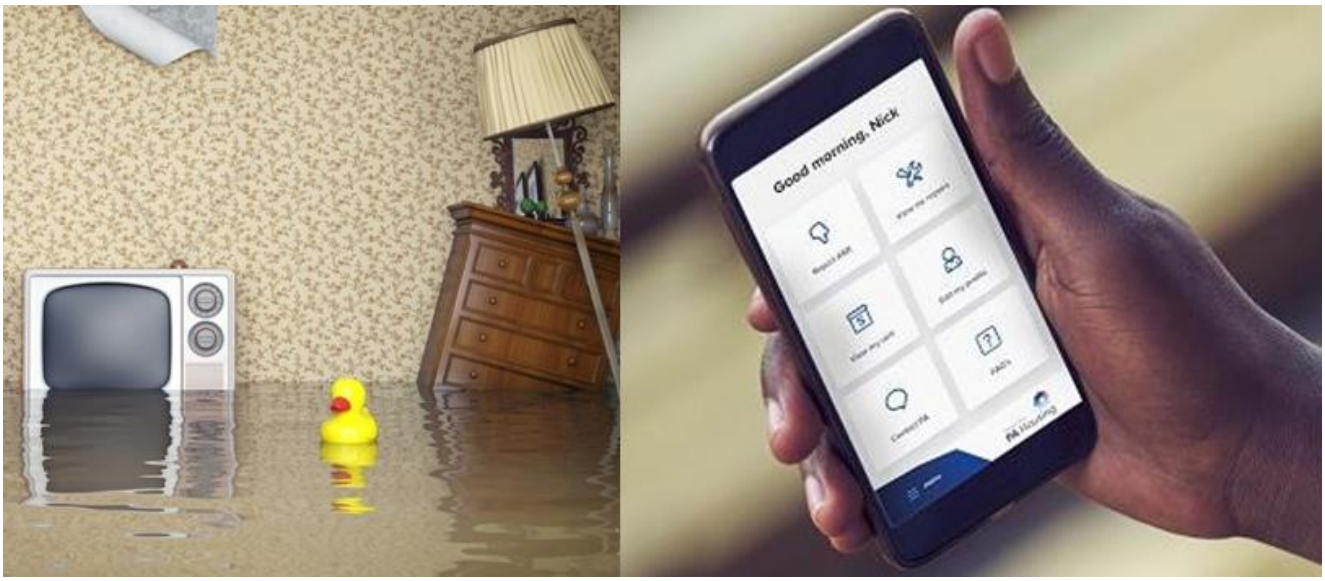
Repairs: Improving CX and business efficiency



A2Dominion

May 2019

With thanks to…

The Customer Journey Consultancy Ltd. The Guildhall, The High Street, Bath BA1 5EB
t | (0845) 83 82 159 **m |** (07860) 633235 **w |** www.customerjourney.uk.com

VAT Registration Number: 131 3970 32. Registration Number 7990892 England. Registered Office, The Guild, Guildhall, High Street, Bath BA1 5EB

On Friday 17th May senior managers from a number of Housing Associations met to share experiences and learn from one another about what works, and what doesn't regarding improving the Repairs process.

During the day six common themes were identified and experiences shared.

1. The problem of good customer insight

CJC shared results that show the difficulty on getting accurate customer feedback from vulnerable of dependent customers, Social Housing tenants tend to under report dissatisfaction by 400%. This allows poor, inefficient practice to persist.

A2Dominion showed how customers who pay are 60 points less satisfied with the repairs service than social housing tenants. They also shared that 80% or their repairs are generated by 20% of their customers. Also, how not arranging appointments in rush hour has led to an improvement in performance.

Some, such as L&Q, have tried to differentiate the service (SLAs) that different types of customers receive and to reflect that in higher costs charged to say Private renters. A2D have created a team to focus specifically on the needs of high use segments.

There also questions raised after the Grenfell strategy about how responsive landlords are to the needs of their tenants.

An attitude of 'OK is good enough' tends to pervade the sector

2. Culture

A significant area of discussion was culture. It was commented that in many Housing Associations an attitude of 'OK is good enough' abounds. This is sustained by the shortage of affordable housing. Others spoke about the difficulty of creating a culture of change and improvement among contractors and field operatives who may be low paid, driven by a different agenda and have limited contact with Head Office.

It was felt that these cultural factors severely hamper the appetite for and speed of change.

CJC shared their findings regarding the links between low customer satisfaction and high cost to serve. This link has been established by many organisations, including HomeServe using techniques like regression analysis.

