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Pathway

*Audit of the Horizon System
HelpDesk*

Ref: IA/REP/022
Version: 1.0
Date: 28/04/00

Document Title: Audit of the Horizon System HelpDesk

Document Type: Report

Abstract: This report documents the outcome of an internal audit of the delivery of the Horizon System Help desk by OSD and the management of that delivery by Customer Services, ICL Pathway.

Status: APPROVED

Distribution:

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0 Document control

0.1 Document history

| Version | Date | Reason |
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| 0.1 | 10/04/00 | First internal draft for comments |
| 0.2 | 17/04/00 | Minor re-drafting |
| 1.0 | 28/04/00 | Raised to issue following review by D. Fletcher. |

0.2 Approval authorities

| Name | Position | Signature | Date |
|------------|-------------------------|-----------|------|
| M. Bennett | Director Quality & Risk | | |

0.3 Associated documents

| | Reference | Vers | Date | Title | Source |
|--|-----------|------|------|-------|--------|
| | | | | | |
| | | | | | |

0.4 Abbreviations

| Acronym | Meaning |
|---------|---|
| HSH | Horizon System HelpDesk |
| OSD | Operational Services Division |
| NBSC | (POCL) National Business Support Centre |
| POCL | Post Office Counters Limited |
| CS | Customer Services |
| NRO | National Roll Out |
| SLA | Service Level Agreement |

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1 Introduction

The Horizon System HelpDesk (HSH) is the core enabling technology behind the Incident Management process which was developed and is managed by Customer Services. It is an outsourced to Operational Services Division (OSD) who operate the service from two locations, STE09 and MAN05.

Although titled 'Audit of Horizon System HelpDesk' the audit actually concentrated on Customer Services's management of the HSH service delivered to Post Office Counters Limited (POCL) by OSD.

The audit forms part of the planned programme of work for Pathway Internal Audit.

2 Scope & Conduct

The scope of the audit was defined in formal Terms of Reference, issued on 16th February 2000 and presented at Annex A to this report.

The work was carried out during February and March 2000 by Jan Holmes, Audit Manager, ICL Pathway. Interviews were held with appropriate managers within Customer Services and the opportunity was taken to visit the HSH at MAN05.

A meeting of the newly formed Help Desk Forum was also attended and POCL NBSC Barnsley on 28th February.

Following the interviews and visits a Control Objective Questionnaire that addresses six key areas was completed and from that an overall assessment of the internal controls made.

The co-operation of members of Customer Services, Brendan Nugent of OSD and the members of POCL at the HDF meeting at Barnsley during this activity is appreciated.

3 Management Summary

3.1 Background to the Audit

- 3.1.1 This audit was conducted against the background of questions being raised about the quality of service being provided by the Horizon System Helpdesk. In particular, concern had been expressed about a number of specific SLA measures, namely the answering of calls within 20 seconds (80%) and 40 seconds (99.9%), and the failure to answer a call before the caller rings off, abandoned calls, which should not exceed 1%. Concern was expressed by Pathway management that the day to day control of the HSH by OSD was not satisfactory and that adequate controls had not been imposed by Pathway Customer Services that would enable them to manage OSD's delivery successfully.
- 3.1.2 With this in mind the audit concentrated on how well Pathway Customer Services were managing OSD's delivery of the service, rather than just looking at the HSH itself. This was deliberate since any recommendations made would have to be actioned through the normal management channels, ie. Pathway Customer Services. Six key areas were considered :
- Planning for Service Delivery
 - Service Requirements
 - Contract Management
 - Service Review
 - Capacity Planning
 - Contingency Planning

3.2 Overall Opinion

- 3.2.1 In all the above major areas the audit found that the Horizon System Helpdesk is being well managed by OSD at the working level, and that recent changes to the structure of Customer Services has provided improved control over the whole service delivery. There are a number of relatively minor issues emerging from the audit and these are identified in Section 4 – Detailed Observations.
- 3.2.2 From the OSD perspective, the management of the HSH has now settled down following a period where there had been 5 different managers in 18 months. In addition the HSH has now been incorporated into OSD's Productivity Centre structure whereas previously it had been outside and standalone. The reasons for this exclusion are not fully understood but may be down to the historical

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PFI structure associated with Pathway. The position regarding two sites has been resolved with both STE09 and MAN05 operating in parallel as opposed to original concept of primary and secondary site. This makes for easier work transfer between sites and improved resilience.

