



DISABILITY EMPLOYMENT SERVICES 2018+

| Is your organisation ready for consumer choice?

DES 2018

INTRODUCTION

& CONTEXT

The moves towards a competitive DES market requires providers to think and act differently. New systems and processes will be required to manage the flows of customers previously controlled by Centrelink and DSS.

DES providers will need visibility and transparency around customer attraction and signup, with a mechanism to capture the true cost of generating each attachment.

Direct registration strategies will become more important, as will enticing customers to move from their existing DES Provider, whilst protecting one's own.

Providers will need to effectively promote the quality of their service offering, employment prospects for customers, and specialist capability to support specific cohorts if they are to grow their business, or maintain market share.



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CHANGES IN DISABILITY EMPLOYMENT SERVICES

Traditionally, the Employment Services Sector has not needed to invest heavily in marketing to Participants, client onboarding systems, or genuinely customer-centric processes. Participants, service fees, and the opportunity to generate outcome payments has been guaranteed in a planned market.

This is changing with the introduction of customer choice and increased competition in DES 2018+. Performance, and its associated listing benefits, brand awareness, customer satisfaction and loyalty, will all become increasingly important influences on Providers' operating models and profitability. How a Provider promotes and delivers services to its customers will be as important as what they offer, and how successful they have been in the past.

NEW ENVIRONMENT

DES participants who are unhappy with their service will be in a position to switch to another provider, taking service fees and potential outcome fees with them. Keeping Participants engaged, invested, and loyal must therefore be a key priority. This will require a new approach to customer engagement and service delivery, supported by staff with the skills and attitudes to deliver a service that is valued and appreciated by the customer.

In this new environment, streamlined customer attraction and onboarding processes which leave staff free to focus on customers, will give DES Providers an edge. To be most effective, a whole of organisation approach is required. Recent advances in technology offer cost effective solutions to streamlining your customer attraction and onboarding processes.

"We knew that providers could easily become distracted developing new marketing and onboarding systems, soaking up significant time and scarce resources. Having a purpose-built onboarding system ready for the market was our key priority."

- IAN KEOGH, CEO HIVETEC

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CUSTOMER ATTRACTION: HOW TO ENSURE CUSTOMERS CHOOSE YOU

Ongoing success under a consumer choice model requires a new approach to DES. Resources that were previously spent on developing a strong bid must be redirected to marketing, customer attraction, and customer retention over the entire life of the program.

When customers are free to choose anyone, will they choose you?

In a consumer choice environment, attracting and engaging a steady stream of new customers requires a disciplined approach at all levels of the organisation. Providers will need to invest in marketing and promotion and ensure that their brand is well positioned in the marketplace. Strategies must aim to capture new customers as they become eligible for DES, maintain the loyalty of existing customers, and influence customers to transfer from their current provider.

Successful DES Providers are expected to invest heavily in multi-channel marketing and promotional strategies to highlight their brand and unique offering. However, these efforts will fail unless they are supported by well trained staff who understand their role in customer attraction and systems and processes, which support a quality customer experience.

Organisations will need to respond rapidly to the inquiries from potential customers which follow a successful marketing campaign. This is the chance to capitalise on the investment in marketing and convert leads into DES Participants. At this initial touchpoint with a Provider, a slow, unresponsive or traditional paper-based system will delay cashflow triggers and likely act as a point of early frustration for a potential new customer.

Once a potential customer engages, you must respond and help the individual navigate the system to secure a successful signup. This means making initial contact quickly, selling the benefits of your approach and offering, and getting the customer booked in for a service visit or initial appointment as soon as possible. Your systems must be reliable enough to support this activity on a large scale. Automated workflows with customisable triggers for activities and key processes will help you offer the positive initial experience that ensures customers choose your service.



THE IMPORTANCE OF THE CUSTOMER EXPERIENCE

Many complex factors affect an individual's preference when engaging a Provider to assist with employment supports. Initially, the impact of consumer choice may be muted as existing participants learn about their options and, for the first time, begin to consider what they really want from a DES Provider.

Over time, these elements of consumer preference are likely to become clearer. However, DES Providers can get on the front foot by adapting insights from commercial service sectors where consumer choice is already the norm.

The first point of customer contact is your best opportunity to influence the future relationship



When a new participant signs up with a DES Provider, customer expectations are at their highest, and loyalty is likely to be at its lowest. A comparative review of the financial services and utilities sectors offers significant insights.

Banks and utility companies historically viewed the customer onboarding process as simply routine, focusing the majority of resources on retaining an already loyal customer base. In doing so they overlooked an important opportunity to build a lasting, profitable relationship with new customers.