Following the collapse of the Connaught housing association in 2010 A2Dominion created two new joint ventures to help them gain greater control over repairs delivery. Alongside this they have had to change their attitude to Contractor management; from an adversarial, lowest cost approach to a partnership that recognises efficiency and quality are the ultimate drivers of low cost.

A2Dominion have also hired well-paid Maintenance Managers who both do repairs themselves and help co-ordinate other contractors and trades. They feel this has helped them:

- Improve the speed of repair (from 6 weeks to 9 days)
- Reduced the number of visits per case (a worst case of 22 visits for one case)
- Driven down avoidable contact (from 60% to 15%)

Despite the higher salary paid to Maintenance Managers A2Dominion say they have proved that overall the move has been cost positive.

The final change that A2Dominion highlighted was a drive to attract more staff from other industries to introduce new thinking and ways of working. They feel this has helped them deliver their change programme.

HomeServe was cited as another example of good engineer culture that housing Associations could learn from.

3. Accurate Asset data

Most present felt that their efforts to improve the repairs experience was hampered by poor or absent asset data. The Heathrow case history helped highlight this issue.

Grenfell Tower has also raised the expectations for accurate data about fire doors and so on.

It was agreed that there is no easy answer. As with Heathrow there are multiple people from different organisations responsible for inputting and updating data about assets. The rubbish-in-rubbish-out maxim holds good here.

Heathrow recognised that the solution was primarily about 'people not stuff'. Their two-year programme was primarily about changing attitudes and behaviours through engagement, training and reinforcement.

4. Complex cases

Unless handled well complex cases create a disproportionate amount of cost for organisations and dissatisfaction for customers.

A2Dominion decided to prioritise communal repairs due to the high levels of customer contact they created and the realisation that 1 fault in a communal area could affect dozens of households compared to a repair in a flat that affected only one. Their completion time for communal repairs is now 23 hours compared to 9 days for individual repairs.

BUPA found that by improving the quality of the first contact they reduced the overall cost of the journey

PA Housing have created a small team to manage complex cases.

5. Accurate repairs diagnosis

Poor diagnosis of the repair and the trades needed to fix it cause high waste for organisations and dissatisfaction for customers.

Interestingly, PA Housing reported no deterioration in fault diagnosis as a result of digital self-service. 70% of all SORs can now be booked by customers through their portal and 17% or all repairs are raised in this way. They have helped educate customers by directing them to 'trusted' content available on the internet (such as YouTube videos). Perhaps this has helped customers improve the self-diagnosis of repairs.

In 2010 A2Dominion bought repairs calls back in-house and merged a specialist repairs call centre into a multi-tasking call centre. However, they have maintained repairs experts within the team. Complex cases are diverted to these individuals who can also help train new team members on the job.

6. Economy of scale

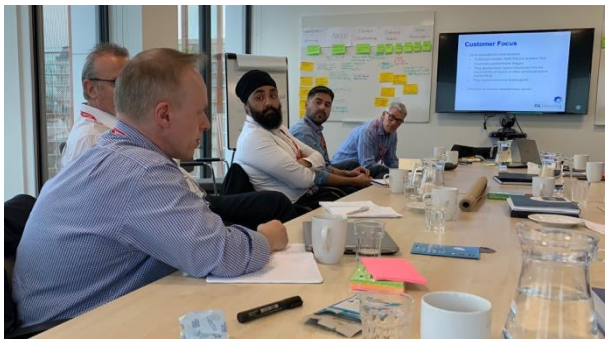
All delegates felt that neither they, nor the wider Housing industry, enjoy the economies of scale they should from new technology and design innovation. Most could identify self-service portals that were exactly the same except for the logo but suspected that each had been charged for a full implementation.

Others spoke about the trend for suppliers to quickly move on following a initial implementation and how it is very difficult to get them to engage on the small iterative changes that are needed to fine tune an application.

The housing bodies have not taken on this challenge, but all present said they would be interested in a move to collaborate on common issues, such as the development of digital self-service or common programmes to improve the accuracy of asset data.

CJC will see if they can bring a proposal back to this group to help deliver better economies of scale through collaboration.

During the day the group heard from four speakers. Here is a very brief summary of the main points they made.



Martin Wright, Managing Director, Customer Journey Consultancy (CJC)

CJC used a basic Customer Journey Mapping technique to capture the insight and issues of the day. Most delegates said they had not used it or had only just started to look at the technique. CJC will share the resulting map with delegates and is happy to provide advice on its use.