- 3.2.3 There is a well established structure of review meetings between Pathway and OSD and between Pathway and POCL. This operates at all levels of formality but comes together at the working level at the HelpDesk Forum (HDF). This new group provides a welcome move away from the formal Supplier (OSD) and Horizon Service Management Review (POCL) and enables all parties to explore issues and improvement opportunities informally.

3.3 The Wednesday Peak

- 3.3.1 The fundamental problem facing the HSH is the weekly 'spike' of work on Wednesday's associated with Cash Accounts and Balancing. The fact that the work load on this day is anomalous with the remainder of the working week is providing a real challenge to OSD in balancing the need to meet SLAs while operating within a sensible staffing model that takes account of the total call pattern over a week. OSD are looking at ways of alleviating the problem, especially as the key SLAs under pressure are the prime targets of this weekly workload. Initiatives include the introduction of Interactive Voice Recognition (IVR) although any benefits associated with introducing IVR would have to be measured against increasing public hostility to these mechanisms.

I understand that POCL have, in the past, been resistant to the introduction of IVR although there are circumstances when a recorded message could be useful in dealing with a common fault. In addition a welcoming message, however unhelpful at the time, is a means of providing inclusivity to the Post Master at the time of need. At the moment the 'phone is just allowed to ring until such time as the PM gives up or is answered by a Helpdesk Agent. I recommend that the use of IVR is actively considered and taken up with POCL.

- 3.3.2 I believe that there are gains to be made in re-positioning POCL's National Business Support Centre so that it operates in front of the Horizon System Helpdesk and not in parallel. Call volume is the underlying factor with the three key SLAs identified earlier. It would not be practicable to resource the HSH to meet the Wednesday spike since for the remainder of the week it would be impossible to retain the motivation and commitment of staff sitting idle. The alternative is to reduce the call volumes such that the existing pool of HSH resource can deal with the extra work and maintain the SLAs. One way to achieve this would be to position the NBCS as the primary interface for Post Masters and for them to route only those calls as are appropriate to the HSH.

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The current parallel positioning of these two call centres allows for mis-directed calls having to be routed to the alternative centre, confusion for Post Masters when deciding which centre to call, and time spent by Pathway, OSD and POCL establishing complex rules for call exchange and resolving calls passed between the centres. I recommend that this approach is actively considered by Pathway, OSD and POCL as a means of reducing call volumes and improving response times to Post Masters.

4 Detailed Observations

4.1 Approach

- 4.1.1 A detailed Control Objective Questionnaire was developed for this audit and completed following interviews with key personnel and a review of prime documents. The questionnaire was derived from the CCTA Managing Facilities Management handbook and identified 6 key areas to be considered :

- Planning for Service Delivery
- Service Requirements
- Contract Management
- Service Review
- Capacity Planning
- Contingency Planning

Within each area a number of specific issues are addressed aimed at identifying internal controls, confirming their application and measuring their effectiveness.

- 4.1.2 There has been continued debate around a number of key SLAs and our continuing failure to achieve the contracted performance levels. There have been some initiatives in this area and these were also considered during the audit. Details can be found in Section 4.8 of the report.

4.2 Planning for Service Delivery

Objective : To ensure that Customer Services possess the organisation, resources, processes and procedures to provide effective management of the delivery of the Horizon System Helpdesk to POCL by OSD.

- 4.2.1 The delivery of the HSH service to POCL by OSD is managed by the Infrastructure Services are of ICL Pathway Customer Services. The Strategic Services Manager is responsible for the day to day control of the OSD service and a Service Manager has been appointed. During the audit I was shown the text that the SSM is proposing to introduce into CS Operations Manual.

The current organisational structure has been in place for some time and the Strategic Services Manager since May 1999 and the formal documenting of this part of the Infrastructure Services's responsibilities should be completed as soon as possible. It will be required for the forthcoming BSI certification exercise in September.

