Standards for All: Delivering good outcomes regardless of size

Part 3: Training

Introduction

The effectiveness of a firm's training directly impacts the outcomes that customers receive. If training is not clear, engaging, and adding value, staff will not have the necessary skills to complete their role to a high level. Training should also not be something that happens infrequently, for example, when staff join a firm or new team; instead it has to be a continual part of the life and culture of the business. By thinking critically about how they deliver training and by promoting an environment of continual development, firms can implement best practice standards in this critical area and create tangible improvements on outcomes. Within this piece, we look at some key areas for firms to consider when it comes to training including learning from the first line, the purpose of training, overtraining, governance and regular reviews, and continual development.

In this series, Standards for All, we have looked at how any firm regardless of size can implement best practice standards including the Standards of Lending Practice. Beginning in June 2021, we have provided thought pieces looking at governance, assurance, and now training. This series aims to make two key points. Firstly, that the Standards and registration to the LSB is designed for any applicable firm keen to implement best practice and deliver better customer outcomes. Secondly, the series looks at how this can be achieved regardless of size or the resources available. If you have any questions about this or would like to know more about the LSB, please contact us using the details at the end of this piece.

Learning from the first line

The primary purpose of training is to equip staff to deliver good customer outcomes. We can therefore establish the effectiveness of training by looking at how customers are being treated and where any issues are occurring. Such issues may be due to other elements of the journey, for example, a flaw in the process or individual agent acting outside of their remit. However, it could be that a training need is contributing to customer detriment.

For example, training designed to help support those in financial difficulty would include covering if and when it is ever appropriate to request evidence when considering forbearance.

If quality assurance (QA) checks were identifying a trend that customers were being asked to provide evidence when it was not required, it is possible this is due to a training need. This would be established by considering the root cause of the issue. Sometimes this may be clear, for example, if staff explain they did not know as they had not received much training on the topic. Otherwise, it may involve reviewing the relevant training to see if it is accurate, clear, and given enough time on the training schedule.

It is therefore important to have clear links between the QA teams and those responsible for training. This allows for QA to update on any trends and identify training requirements. This could be achieved through monthly meetings between QA and training representatives or alternatively regular reporting of QA findings through to training departments.

Using customer review websites and feedback forms are a valuable way of identifying issues with the process, product, or delivery. These methods can also be useful in finding if training needs to be reviewed or improved to help in the provision of better outcomes.

Purpose of training

There is little less inspiring than having to sit through training that does not feel relevant to your role. For this reason and in order to deliver training that is engaging and memorable, training should include an explanation of its importance and how it contributes to customer outcomes. This is especially true when providing training that is non-role specific, for example, training that is delivered to all staff during an onboarding phase.

Let’s consider training relating to process driven actions. Often training relating to direct customer interactions can be made to be more interesting and may therefore be more memorable to the trainee. When it comes to the process behind that interaction, there is a risk that the trainee loses sight of the process’s importance but rather sees it as a ‘box-ticking’ exercise. This is despite the process being a very necessary part of delivering consistently good outcomes.

For example, training relating to dealing with customer telephone enquiries should emphasise the need to actively listen and deal promptly with any concerns or needs. Training may involve interactive sessions, with role playing, call listening, or other techniques used to show what good looks like. This, along with shadowed call taking sessions, will likely mean that the trainee learns and eventually understands how to treat customer enquiries. However, a process element such as the need to make a note following the interaction may not be remembered as clearly. This is because, to the trainee at least, the most important part of their role (empathetically and effectively dealing with the customer) is over.

Training should explain why the process element is so important to help make the impression on the trainee's mind. In this example, it would include explaining that not only do regulated firms and those registered to the Standards of Lending Practice have to treat customers well but they also need to be able to demonstrate that they have done so. This good governance and ability to oversee behaviour on the first line may be obvious to those with more experience of the industry. This may not be the case for new joiners or those in training and so should be clearly explained.

Explaining relevancy is needed when delivering all-staff training. For example, at the LSB, we have seen examples of onboarding training that provides all staff with vulnerability training. These firms have decided that to promote the firm's culture of treating vulnerable customers fairly, there is a need for all staff to understand what vulnerability is and why it matters. In training sessions like these, the reason for the training should be clearly explained at the outset. Without this, it may be unclear to some staff why they are having to complete such training. For example, a colleague working within a firm's Finance or HR department may think that vulnerability does not relate to them as they will never directly interact with vulnerable customers. Firms should therefore 'sell' the benefit and reason for the training to promote both engagement and understanding.

Overtraining

There will be times when a firm decides that certain training is needed for all members of staff. As described previously, an example of this could relate to a subject like vulnerability where the firm believes it is an important part of its culture. Other examples include subjects such as health and safety or a firm's IT systems. In these instances, each training package is clearly justified and necessary for staff to perform their roles and contribute to the goals of the firm. However, in other circumstances, there can be a risk that staff become 'overtrained.'

