

Case Study – Culture change programme in a major UK outsourcing organisation

In 2014, UK retail credit became regulated by the FCA as part of a restructure of the OFT. In order to meet the regulatory requirements and drive forward the performance of the business, a major UK outsourcing organisation, operation in the private sector, engaged AQR Coaching and Mentoring to deliver and integrate a coaching based Management Development Programme across its 5 sites (4 in the UK and 1 in South Africa). The programme was delivered to over 200 Senior and middle managers across the business, who were all assessed in each program element to become certified as competent.

The programme was designed to deliver changes in culture in order to ensure that the business complied with the requirements of a regulated entity and to drive improvements in efficiency and profitability. Key elements of previous culture within the business and desired outcomes are shown in the table below along with the business results in the months following completion of the programme:

Previous Culture	Desired Outcome	Result
Retail environments focussed on maximising sales	A regulated environment focussed on treating the customer fairly	The business achieved compliance with the FCA requirements
Business was mainly focussed was on satisfying the needs of clients, rather than drivers of profit. Primary contracts were loss making.	KPI's and targets focussed on drivers of profit for the outsourcer along with TCF	Primary contracts became profitable following a number of years of loss making
People were poorly managed – turnover and absence high	Introduction of a coaching culture with regular 1 to 1 sessions and team meetings	Absence and staff turnover significantly reduced across all sites

The programme was designed around 3 themes:

Transition to a regulated environment

This element was to educate participants about regulation and the key concepts of Treating the customer Fairly (TCF) as well as introducing the Training and Competence scheme for the business and the systems and processes which support a regulated environment.

Mental toughness development

This element was seen as critical to delivered the change in culture required across the business. All managers were assessed and coached in developing their own Mental Toughness and were developed to support their teams to develop Mental Toughness. The

table below summarises the mental toughness scales and how they aligned to desired elements of changes in behaviour and culture.

Mental Toughness Scale	Elements of Desired Behaviour and culture
Challenge	Increased flexibility, Reduced resistance to change, development of a culture of continuous improvement.
Commitment	Increased engagement to hit KPI's and targets. Discipline to operate to the T&C scheme and ensure that systems and processes are adhered to.
Life Control	Increased ability to prioritise and focus on the actions which will impact most on business performance
Emotional Control	Able to deal with difficult situations in a calm, rational manner, both internally and with customers to increase both employee engagement and TCF
Confidence in Abilities	Competent, motivated team with self belief in their ability to manage employees and support the customer
Interpersonal Confidence	Ability to challenge others, whistle-blow and report instances of non-compliance so that they can be addressed

Coaching skills

This element was to help managers across the business coach and develop team members in both business skills and mental toughness. Coaching skills were interwoven into all aspects of the role and managers were encouraged to coach their peers and customers as well as their teams. Processes to continually develop and support the managers as coaches were introduced within the business as part of the programme.

Outcomes

The programme delivered a number of tangible changes across the business, which led to a number of positive outcomes, including:

- Achievement of compliance with the FCA
- Turnarounds within the primary contracts in the business from a loss making to a profitable position
- Achievement of all key client metrics across primary contracts
- Significant reductions in absence and staff turnover levels
- Improvements in efficiency and reductions in waste across the business

Client Feedback

“The development programme provided the essential platform which enabled the organisation to transform. Through the development of mental toughness, the management team developed an appetite to drive change and the commitment and resilience to implement and sustain it. AQR Coaching and Mentoring provided the perfect combination of knowledge, experience, challenge and support to allow the senior team to develop themselves and their teams.”

Richard Holland, Managing Director, Serco Private Sector.

To find out more about what we do and how we can help your organisation, please do not hesitate to contact us at enquiries@agrcoaching.co.uk or via the website www.agrcoaching.co.uk