- 4.2.2 The HSH is the enabling toolset that sits beneath the Incident Management process (CS/PRD/074) which is described in an undated document at Vo.1. It identifies the Joint Service Management Framework discussed later in this report. It also links directly into the Problem Management process (CS/PRO/021) and references the HSH/NBSC Interface Agreement which is a recent addition to the documentation structure.

As with the CS Operations Manual this document is a key element of the CS QMS which will be required for the September BSI certification exercise. I recommend that this document be completed, reviewed and brought to issue status as soon as possible.

- 4.2.3 At the next level down there are two further key documents, the NR2 Horizon System Helpdesk Processes and Procedures Description (CS/PRO/048) and the Horizon System Helpdesk Incident Procedures (DSP/PRO/HH/010). Both of these documents are at issue status with the former dated 15/06/99 and the latter 04/06/98.

Given the changes that have occurred with the HSH in the recent months it is highly unlikely that these documents reflect the reality of day to day operation any more. I recommend that these documents be reviewed and updated where appropriate.

- 4.2.4 The review meetings and forums implemented by CS Infrastructure Services to manage the HSH delivery are described in Section 4.5 - Service Review.
- 4.2.5 Service improvement targets are not explicitly set by CS for OSD insofar that the SLAs form the performance targets to be achieved. Discussions with both the CS Strategic Services Manager and his OSD counterpart suggest that until recently their primary objective had been to get the HSH under control and to start addressing the performance issues that were beginning to become apparent to POCL through the HSRF. However, as things have settled down OSD are actively considering ways of addressing the call pick-up and abandoned calls that form the core of the concerns raised by POCL. This

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includes the consideration of an Interactive Voice Recognition system to manage queues and potentially provide pre-recorded advice and guidance messages on simple repetitive problems to Post Masters.

- 4.2.6 There are a number of Horizon Reference Systems available at the HSH locations to allow agents to 'mimic' activities reported by the Post Masters in an attempt to re-create a problem. The Reference Systems are distributed on a one per bank of desks approach. I noted that where there were three agents across a bank of desks it is impossible for the outermost agent to be able to deal with their HSH screen and refer to the Horizon Reference System concurrently.

I understand that the provision of Horizon Reference Systems to HSH is being reviewed. It seems obvious but unless an HSH agent can have concurrent access to the HSH system as well as the Horizon Reference System their ability to interact with the Post Master while attempting to re-create a problem scenario is severely hindered. I recommend that consideration is given to supplying, at a minimum, one Reference System between two HSH agents.

4.3 HSH Requirements

Objective : To ensure that POCL's requirements for the HSH have been identified, quantified, documented, understood and are subject to periodic review.

- 4.3.1 Schedule A15 forms the basis of the service requirements while Schedule G19 covers the performance requirements. These are consolidated into a single Business Portfolio document for the HSH (CS/PER/003) and it is this that details the SLAs against which the HSH service is measured by the Horizon Service Management Review. The service itself was subject to formal acceptance under the contract and while the service characteristics were considered to be satisfactory the performance was not so and this resulted in Acceptance Incident 408 being raised.
- 4.3.2 Changes to the service and performance characteristics can be introduced through the existing change control procedures and the HDF responsibilities identified in the Interface Agreement imply that this Forum is likely to be where most changes are identified and initiated.

4.4 Contract Management

Objective : To ensure that appropriate levels of control are exercised over the contractual arrangements between OSD and CS and between CS and POCL.

- 4.4.1 There is a single Agreement in place between Pathway and OSD (CFM as was) that covers the totality of services provided by that organisation either to us directly or to POCL on our behalf. The Agreement has a number of discrete elements, one of which describes the Horizon Service Helpdesk in terms of a service description and performance characteristics that must be achieved.
- 4.4.2 Contract review is achieved through the monthly Supplier Review meetings held between Pathway CS and OSD. These are described in more detail in Section 4.5 below. Although changes have been made to elements of the OSD (CFM) Agreement none have been made to that area controlling the provision of HSH services.
- 4.4.3 The Agreement between Pathway and POCL is the Codified Agreement established following the withdrawal of the DSS during 1999. As the HSH was a POCL only service under the old contract there was, in effect, no change to the schedules defining and controlling the service.
- 4.4.4 Contract review is achieved through the Horizon Service Management Review described in more detail in Section 4.5. It is intended that the recently formed Held Desk Forum, while not having any formal contract review capacity, will initiate review or changes from their working level activities. These would be referred up to the HSRF and, if necessary, escalated to the Contract Administration Meeting.

