

Case Study: HM Revenue & Customs

Responsive Government with KANA Response



THE COMPANY

HMRC collects and administers UK tax revenue, pays tax credits and child benefits and strengthens the UK's frontiers.

THE CHALLENGE

Deliver great online service and encourage taxpayer use of self-service.

THE SOLUTION

KANA Response

THE RESULTS

90% of surveyed customers reported the online service is easy to use; better workload balancing in the contact center; strategic e-mail management solution for agency-wide deployment.

New email service for employers achieves high levels of customer and use while improving service levels and efficiency.

HM Revenue and Customs (HMRC) is the UK government agency responsible for collecting and administering direct and indirect tax revenue, as well as paying tax credits and child benefits. In addition, the agency has responsibility for border protection, environmental taxes, minimum wage enforcement and student loan recovery.

As governments around the world are responding to legislation and citizen demand for faster, more efficient government, HMRC has been encouraging self-service with a wide range of taxpayer, employer and business resources available through its website. "We are trying to encourage customers to move to a channel that is better for both them and us," said Simon Hough, HMRC Requirements Manager for KANA Response E-mail Services.

"The best thing about KANA Response is its flexibility—its management of business rules, queues and content and the fact that we can make changes so fast. KANA Response responds quickly to operational needs, which lets us move it into new business areas rapidly."

Simon Hough, HMRC Requirements Manager

In 2002, HMRC determined that offering the best possible online service would require additional support for customers via e-mail. "Increasingly customers want to use e-mail," noted Simon. "At the same time, because we will be requiring employers to file via the Internet, we wanted to be sure that they can complete these online processes as quickly and easily as possible. That's why we needed to offer them the additional support e-mail can provide."

A Strategic E-mail Management Solution

Given the diverse nature of its user base and inquiries, as well as the large volume of e-mails expected, HMRC chose KANA Response for its e-mail response management solution. HMRC considers KANA Response to be a strategic asset for its growing online operations as the solution



offers configuration flexibility, response automation, categorization and routing as well as the scalability needed to manage the projected e-mail volume.

HMRC started its e-mail service with several proof-of-concept projects in December 2002. The agency began with an e-mail helpdesk for its new online services. In September 2003, HMRC implemented wider proofs of concept with e-mail service for non-resident taxpayers, followed by the national minimum wage unit and an order line for requesting forms. The final proof of concept was for the child trust fund and tax credit for local authorities.

This series of projects led to deployment KANA Response as a strategic infrastructure in December, 2005, paving the way for roll-out across HMRC. In 2006, HMRC implemented e-mail service for employers beginning with new employer registrations. Taking advantage of the KANA Response ability to manage Web forms, HMRC created a structured form for employer registration. "Using the form enables us to get better quality data from the customer, which speeds up resolution. It makes sure we have all the information we need to complete the request the first time," Simon said. Customers have responded well. In an independent study, 90% of respondents found the completion process easy, with 65% saying it was very easy. The agency's 400 concurrent contact center advisors are equally positive. Overall, 96% of surveyed customers and advisors find the service useful, with 78% considering it to be very useful.

HMRC uses KANA auto-acknowledgement to help set customer expectations and direct them to additional self-service resources. As Simon explained, "We use acknowledgements to explain the time frame for response. We also direct customers to existing online guidance, such as a self-service calculator. If somebody asks how to calculate sick pay for an employee, we can send back hyperlinks to the online tool and invite them to get in touch again if they need more help. It is of strategic importance to us that when people use e-mail we have a chance to direct them to self-service. It gives us the opportunity to educate the customer and make better use of the material on our website."

Productivity Excels with Automatically Suggested Answers

Since 2002, HMRC has managed more than 1.6 million e-mails via KANA Response while smoothing workloads in its contact centers. "When we introduced KANA Response for employer registrations, we saw an immediate shift in terms of meeting customer expectations, load balancing and completing work within SLA by the end of the day. Accepting e-mail has enabled us to improve our service level and efficiency in how we use HMRC resources," Simon pointed out.

HMRC uses the sophisticated analysis capabilities built into KANA Response to automatically analyze content in incoming e-mails and suggest responses to the contact center advisors. The agency introduced auto-suggestion gradually based on an analysis of e-mails received to avoid sending unrelated or duplicate replies. "When we see that 98% of e-mails have similar content and advisors select the same response to them, we look at creating an auto-suggestion based on that. It's a much more stable approach than trying to invent rules at launch," Simon explained.

The inquiries are processed using varying SLAs for the different lines of business. Employment registration e-mails are routed to an appropriate advisor based on structured information entered in the form, such as size and type of the business. “We can match the inquiries with our advisors who have different skills and work with different types of businesses,” noted Simon. HMRC considers first-time resolution to be critical given tough legislative requirements, the high demands of employers and the need to increase job satisfaction among advisors. The agency strives to improve response not just in terms of time, but also in the accuracy of the guidance given. “We spend a lot of time making sure that guidance in our standard and structured e-mail responses is as accurate as it can be. We have quick processes for updating when it changes.” Simon continued, “The best thing about KANA Response is its flexibility— its management of business rules, queues and content and the fact that we can make changes so fast. KANA Response responds quickly to operational needs, which lets us move it into new business areas rapidly.”

Future Deployment Across HMRC

KANA Response has proven itself to be a strategic solution for HMRC, and the agency has plans to increase the availability of e-mail support in multiple business areas and customer segments. The Fall 2006 phase of the employer support project provides detailed guidance for managing statutory sick pay, maternity pay, etc. In the future, HMRC is considering handling transaction inquiries by e-mail using a secure link and information that allows the agency to identify the sender and transaction request.

Throughout the implementation of the proof-of-concept and employer registration projects, HMRC has found KANA to be a supportive and enthusiastic partner. “We’re very impressed with the after-sales support and ongoing interest from KANA. They have been very attentive as we considered our strategic objectives and business areas for deployment. They’ve always had a keen interest to provide us with advice and experience,” Simon concluded.

To learn more about how the KANA suite of intelligent multi-channel solutions can help you create customers for life, call **1-800-737-8738**.