

- *Self-assessment, business excellence and the Excellence Model®*
- *Mission and value statements*
- *Teamwork*
- *Listen and measure*
- *Stakeholders – customers, shareholders & employees*
- *UK Business Excellence Award winner*

• The Company

Mortgage Express is a wholly owned subsidiary company of the Bradford & Bingley Building Society, based in New Barnet, North London, and employing 310 staff. Its business is generated in three ways:

- *Through Mortgage Advisors who recommend its products to customers.*
- *Partnerships with a number of major channels (e.g, Legal & General) where mortgage products are tailored to the partners' needs.*
- *Direct to consumers.*

Mortgage Express' mortgage assets are approximately £3 billion, comprising 46,000 accounts. The company's strategy is to provide market leading products in such segments as Let & Buy, Buy-to-Let, Negative Equity, 100% + and Self-Employed, delivered with a first class service.

• Summary

When Mortgage Express first put its faith in total quality and the Business Excellence Model® in 1992, the company had closed for new business and was winding down for closure. It embraced the approach and disciplines of self-assessment not as a miracle cure, but as the best way to face the future, whatever it held. The company performed its first self-assessment in 1992, returned to profit in 1993, was short-listed for the 1995 UK Business Excellence Awards, and in 1996, submitted an Award winning application.

• Background

In 1992 bad debts and the spectacular decline in the UK housing market caused the company record losses of more than £70m. At that time no new business was being taken on, and the company had withdrawn from the market. As many staff as possible were being redeployed into the growing 'Management of Arrears' area to bring the arrears problem under control. Whilst staff could no longer be offered a career with Mortgage Express, their Customer Service skills could be developed using quality tools and techniques, that would involve them in making Mortgage Express better for the customer and a better place to work.

• Approach

A culture of continuous improvement was introduced using many techniques including “hassle boards” in all departments, to encourage staff to highlight problems and potential solutions. Each employee was given a period of ‘Quality Time’, a minimum of two hours each month for improvement activities.

Prompted by a 1993 self-assessment, a decision was taken to alter the company’s mission and value statements rebranding them as ‘The Way Ahead’. These statements are still worked to today, and focus on, what is called internally “Triple Win”, namely:

- *Maximising the long term value for the company’s shareholders*
- *Providing customers with a first class service*
- *Enabling all employees to achieve their best.*

Measurement against these statements is conducted on an annual basis by reviewing what the stakeholders say in terms of shareholder value, customer value and staff perceptions.

Applying for the 1995 UK Business Excellence Award added renewed impetus to the improvement drive. More than 10% of the company’s employees were directly involved in the application process and every member of staff received a copy of the application document. Seeing the video at the 1995 staff conference, where Mortgage Express were short listed for the Award, galvanised the whole workforce to achieve more the following year. All the staff truly cared about making it happen and succeeded in doing so!

• The Next Steps

With such a roller coaster few years staff didn’t know what to expect next. One thing that was certain was that Mortgage Express would continue to change – everyone had come to terms with “Change being the Norm”, and they weren’t disappointed!

As part of the Lloyds TSB Group, Mortgage Express was put on the market to find a suitable buyer, and in May 1997, came under the new ownership of Bradford & Bingley Group. This change of parent meant that Mortgage Express momentarily took its eye off the ball and spent time reviewing commonality and best practice in its new Group.

However, during this time of change and reviews, sales still surpassed the company’s most optimistic expectations and the New Business functions were flooded with mortgage applications.

As a result, Mortgage Express suffered a couple of major service breakdowns, making it realise that a departmental reorganisation was needed to encourage efficiency and speed of service. In conjunction with its customers, and taking into consideration the opinions of staff, multi-skilled teams were formed to deal with and own applications from receipt to completion.

It took twelve months to fine tune the requirements, resulting in the department being reorganised into nine teams, with each one incorporating a small telephone team along with processing officers. However, having such small telephone teams did not prove successful – the contact rate increased dramatically, but resulted in high abandoned call rates, waiting times and customer dissatisfaction, because they couldn’t get through. Customers wanted a reversion to a central telephone team, which was carried out, and the broker desk reformed. Abandoned call rates dropped by 20%, and has now levelled off to 4%.

Mortgage Express has continued to review its processes, procedures and policies through its 'Listening to Customers' programme. This takes all the feedback from complaint analysis, satisfaction surveys, call recordings, etc, and identifies where there are barriers to providing excellent service. Using the weekly call recording workshop as an awareness tool to the whole of the business has proved extremely successful, heightening sensitivity to, and the importance of, the internal customer/supplier chain. It has also focused the business on a 'One Team' approach.

- **The Present and Future**

Early in 2000 it was necessary to alter the business structure, due to post completion activities moving into a new Joint Venture set up. The management team targeted areas of the business for improvement.

In addition, the first self-assessment since winning the 1996 UK Business Excellence Award was undertaken, and highlighted a number of key areas for improvement, that are now part of the operational plan. Although Mortgage Express is very critical of itself throughout the scoring of the self-assessment against the Excellence Model®, it realises that if it continues to refresh and review the business at the same rate, it will continue to lead its chosen market.

As the Managing Director, Keith Greenough, said when Mortgage Express first started using the quality tools and techniques, "If you're not riding the wave of change... you'll find yourself beneath it. The market place is changing rapidly and we need to continue to motivate our team of people to keep up with this change."