4.5 HSH Service Review

Objective : To ensure that mechanisms exist and are operating to review the effectiveness of the HSH in meeting POCL's requirements.

- 4.5.1 The audit considered this subject at two levels of relationship and two levels of formality :
 - a. The formal relationship between OSD and Customer Services via the Supplier Review.
 - b. The formal relationship between Customer Services and POCL via the Horizon Service Management Review.
 - c. The working level relationship between OSD, HSH and NBSC via the Held Desk Forum.

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In all cases the controls found were considered satisfactory and the evidence suggests that the various reporting and review mechanisms are being appropriately exercised.

- 4.5.2 The basis for the delivery of the HSH service is the Business Portfolio – Help Desk Services (CS/PER/006) which documents the service and performance characteristics required. These are themselves derived from the Service Level Schedules and the one applicable to HSH is Schedule G10. The measures associated with the service are captured in Service Level Agreements and it is these which form the basis of review between the parties.
- 4.5.3 OSD performance is reviewed during the monthly Supplier Forum held between CS and the supplier in question. OSD provide a monthly statistics pack and have recently added a short narrative paper describing the various improvement activities currently underway. Meetings are minuted and actions plans created when appropriate and reviewed during the meeting.
- 4.5.4 The Horizon Service Review Forum is the top level formal review between POCL and Pathway and covers the HSH among a number of other topics. The Horizon SRF is one element of the overall Service Management Framework which is a joint Pathway POCL initiative to define and deploy the working level interpretation of the contract. Specifically there is a Service Review Framework that establishes the “definitions and policies that have been agreed for the provision of reviews of the Horizon services by Post Office Counters and ICL Pathway”.

During the audit I was shown a variety of joint documents that make up the Framework. Their status, ref approval and issue, are varied and in the case of Incident Management is at vo.8 a full year after vo.1 was drafted. These Framework documents underpin the working relationship between ICL Pathway and Post Office Counters Ltd and I recommend that their content be finalised, agreed, approved and deployed without delay.

- 4.5.5 CS produce the monthly Service Review Performance Statistics by the 5th of each month. The HSH statistics are presented such that analysis at different levels can be made. For example, as well as providing gross call volumes there is also an analysis of numbers of calls per outlet averaged across the installed base. This information is also posted on the CS Intranet site.
- 4.5.6 At the next level down the recently established Help Desk Forum (HDF) provides a more informal opportunity for OSD, Pathway and POCL in the form of the National Business Support Centre (NBSC) to review and discuss matters of mutual interest. An Interface Document (CS/IFS/007) has been jointly developed and agreed and establishes the scope, purpose and responsibilities for the Forum. I attended the February 28th meeting of this Forum as part of the

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audit and was impressed by the openness and positive attitude of all parties in addressing the issues currently facing the HSH and NBSC.

- 4.5.7 One of the Agenda items at the HDF is the Joint Review of Customer Complaints and at the meeting of 28th February POCL distributed an un-referenced and undated document 'Horizon System Helpdesk Issues' which purported to report complaints registered at the NBSC about the HSH. It became clear during the meeting that this list represented a POCL view of the HSH service and was by no means accepted as such by Pathway and OSD. Complaints can form an important element of service improvement but there has to be an agreed definition of what constitutes a complaint and how that information is published, used and circulated.

No doubt further discussions have taken place between POCL, Pathway and OSD regarding this Complaints Register since 28th February and it is recommended that Customer Services take all steps to ensure that an agreed position is reached on the use of this register in improving the HSH service.

