



**The Chartered
Institute of Logistics
and Transport**

PROPOSAL FOR CHANGE IN TASK OWNERSHIP OF INTERNATIONAL EDUCATION PROCESS

May 2017

Background

This proposal results from difficulties in the process in running the education processes in International. It proposes a change in ownership of tasks not a relaxation of adherence to process. It is based on simplifying ownership of the 2 basic functions in the process, customer facing tasks and financial tasks. Overall audit control of the whole process remains with the IESC and IAC as the International mechanisms, so the simplification process also makes functions more transparent to any additional local audit process put in place. The overall ownership of the entire education process rests with CILT International and the Secretary General and his appointed representative.

The Principle of Task Ownership and split of duties

There should be single ownership of all customer facing tasks supported by “back office” financial tasks. The back office should ideally not have customer contact and the customer contact role should not have invoicing, banking or cash application tasks. This principle enables efficient and simple customer service with accountability easily understood. For the customer there is one point of contact and there can be no passing the buck on issues that arise in the process. For financial visibility and accuracy again there is a single accountability and responsibility for all finance actions. The approach also makes responsibility for account management clear and easy to understand for all parties.

Process Principles:

- Single face to the customer
- Segregation of financial duties involving cash application & reporting from customer transactions and customer contact
- Auditable processes for invoicing, cash receipt and banking, certification, moderation & student registration
- Visible reports and accurate regular reporting
- Adherence to process throughout all tasks and by all roles
- Electronic transfer of information rather than face to face transfer
- Clear accountability for task and process
- Low levels of management interference and intervention
- Focus on visibility and prevention rather than remedial actions after delivery

The issues with the Current Process:

Certification is a task linked to registration and customer ownership and understanding. This task has been owned by Ireland since the start of the International education service. Historically Ireland completed all the education tasks although the tasks and processes were undefined and complex when reviewed in 2012 by International and CILT Ireland together.

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The design of the database and the associated processes left the Ireland office with the certification task although all customer contact otherwise was first picked up by the International Professional Development Coordinator and then by the Education Administrator on appointment in 2015.

In its current form the process requires understanding of the different requirements of the customer and detailed communication on batching, wording, printing and despatch. This means the certification task is not truly “back office” as it requires complex and detailed instructions to be passed between the customer facing role and the Ireland office. Accountability for the accuracy of the certificates resides with the customer facing role and correction of errors also lie with the customer service role. In the current process this results in the certification task being over complex, prone to errors and harder to perform. This is accentuated by the fact the two roles are not co-located and do not work the same hours.

Currently there are high levels of management intervention in what is a fairly simple and low number of transactions and processes. This intervention has been driven by exceptions to process and by the nature of the customers dealt with. Intervention is also being driven by customer tasks being executed by the back office and any issues being dealt with consequently by the front office, customer facing staff.

Proposed split of tasks

1. Customer facing role

- All Expressions of interest from potential providers
- All enquiries from students and past students
- All accreditation and quality management processes including accreditation certificates
- Setting up of providers ,qualifications and certification templates on the database
- Guidance to new and existing providers on login and using the database
- Moderation process including putting moderators on stop/filtering out poor quality moderation submissions and liaising with the training providers
- Exam results receipt and entry
- Certification process including final validation, checks and printing/despatch
- Administration of replacement certificates
- Dealing with all customer queries, complaints and issues including referrals from the IPDC, SG, Ceri Williams and CILT UK PD

2. Back office role

- All student batching and invoice raising on a daily basis
- All finance adjustment requests dealt with same day or in 24 hrs

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- Account processing to be done on weekly by 12 noon on a Monday
- Bank up to date on a daily basis
- Income posting up to date weekly
- Reports for CILT international team weekly i.e.
 - Run of aged debtors weekly
 - Run of customer activity report weekly
 - Run of detailed sage report weekly
- Monthly statements produced & sent to all providers and copied to Zoe
- Overdue and credit control warnings – Amy flags for Zoe to manage relationship with the customer
- Old logo on invoices - to come off urgently

Specific Examples of complexity in certification tasks in the current process

- For each time a batch of certificates are raised an email has to be sent to Amy from Zoe to explain what & how many to print, where to send, together with any special details.
- The incidence of the above will become more complex as more providers opt for CPD/modular and other combinations of courses.
- This extends the time of the overall task and because different hours are worked extra time is consumed checking and responding. There are delays in getting the certificates to the end customer as a result because of the two location approach. In turn this results in more chase emails from the customer.
- If there are any queries on a batch then this should be an exchange of emails
- If owned by one person this would be a seamless task with no added exchange of information or loss in time
- On 5-10% of the certificates there are adjustments caused by resits, manual raised certificates. These have to be communicated each time between Amy and Zoe
- The database does not record despatch of certificates so if there are any issues with receipt or questions on delivery date these come to Zoe and have to be referred to Amy

Specific examples of the improvement of financial reporting and process if back office tasks focused on these

- The database financial data will always be up to date
- Reporting will be timely and more frequent
- Cash receipt in International will be easier to manage and see
- Debt chasing will be more efficient as figures and numbers will be up to date and visible

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- Amy can focus on the debt situation and identify more readily the accounts that should be put on stop. Zoe can also stop moderators from incurring additional costs where exams arrive for checking before we know there is a problem
- Invoices and cash application will be on time and cleared more quickly

Benefits of changing certification ownership

There is an immediate opportunity to provide a better back office service and better customer service by changing certification ownership and focusing the back office function on financial processes and reporting. Transfer of task is minimised and the customer service role is the prime owner of all customer communication. The finance role has full visibility of the finance system and finance processes and can focus on the delivery of the tasks associated with that system.

Future benefits of making these process changes

Currently and since the beginning of the International education service the banking and financial systems have been through the CILT Ireland finance systems. Monies are then transferred to the CILT International finance system. This transfer is defined and controlled and gives accurate reporting and secure banking.

However in the longer term there are some minor benefits of moving this all onto the International system both in process and cost terms. By moving all customer facing tasks to International control and all finance tasks to the back office this will improve process efficiency now and enable a future change to one system, when deemed either appropriate or necessary.

International will not be making those changes without proper and full further discussion with CILT Ireland. This would include working within the SLA terms of agreement and providing full and sufficient notice. Currently and for the foreseeable future there is not the capability to take on the financial tasks into International either from a system point of view or from a staffing point of view. In making any changes the processes should retain the financial segregation of duties and this would still mean that the customer service task and the financial task would need to be done by two people.

Therefore this proposal is needed to be implemented quickly and efficiently. This can and should be upon agreement at the start of the next working month.

Keith Newton

6th May 2017