

## AXA BS – up to standard?

In the summer Amicus issued a questionnaire to staff across AXA UK, concerning the quality of the work undertaken by AXA Business Services (AXA BS) in India. The response was phenomenal with over 1,000 replies coming in from workers in AXA Insurance, Life and Shared Services. Across these areas, the message was the same – the quality of AXA BS work was not as good as it is cracked up to be.

### Why did we issue a questionnaire?

This questionnaire is the first we have ever issued on an issue like this, so why did we? Amicus official Hugh Jones-Glass explains; *“the union was receiving conflicting messages from members and AXA management on the issue of how good the work was that was coming out of India. Management were producing audit scores of 98 to 100% and stating that the quality was as good as, if not better, than that from UK workers. Staff disputed this and we had a lot of anecdotal evidence to this effect. Given that AXA are now using quality as another reason to offshore work, as opposed to cost savings, we had some serious concerns that the two messages were so wildly different. Part of our role as a responsible trade union with the interests of our members in AXA at heart is to bring these issues to the attention of management so they can be addressed.”*

The response rate to the questionnaire was very high and many staff members went to great length to provide details of their experiences, and those of customers, who have dealt with AXA BS. However there was a small minority questioning our motivation in issuing the questionnaire.

*“We received just six reponses criticising the questionnaire”,* said Steve Blease, AXA Shared Services Seconded Rep. *“One anonymous respondent claimed that we were being racist, which was a very cheap shot. Anyone who has seen the work we have done on offshoring and corporate social responsibility, read our newsletters or even the report we wrote on AXA BS for the European Works Council, would see that this is not a fair accusation. Another asked would we have conducted such as survey for a UK based part of AXA and another asked about our approach to UK based outsource providers. To be frank, we have received complaints on occasion about other AXA operations, such as AXA Tech, and we have relayed those to management. Similarly we have had a number of complaints about the likes of Accenture, Mowlem and Xansa, and again we have raised these with management in the appropriate forums. However, the key difference is that with all these examples, management took a pragmatic view and listened to this feedback. With AXA BS they refused to accept the anecdotal information we had and fell back on the quality control audit scores. It was felt that a questionnaire would provide a more scientific analysis allowing us to show whether there was an issue or not”.*



### What did the questionnaire show?

The high response rate of over a thousand staff has provided a sufficient database for us to draw conclusions on the perceived quality of the work undertaken by AXA BS, as well as the auditing process that measures it. Amicus has produced a 14 page report analysing the data which your local union rep can provide members with a copy of. However the key points the responses highlighted were as follows:

**Pic:** AXA BS office in Bangalore.

## Basic errors and rework

Errors occur in any workplace, we all appreciate that. However UK workers felt that the level of errors in the work they were seeing was too high. Richard Brooks, **AXA Life** Seconded Rep, explains: *“70% of staff reported having to carry out rework on work produced by AXA BS. Many included examples of silly basic errors that are unlikely to have occurred in the UK. These included names such as ‘Dear Mr Smith John’, incorrect address spellings, incorrect quotes and a number of cases where customer requests had just been ignored. From what staff reported, UK management are either unaware, or underplay, the amount of errors and the consequent uncredited rework going on in all areas surveyed.”*

## Language and training

An inability to understand some of the staff in Bangalore and Pune was also another issue raised by many UK staff. Whilst most staff accepted there were bound to be some differences and problems on the basis of dialect and culture, the number of problems that arose and the frustrations that occurred should be of concern to **AXA** management. *“One worker stated how they had been on the phone for over 20 minutes trying to deal with a claim query on behalf of an external customer”* stated **AXA Insurance** Seconded Rep Steve Gooden. *“The valid point raised was what would the external customer have made of this experience if they had dealt directly with AXA BS?”*

## Customer opinion and loss of business

Staff also expressed concern that **AXA UK** were not listening to customer opinion when it came to transferring work to **AXA BS**. **AXA Life** Seconded Rep Richard Brooks explains: *“the statistics showed that 42% of staff knew of customers who had declined to deal with AXA BS because of concerns about quality. Many examples were provided of customers trying to avoid dealing with India and putting extra work on UK employees who have their own work to do. More worrying, whilst the figure was 42% overall, in AXA Insurance it was 58%! This is probably down to the fact that more customer facing work has been sent out recently by Insurance and that annualised contracts are easier to move elsewhere. The potential impact on AXA UK’s bottom line caused by loss of business arising from AXA BS needs serious investigation”.*

## Audit and complaints system

The audit and complaints logging systems also came under criticism by staff. *“40% of respondents stated that they though the official quality audit figures for AXA BS were not accurate, whilst 34% felt that the work was audited to a lower standard”* stated **AXA Shared Services** Seconded Rep Steve Blease. *“There were a number of examples of apparent discrepancies between the audit scores recorded for AXA BS and the items of work that had been seen by UK staff. How on earth can Dennis Holt and the UK Exec make any sensible business decisions on utilising AXA BS if the audit scores themselves are not accurate? Any audit system needs to be robust, fair and above all consistent otherwise management could end up making incorrect strategic decisions”.* Staff also criticised the complaints logging procedure pointing out examples were they had been discouraged from blaming **AXA BS** directly for customer complaints arising out of their work.

## What happens now?

**Amicus** has provided **AXA** management with the full report on the questionnaire and also made a presentation to them based on the results, which they are now considering. We are also willing to share base data (on an anonymous basis) so points of detail can be investigated. Based on the areas of concern identified by the questionnaire on **AXA BS** quality, we have made two overall recommendations, which we feel are reasonable in the circumstances:

- There should be an independent review of the auditing procedures, driven by the feedback of the **AXA UK** staff who deal with work carried out by **AXA BS**.
- There should be a survey of customers and analyses of business trends to establish the effects of offshoring on customer satisfaction, new business and business retention.

**It is important that AXA UK management take this feedback seriously. Whatever they would like to think, there clearly are issues regarding AXA BS quality, and the perception of it, that do need urgent review, which this questionnaire has demonstrated. To ignore the findings could lead to potentially damaging consequences for the UK business and its customer base, which is in no-ones interest.**

**If you wish to read the full report please contact your local union rep who can supply members with a copy or email [steve.blease@axa-insurance.co.uk](mailto:steve.blease@axa-insurance.co.uk)**

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