4.6 Capacity Planning

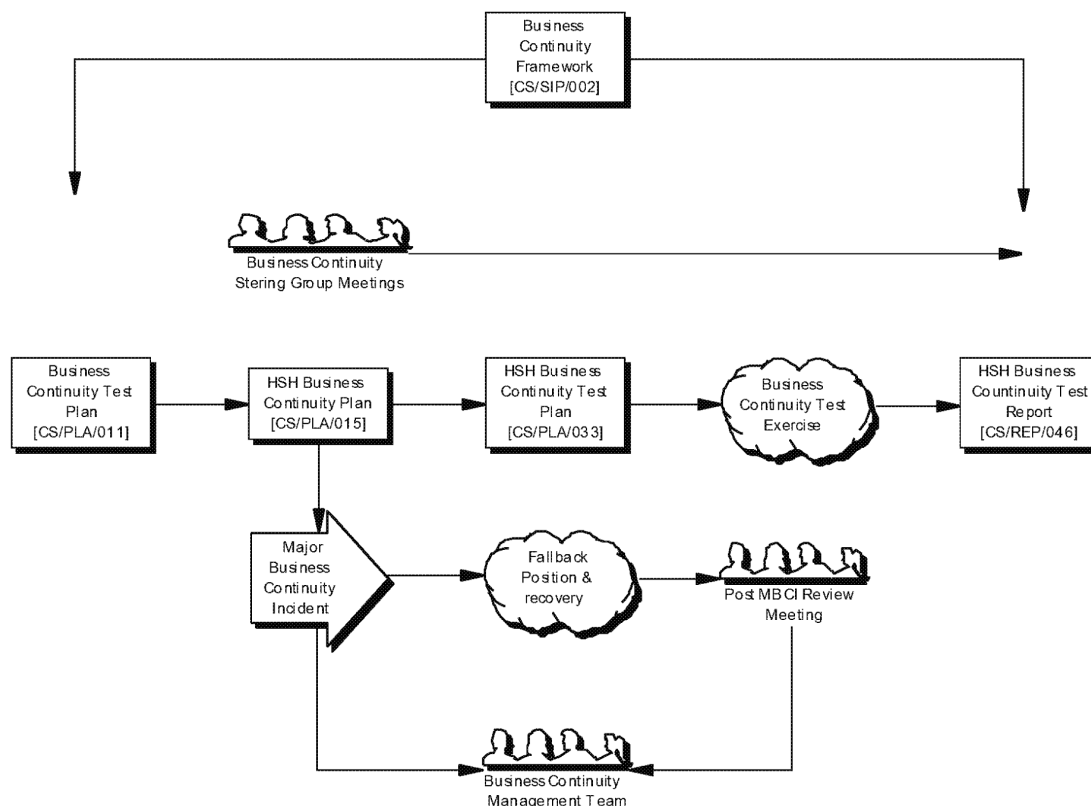
Objective : To ensure that mechanisms exist and operating to review the resourcing of the HSH in the light of changing volumes and business requirements and that changes to staffing levels can be achieved in both short and long timescales.

- 4.6.1 The HSH Manager confirmed that staffing levels at the two sites used are derived through a well established algorithm used by OSD and based on the anticipated volume of calls. This number is provided by POCL on the basis of outlets rolled out and has, according to OSD reviews, been relatively accurate.
- 4.6.2 However, discussions with Pathway CS indicated that this was not their understanding and that different sets of figures were provided by CS for input to a different OSD model. This model took into account ratios of call types and numbers of outlets rolled out and presented a more complex, granular view of headcount requirements.
- 4.6.3 Subsequent attempt to clarify the situation were not successful. On 13th April Pathway CS raised a corporate Red Alert on OSD following a period when 9 of the relevant 16 SLAs failed and a higher than expected number of complaints was received from POCL. This Alert remains open and an action plan has been prepared and is being actioned.

4.7 Contingency Planning

Objective : To ensure that the HSH is capable of continuous operation in the event of a catastrophic failure of the primary location (STEO9).

- 4.7.1 The HSH operates out of two ICL locations, Stevenage (STEO9) and West Gorton (MANo5) and this brings with it a degree of inbuilt resilience. It was originally anticipated that STEO9 would operate as the primary site with MANo5 retained for fallback but in reality both sites are now operating in parallel. The telephony system installed is capable of intelligent routing of calls to whichever location has capacity.
- 4.7.2 The audit found that extensive planning and CS management time had been put into contingency planning for the HSH. A top level framework exists that covers all elements of the Horizon service, Business Continuity Framework (CS/SIP/002), and beneath this there is a specific plan for HSH, The HSH Business Continuity Plan (CS/PLA/015). This document contains details of the following :
- a. HSH structure, organisation and manning.
 - b. The testing strategy to be adopted.
 - c. Preventative, preparedness and contingency measures.
 - d. Actions to undertake upon recovery of normal service.
 - e. Risk assessment and impact statements.
 - f. Trigger points and plan activation details.
 - g. Contacts
- Beneath this plan there is a specific HSH Business Continuity Test Plan (CS/PLA/033) which contains the scenarios and scripts which can be invoked to cover the various risks and impacts identified in the Plan.
- 4.7.3 The HSH business continuity framework can be presented diagrammatically :



The steering committee sits to oversee all aspects of the business continuity activity, including periodic testing.