Those who have worked in Employment Services for a period know that slow-moving caseloads offer a temporary uplift in performance, based on concentrated focus. Yet over time, performance and results tend to suffer. Without a constant stream of new clients, the business model breaks.

In its 2017 annual survey of customer satisfaction in retail banking, J.D. Power & Associates¹ found that new bank customers are the least satisfied and are those most likely to leave. In fact, research showed that new customers are nearly three times more likely to show attrition during the first ninety days of opening a new account.

DES Providers should not ignore such findings; customers that switch providers are expecting something different. If this fails they may quickly move on again, taking service fees and potential outcome revenue with them. DES Providers can create a positive experience during first contact by ensuring processes address common pain points for customers. This involves understanding what a DES customer wants at each point and implementing appropriate responses.

¹ J.D. Power 2017 Australia Retail Banking Satisfaction Study

THE IMPORTANCE OF THE CUSTOMER EXPERIENCE

EXAMPLE: ADDRESSING PAIN POINTS FOR DES CUSTOMERS DURING ONBOARDING

THE PAIN POINT	WHAT A DES CUSTOMER WANTS	WHAT PROVIDERS CAN DO
<p>"I don't know what to expect at my first appointment."</p>	<p>"I want a service where I will be respected and understood."</p> <p>"I'm an individual. I don't want to be treated as a number."</p>	<ul style="list-style-type: none"> • Capture data once and use it to pre-fill forms wherever possible • Communicate with the customer prior to their first appointment; offer information about what they can expect on their first day
<p>"I don't feel in control; I don't feel like I have a say in decisions that are important to me."</p>	<p>"I want information that I can understand, so I know what's going on."</p>	<ul style="list-style-type: none"> • Capture client preferences about how they would like to be serviced in the future • Use client preferences to match a consultant • If earlier appointments are running late, ask if the customer would like to be informed prior to their appointment time • Tailor advice and products based on an understanding of customer needs and goals • Present relevant and easy-to-understand service information

In a highly competitive market, customer experience sets you apart



In 2017, health insurer NIB won the Process Excellence Week (PEX) Australia award for its 'Thinking Like the Customer' (TLC) program², which aimed to establish and continuously improve the customer experience.

"Health insurance is ridiculously competitive. We all have fairly similar products, similar pricing and we're heavily regulated on what we can discount, so how you attract and keep a customer is all about customer experience. If we don't deliver that, we lose customers."

- STEVE HINTON, PRODUCT APPLICATION MANAGER, NIB³

The TLC program reviewed each element of customer communication and interaction and considered how it was experienced by the customer. Communicating with customers via their preferred channel, as well as adapting communications to a cohort of mobile-savvy customers were key outcomes.

This required significant technological upgrades to replace legacy systems and streamline customer interactions.

"The decision to invest in a new (Customer Communications Management) solution was driven by the need to enhance the NIB customer experience by ensuring the group communicated in a manner that was timely, tailored, meaningful and via a customer's preferred channel."

- STEVE HINTON, PRODUCT APPLICATION MANAGER, NIB⁴

New systems now enable NIB to offer tailored welcome packs, personalised videos and messages, and mobile-friendly policy and product information, significantly enhancing the customer experience.

From July 2018, DES Providers will also be operating in a highly competitive, yet highly regulated market, where most elements of service delivery and operations are stipulated by Government. This is a challenging space with limited opportunity for product differentiation. However, Providers can learn from the experience of organisations in other regulated industries. Creating a consistently positive experience for the customer will set an organisation apart from the competition.

You have to be no less than a customer concierge, doing everything you can to make every one of your customers feel acknowledged, appreciated, and heard. You have to make them feel special, just like when your great-grandmother walked into Butcher Bob's shop or bought her new hat, and you need to make people who aren't your customers wish they were."

- GARY VAYNERCHUK, "THE THANK YOU ECONOMY"

² <https://www.nib.com.au/nib-news/media/2015/07/nib-award-for-thinking-like-the-customer>

³ <https://www.cmo.com.au/article/610788/nib-shares-how-its-tailoring-customer-communications/>

⁴ *ibid*



Adapting to this new imperative will be challenging for some Providers. In many organisations there is limited coordination between key business units, and strong organisational cultures have been established around servicing a guaranteed share of mandated clients

In addition, we find systems and processes which are primarily geared towards compliance, monitoring, and government reporting. There is an urgent need for change.

DES Providers must adapt quickly to offer a customer-oriented experience from day one. Recognising that each customer is unique, Providers should aim to identify individual preferences around communication and servicing, and respond to these by personalising interactions and service delivery. Significant culture change may be needed to support this approach.