He also shared how difficult it can be to capture accurate customer sentiment about your repairs service. Vulnerable customers are particularly hesitant to complain, overall social housing tenants tend to under report repairs dissatisfaction by some 400%. Private tenants give a truer picture of the quality (and efficiency) of a repairs service.

Martin shared learnings from Wolseley (Plumb Centre) about the dangers of digitising poor-quality services. The inability to apply manual workarounds to offset poor experiences combined with customers' higher expectations of digital services ('if Amazon can do it why can't you?') can create a perfect storm if you are not careful.

Martin also shared three key thoughts:

1. The importance of diagnosis to the overall efficiency of the repairs service
2. The importance of customer emotions in how they evaluate and feel about a service
3. The importance of timely, accurate communication about the progress of a repair (this is more important to social housing customers than the speed of service).

Martyn Mumford, Assistant Director, Property Services A2Dominion

Martyn outlined the aims and ambition for A2 Dominion; creating an improve sense of 'home', a distinct role for 'community' and a stronger customer service ethos. Digital is central to the future operating model; 40% of their tenants have access to a mobile phone. Martyn shared the key changes that A2Dominion had made to its repairs service since the catastrophic failure of their contractor (Connaught's) in 2010. This was particularly damaging to A2Dominion who outsourced the handling of all repairs calls to

Connaught's and so had to rebuild its capability and capacity overnight.

In response they developed two Joint Ventures, an arrangement which they feel gives them more control and more of a partnership than a traditional Client/Supplier relationship.

To improve the efficiency of their call centre A2Dominion also combined two centres into one but kept 'Repairs experts' to retain skills and handling of complex cases.

80% of all A2Dominion repairs are generated by 20% of their customers. To understand and manage this high cost group A2D have created a team to focus on that group. Customers also show very different attitudes to the repairs service with paying customers being 60 points less satisfied than traditional social housing tenants.

Other key changes were:

- A 2-year programme to integrate systems so all staff had access to a single version of the truth.
- Recruited higher-paid Maintenance Managers to both conduct repairs and co-ordinate other trades. On site, they are able to liaise directly with contractors and resolve issues more quickly. Whilst the role has a higher cost, they provide exceptional value.

Matt Cooney, COO, PA Housing

Matt shared PA Housing's recent work on developing a repairs digital self-service.

The first iteration of the digital repairs was based on Interfinder however this had negative customer feedback for a number of reasons:

- The images it used didn't render well on the mobile phones that most customers used
- Complex language and jargon
- It did not include communal repairs
- There were too many 'clicks' to navigate to the desired repair type

Additionally, it was difficult and slow to update and PA Housing wanted to be able to make rapid small changes to improve the service through iterative change.

Instead they chose to develop their own solution from scratch which they called TNG (the Next Generation). They used customer research throughout and were guided by a number of principles:

- No more than 10 clicks to any repair
- Simple language (no more than 2 syllable words) that could be easily translated by Google translate
- Fewer images
- All repairs to be listed even if they are not covered by the service
- Start with room first not problem first
- Live Chat throughout the journey

The new decision tree took 6 weeks to build and now:

- 70% of all SORs are available to book
- 17% of all repairs are booked with no manual intervention
- Customer satisfaction with the service was 100% last month (April 2019)

Charles Brindley, Experience Designer, Active Thinking

Charles presented a summary of his work at Heathrow to help them improve the quality of the Asset data they old on their systems.

Heathrow has 650,000 recorded assets recorded and manages over 500,000 work orders a year. The speed of response and available of key assets like air bridges are highly regulated with regulatory fines (Service Quality Rebates) for poor performance.

Over 200 companies, and passengers, can report faults. These are entered on the asset system (Maximo). Repairs are undertaken both through in-house engineering teams and a network of contractors spanning the huge range of assets that the airport uses. Due to the complexity and size of the terminal buildings, teams are generally permanently allocated to one terminal only as asset location is known through memory and experience.

Heathrow wanted to improve the speed, and efficiency of repairs and improve asset data records to enable improved planned maintenance of assets based either on automated diagnostics or age/usage data.

The driver for the programme was to upgrade the Maximo operating system but it was recognised that there was the opportunity to drive cultural change at the same time to change the hearts, minds and behaviours of all the multiple teams who input data to the system:

A comprehensive operational readiness programme was delivered including communication (1 Engineering) and a training programme for every engineer, delivered by engineers. Peer-to-peer influencing greatly helped the aim of improving asset data quality and engaged the teams in the corporate benefits of doing so. This was complimented by manager coaching and 1 to 1s to enable programme leadership within every team.