- 4.7.4 The BCP identifies a number of business risks that apply to the HSH that could cause the plan to be invoked. Discussion with the Pathway Risk Manager confirmed that this register had not been reviewed by him as part of his programme wide role. There is benefit to both sides by including such a review; for the HSH there is the assurance that a second, broader perspective has been taken; for the programme the confirmation that all appropriate risks have been taken into account.

I recommend that the Risk Manager, QRM, undertakes a review of the risks contained in the HSH BCP. This review should extend to other risk registers contained in other BCPs.

- 4.7.5 During the year the various BCPs are tested and the results consolidated into a single, end of year report, 1999 Business Continuity Test Report (CS/REP/046). The HSH entry indicates that a full continuity test cycle was conducted on 28th & 29th June 1999 with the objective of “exercising and demonstrating OSD/Pathway Business continuity plans and processes to provide the HSH service from the secondary site at Manchester within contracted time limits”.

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Scrutiny of the report indicates that the test was completed with two incidents outstanding. One of these was completed during the test, the other required a re-test and this was achieved during September 1999.

- 4.7.6 Section 11 of the HSH BCP states that in the event of a Major Business Continuity Incident (MBCI) the details should be recorded on the HSH and the BCP invoked. Given that the three MBCIs in the plan are, to all intents, the complete loss of the HSH it is hard to see how this notification could be achieved.

It is a trivial point and quite clearly there will be an alternative mechanism to bring the plan into action but the plan should be updated to describe this alternative.

- 4.7.6 OSD are also reviewing their internal business continuity arrangements and I was informed of an initiative whereby they are currently reviewing their total customer commitments irrespective of individual contractual requirements.

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5 Annex A – Terms of Reference

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|----------------|---|---|
| INTERNAL AUDIT | : | Terms of Reference |
| AUDIT TITLE | : | ICL Customer Services Directorate Audit of Horizon System Helpdesk |
| File Reference | : | AUD/3/4/16 |
| Date | : | 16 th February 2000 |

Aim

The Horizon System HelpDesk is the primary interface between Horizon outlet managers and staff and Pathway Customer Services. It is operated by OSD at STEo4 and MANo5 and is bound by rigorous Service Level Agreements.

The audit will review the delivery of the service by OSD through its management by Pathway Customer Service. The HSH has been the subject of considerable direct review activity by POCL and it is not the intention of this audit to repeat any of that work or to subject the HSH to further disruption.

The quality requirements expressed in ISO9000 : 1994 will be used as a basis for the work.

Objectives

To review the activities and operation of the Horizon System Helpdesk with regard to :

- Current Service Level Agreements and the ability of HSH to meet them.
- Identified risks and mitigations.
- The management by Pathway CS of the OSD relationship.
- Recent POCL initiated reviews related to AI4o8.

Dates

The audit will commence mid to late February with completion and draft report production and circulation targeted for mid March. A final report will be issued by Friday 31st March.

Audit Resources

The audit will be conducted by Jan Holmes, Pathway Audit Manager.

Reporting

The report reference is IA/REP/022.

At the conclusion of the audit a draft report will be produced and discussed with the auditees. A final report will be produced and distributed to the Director and Senior Managers of the Customer Services, as well as the Managing, Deputy Managing and QRM Directors.

Further distribution will be at the discretion of the Customer Services Director.

Based on the report content a series of Corrective Actions will be agreed and documented in a Corrective Action Plan. This will be issued and the agreed actions monitored on a regular basis.

TOR Distribution

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| Dave Fletcher | : | CS Strategic Services Manager Manager |
| David Groom | : | Quality Manager |