Staff must recognise that customers are now participating by choice, and understand the flow on benefits of providing a positive experience for each customer from day one.

In this environment, systems which focus exclusively on compliance and monitoring will likely hinder your business. To be successful, your systems must support a quality customer experience, offer strategic insights, and streamline the process of converting inquiries into customers. An effective onboarding process is an opportunity to truly differentiate your service from the very beginning.

CHALLENGING SERVICE DELIVERY NORMS

Traditionally, DES Providers have placed their offices according to the widely held view that location is the key driver of footfall. This is founded on the assumption that customers seek the closest location to home, or to a regular route, to maximise convenience for appointments. In a competitive market, innovation tends to disrupt long accepted standards and assumptions. Innovative Providers could challenge this assumption with new approaches, such as offering video conferencing for online servicing.

ONBOARDING: DELIGHTING YOUR CUSTOMER FROM DAY ONE

Onboarding new DES Participants quickly is crucial for maintaining cash flow - service fees are not received until customers are attached and will be spread over 12 months. Rapid, effective, and sustained engagement with your customers will reduce the risk of them aborting the attachment process in favour of another Provider, and increase long term loyalty.

An effective onboarding process, supported by skilled staff and flexible technology and systems, will enhance your customer's experience from day one, minimising the high costs of negative word of mouth and customer churn.

Designing your onboarding process: a customer journey approach

As DES Participants become voluntary customers, Providers need to consider the quality of their customer experience at every touch-point and capture these insights for continuous improvement. Consider the following:

- How will you attract new DES Participants to your business?
- What channels will your potential customers come through to reach your service?
- How will you respond to a potential customer who expresses interest in your service?
- How will you create a sense of connection with your customer before their initial appointment?
- How can you ensure that the initial appointment is customer-centric, while also meeting compliance obligations?
- How will you equip your staff have the skills to listen and empathise, and value your customers' individual experience?
- How can you maintain customer loyalty and engagement between appointments?
- What systems can you put in place to effectively identify and address customer concerns and complaints?

A customer journey map is a useful approach to designing and customising your onboarding process, with your customer's experience in mind. The approach can help DES Providers identify the key touch points with customers during the initial inquiry and engagement phases, consider what an ideal customer experience should look like, and ensure that systems and technology support good processes.

Our sample customer journey shows how Hivetec's Onboarding System can help you to capture leads, generate improved loyalty, and free up your staff to offer a quality service.



SAMPLE CUSTOMER JOURNEY



Bob, a new DES participant, is seeking information from various providers before making a selection



Bob receives a branded email from Your DES Service acknowledging his inquiry

The following day he receives a phone call from an Inquiries Officer to discuss his needs

Bob requests an Orientation Session at his local Your DES Service



Bob receives an email confirming the details of his Orientation Visit



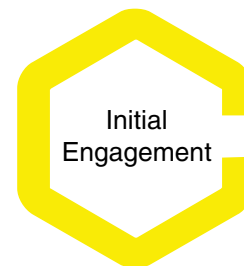
Bob sees video promoting Your DES service on social media and clicks to your website



Bob goes to your website and completes the inquiry form, which includes some questions about his circumstances



Awareness



You develop short videos profiling DES Participants and posts these to Facebook



Your website has been redesigned to be more user friendly and easier to navigate



Hivetec Onboarding System:

- ✓ Checks for duplicates & creates new customer record
- ✓ Mobile friendly, branded email is automatically sent to customer
- ✓ Triggers onboarding workflow

Inquiry Officer receives:

- ✓ Workflow task to call customer within 24 hours



Hivetec Onboarding System:

- ✓ Customisable screening tool for DES eligibility and personal servicing requirements
- ✓ Updates customer record
- ✓ Automatically sends branded email to customer on booking of Initial Engagement

Inquiry Officer receives:

- ✓ Prompts to screen customer for eligibility and capture info about needs
- ✓ Orientation Visit appointment in calendar
- ✓ Access to customer data captured to date



YOUR DES SERVICE



Bob catches public transport to the Your DES Office. He's offered refreshments and given a full tour of the office

The DES Consultant notes that Bob expressed interest in retail during his initial phone call and talks to him about recent successful Your DES placements in retail

Bob is pleased with the visit and agrees to sign up with Your DES Service. The DES Consultant arranges a convenient time for his first appointment



Bob receives an email confirming the details for his appointment

The email includes a welcome pack, and a link to some personalised forms which he can complete online prior to his appointment



