A few months after transferring its customer services people to IFDS, Laurence and Simon jointly commissioned a GBPA *Relationship Healthcheck* (utilising GBPA's *Relationship Assessment Diagnostic*). This diagnostic draws on GBPA's research-led *Discovery Programme* on business partnering best practice.

GBPA's analysis enables participants to bench-mark their relationship and provides the objective insights necessary to develop an effective partnering relationship. The GBPA *Relationship Healthcheck* enabled key participants from both companies to provide clear feedback on critical elements to partnering success. It surfaced areas of great strength and some misalignment, as well as issues which, if not addressed, would severely undermine the relationship's potential for true partnering success.

"GBPA's approach allowed us all to get things on the table, and there was a sense of relief that we could do this in a safe way. There was an immediate step change in the way that the teams relate to each other. They are having more constructive conversations and there is great optimism that we can now work through issues and deliver on the goals that we agreed."
 Laurence Mumford, M&G retail chief operating officer

In a facilitated workshop, GBPA orientated the key players from both teams to the learning from the GBPA *Relationship Healthcheck*, helped them agree how they needed to work together, and established a compelling ultimate customer-facing goal for their relationship.

Having identified the enablers and blockers for achieving the agreed big goal, GBPA introduced and utilised techniques for dealing with the issues that equipped the parties with a shared approach for unblocking and resolving difficulties that would still inevitably occur.

Now - and the future

Both leaders continuously endorse the key enablers for building trust through their mutual commitment, the confidence and respect they demonstrate, and the clear and transparent communications they practice.

These role-modelling behaviours are ensuring that greater transparency and mutual confidence is building through and between both teams.

With the key enablers to partnering success in place, and utilising GBPA techniques for dealing with issues as they arise, the key people are working more collaboratively. This is leading to the continuing delivery of high quality customer services, and the development of a mutually rewarding relationship.

The teams are now striving to work as a partnership rather than as customer and supplier, and are committed to making the partnership firm and strong. As one team member commented: *"We're committed to resolving issues so that 'we don't go to bed on an argument', and to ensuring that the relationship can continue to flourish in support of our customers"*.

Recognising the importance of maintaining momentum, Laurence and Simon have jointly commissioned a follow up GBPA *Relationship Healthcheck* a year on from the initial one.

This will provide an objective view of progress in all the

critical areas for partnering success. It will surface any current disconnects and areas of concern, and provide the forum for agreeing actions to deal with them to maintain momentum and avoid regression in the relationship. Just as importantly, it will provide the opportunity to recognise the many successes and improvements that have been achieved, and to celebrate this as a joint team.

About GBPA's *Relationship Healthcheck*

GBPA's *Relationship Healthcheck* provides an objective assessment based on best practice in business partnering identifies areas for potential greater value realisation, minimises the risk of exposure to relational failure, reduces management time spent on issue resolution and enables focus on delivering value.

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"Since the GBPA Relationship Healthcheck and follow-up workshop, there is a very noticeable change in the way that we interact with each other. We are much more closely entwined, and we are seen very much as part of their business and are delivering a higher level of customer satisfaction as a result. GBPA is now working with IFDS and our other key client relationships so that we can achieve similar relational and customer service improvements for them."

Simon Hudson-Lund, IFDS chief executive