By overtraining, we are considering the risk that staff receive too much information, that the training is not relevant or proportionate, or that training is not adequately spaced out over time. Too much information can be given to staff when careful planning is not completed when designing and rolling out staff training. This can result in having sessions that are overly long or having multiple sessions that are squeezed into short periods of time. For example, this could occur if training is delivered to certain staff groups at the start of the year but then is not picked up again for 12 months.

Training should be relevant and proportionate to the trainee's role. There is only so much time available for training within a busy operational environment, so it is key to review training to ensure it is necessary and adding value. Sometimes it may be decided that sessions can be removed or shortened to increase their impact or to develop other skills within the allotted time. Where this is the case, training staff should work with department representatives relevant to the training in question, for example, working with management from the Collections department when reviewing financial difficulties training. This helps ensure that training that is necessary for the role is not removed but that excess or outdated information is.

One potential way of identifying overtraining is to conduct knowledge tests in the weeks and months following training sessions. Whilst conducting such tests is often done immediately following training in order to pass a module, there is also a benefit in spacing them out. By doing so, training teams can see how much information is being retained over time and if there are positive or negative correlations in taking a different approach.

Governance and regular reviews

Training should be regularly reviewed to ensure that is as good as it can be. This includes not just reviewing individual training packs or sessions but also looking at how the training schedule is delivered. By doing so, firms can continually develop their approach to ensure best practice standards whilst identifying errors or areas for improvement. For example, without regularly reviewing content, there could be inaccurate or outdated information within the packs. If the overall structure is not checked, there could be inefficiencies baked into the training system that impacts its success.

Firms should ensure that training is recorded, both in terms of training material and timetables for delivery. Training logs should be kept which demonstrate who has received training and on which dates. If training is provided across different channels, it is important to make sure that the records of those attending are captured and that there is an evidence trail of what occurred. For example, at the current time, mixed working environments are increasingly common with some staff working from home whilst others are in the office. Firms need to be sure that if staff miss required training sessions for any reason, this is picked up and that time is allocated for the colleague to complete the training.

Reviewing training material is necessary to check for accuracy as, especially over time, process or approach changes may make elements of the training outdated. Basic details should also be checked. At the LSB, we have seen examples of ‘off-the-shelf’ training used by firms, especially new entrants to the market who are having to grow their training offering at pace. These are purchased from specialist training providers and can, if used correctly, be beneficial as firms develop their own training provision. However, such training should be closely reviewed to ensure it is an accurate reflection of the firm’s approach and is edited to make it suitable for the audience. Without doing so, it can be obvious the training is generic and this could affect engagement and staff’s understanding of what is required.

Checking for tone ensures that there is a consistent approach to training across the firm. This means that training sessions do not regularly change approach or style without there being good reason for doing so. Training should be reflective of the firm's overall culture and approach to staff engagement.

Continual learning

It is a truism that learning does not stop in the classroom, however, firms can benefit by thinking about their approach to ongoing learning. As mentioned, the actual time available for training is relatively limited given the operational needs of the business. By considering how training is continued whilst staff are back doing their jobs, firms can help improve the retention of knowledge, allow for changes to approach to be taught in the live environment, and promote a culture of continual staff development.

One way this can be achieved is by reviewing the channels used to deliver training. Many firms will be using a mixed approach to training, with some completed within a classroom environment and others virtually (for example, in e-learning sessions). By making sure that the right training is provided using the best channels for it, firms can make the best use of time and help make learning 'stick.' For example, a mixture of channels may be effective, with initial training completed in-person and with refresher sessions delivered through digital channels. For soft skill training, such as how to have good customer conversations, it could be appropriate to deliver 'train the trainer' sessions to line managers who then coach and develop their team members over the coming months.

Anyone who has ever delivered training knows that the time set aside for questions at the end of a session can often be a quiet one. This is hopefully because attendees feel that they understand the content and feel confident about it. However, over time it is natural that the knowledge learnt will fade and questions may then arise. This is why training needs to be supported by a knowledge centre that can be easily accessed and navigated by staff when in the live environment. We have seen examples where firm's intranet knowledge systems have search functions, similar to an internet search engine. These can identify key words or phrases and then link to appropriate Q&A documents or training sessions.

Finally, it can be very beneficial to have staff learn from and develop each other. For example, if a staff member does something great with a customer, then management should encourage this to be shared within teams so other colleagues learn from the good practice example. If certain staff members have specific skills, then using them to help upskill other colleagues is a great way to deliver training in the live environment. For example, when colleagues move between roles internally, they likely have knowledge that could be beneficial to their new team. This should be utilised to develop those on the first line which will, in turn, improve customer outcomes.

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If you have any questions about anything within this piece or if there is any way we can assist you or your firm, please contact us at insight@lstdb.org.uk or using the details below.

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