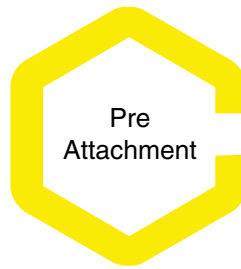
When Bob arrives for his appointment, he is greeted at reception, offered refreshments, and the password for the free WiFi service

Bob is introduced to the DES Consultant who specialises in the retail sector

The Consultant gathers a few more details to complete the forms that Bob filled out online

Bob appreciates that most of the time is spent developing his personal plan for getting back into work

After the appointment, Bob receives an email thanking him for choosing Your DES Service. This includes additional information to help him start his journey, and a link to a short survey



Hivetec Onboarding System:

- ✓ Automatic email detailing what they can expect from their Orientation Visit
- ✓ Google Maps link
- ✓ Enables the seamless customer experience from centralised Inquiries Officer to distributed Consultants

Consultant receives:

- ✓ Workflow task: specific based on Inquiries Officers assessment
- ✓ Workflow task: complete orientation checklist



Hivetec Onboarding System:

- ✓ Automated email with pre-appointment pack
- ✓ Pre-populates forms with customer information
- ✓ Automated appointment reminder for customer

Consultant receives:

- ✓ Initial Appointment scheduled in Calendar and ESS
- ✓ Notification when customer has completed online forms



Hivetec Onboarding System:

- ✓ Customer record – key information summarised
- ✓ Connects customer onboarding record to ESS
- ✓ Automated thank you email

Consultant receives:

- ✓ Workflow task: specific based on responses provided in online forms
- ✓ Additional time to provide a quality customer experience



INVEST IN TECHNOLOGY TO ENHANCE YOUR CUSTOMER EXPERIENCE

Existing systems and processes may offer adequate tools and reporting capabilities once DES Participants are attached to your organisation. However, compliance focused systems and paper-based processes will not support effective customer engagement and onboarding in a highly competitive DES market oriented towards consumer choice.

With the uncertainty about client volumes in the new DES environment, and a lack of detailed information around future operational trends, it is natural that a DES Provider might seek to minimise additional investment in technology, or seek to develop solutions in-house.

Providers that choose to develop systems internally often face greater expense. Crucially, the complexity of designing and integrating a new IT system can distract the organisation from its focus on customers. Adopting a flexible third-party system, designed by experts who understand the requirements of DES, should be seriously considered.

Onboarding systems should be structured around your customer and business needs, and should be flexible enough to support your desired customer experience. The system should include automated workflows, customised to your business processes, and provide effective tools for rapid, high quality customer engagement.

To maintain market share and cash flow, DES Providers will also need to understand the effectiveness of their customer engagement strategies. A system which provides real-time data and metrics such as initial inquiry channels, referral sources, time to conversion, and the percentage of initial inquiries leading to a customer attachment, will allow Providers to be highly responsive in their onboarding approach.

Significant insights can also be gained from tracking individual customer journeys and overall satisfaction. Identifying referral and engagement pathways for customers who track through to outcomes, as well as customer satisfaction and 'friends and family' referrals, can help to assess the effectiveness of marketing campaigns and calculate the return on your marketing investment.

An investment now in a flexible onboarding system for your DES business, coupled with a commitment to acting on real-time insights, will return dividends in the form of customer attraction and retention and importantly, sustained revenue. Crucially, providing exceptional customer experiences will lead to positive word of mouth and reviews, the most powerful and cost-effective marketing tools available to you in a competitive market.

HIVETEC'S ONBOARDING PLATFORM

Hivetec's Onboarding Platform simplifies the entire DES signup journey by connecting all key stakeholders and tasks required for registering a new client into your DES program. Your team will be able to visually track and manage the customer onboarding process in real time.

Hivetec connects you to everything you need when going through the crucial steps of identifying and registering a new client onto your DES program. Automated communications, prompts, and workflows will help your staff capture leads, effectively engage customers and provide a quality customer experience throughout the process.

Hivetec's flexible onboarding platform allows you to build a system around your customised processes. Hivetec logs all critical data and securely stores it all in the one location for easy access.



SYSTEMS

A proven system that focuses on capturing leads, generates improved loyalty from your existing customers, and frees up your staff to offer a quality service experience.



OPEN APIs

Integrate internally developed solutions or other 3rd party applications to further enhance capabilities.



REPORTING

Our system ensures that you have clear visibility on key metrics to manage your onboarding process efficiently.

With so much to organise for the new 2018+ DES contracts, get onboarding right now.

Talk to Hivetec today about a tailored onboarding system to set you apart from the competition.



Hivetec®

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