

HSBC Bank plc

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Background information

Inspection judgements

Inspectors use a four-point scale to summarise their judgements about achievement and standards, the quality of provision, and leadership and management, which includes a grade for equality of opportunity.

Key for inspection grades

Grade 1	Outstanding
Grade 2	Good
Grade 3	Satisfactory
Grade 4	Inadequate

Further information can be found on how inspection judgements are made on www.ofsted.gov.uk.

Scope of the inspection

In deciding the scope of the inspection, inspectors take account of the provider's most recent self-assessment report and development plans, and comments from the local Learning and Skills Council (LSC) or other funding body. Where appropriate, inspectors also consider the previous inspection report (www.ofsted.gov.uk), reports from the inspectorates' monitoring visits, and data on learners and their achievements over the period since the previous inspection.

In addition to reporting on overall effectiveness of the organisation, its capacity to improve further, achievement and standards, quality of provision and leadership and management, this inspection focused on specialist provision in:

- Customer service

Description of the provider

1. HSBC is one of the largest banking and financial services organisations in the world. Its headquarters are in London. HSBC's largest subsidiary in the UK is HSBC Bank plc. Its LSC contract is held by HSBC Bank plc and provides funding for customer service delivered in the customer telephone services division. This division comprises 13 customer contact centres, eight of which are sited in the UK.
2. Funding gained from the LSC through the National Employer Service (NES) is used to support two learning programmes within the bank's contact centres at four sites in England; Hemel Hempstead, Leeds, Leicester and Southampton. Each participating contact centre has a nominated site co-ordinator who works with the programme manager to deliver the training programmes. Management of the programmes is the responsibility of the programme manager who reports to the senior management team of the business area. Administration of the programmes and all aspects of assessment and funding claims are subcontracted to Intec Business Colleges (Intec).
3. The training programmes currently offered are HSBC's Right Direction programme for school leavers and apprenticeships for established staff. A key element of the Right Direction training programme is the provision of an apprenticeship in customer service. All eligible existing contact centre employees have the opportunity to gain an apprenticeship in customer service. Currently there are 178 learners on programme with 67 learners on the Right Direction programme, 81 learners on 19 plus apprenticeship programmes and 11 on adult apprenticeship programmes.

Summary of grades awarded

Effectiveness of provision	Good: Grade 2
Capacity to improve	Good: Grade 2
Achievement and standards	Good: Grade 2
Quality of provision	Good: Grade 2
Leadership and management	Good: Grade 2
Equality of opportunity	Contributory grade: Satisfactory: Grade 3

Sector subject areas

Customer care and services	Good: Grade 2
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Overall judgement

Effectiveness of provision

Good: Grade 2

4. The overall effectiveness of the provision is good. The organisation's capacity to improve is good and leadership and management are also good. Achievement and standards and the quality of provision are good. Teaching and learning are good. Equality of opportunity is satisfactory. The sector subject area of customer service is good.

Capacity to improve

Good: Grade 2

5. HSBC demonstrates a good capacity to improve. Both apprenticeship framework and timely success rates are improving. The organisation's quality improvement plan clearly identifies the company's strengths and areas for improvement, and actions are well monitored. Learner and supervisor feedback has led to improvements in programme delivery. For example, the subcontractor now dedicates more time to learners at the start of their journey to improve interest and retention and the programme manager now carries out quarterly quality improvement site visits. These are resulting in increased consistency in programme delivery. This is the first inspection of HSBC's provision.
6. The HSBC self-assessment process is good. HSBC site co-ordinators and assessors from Intec are fully involved in the self-assessment process as is HSBC senior management. Feedback from learners and team leaders also helped inform judgements in the self-assessment report. The self-assessment report is evaluative. The organisation's quality improvement plan is based on the findings of the self-assessment report. Most of the strengths and areas for improvement identified by inspectors were identified by the organisation. With the exception of one contributory grade, all grades proposed by the organisation were judged, at inspection, to be accurate.

Key strengths

- High overall framework success rates
- Good acquisition of customer care skills
- Particularly effective approach to assessment

- Good vocational support
- Good operational management
- Highly effective management of subcontractor
- Good use of feedback for quality improvement

Key areas for improvement

- Unsatisfactory aspects of the planning of individual learning
- Insufficient qualification progression opportunities
- Insufficiently clear strategy for programme development
- No analysis of the performance of minority groups

Main findings

Achievement and standards

Good: Grade 2

7. Achievement and standards are good. The overall framework success rate for apprenticeships in 2007/08 is high and well above the national average. Overall success rates are 80% and timely success rates are 72%. This strength is recognised in HSBC's

self-assessment report. Current learners are progressing well and some are completing ahead of target end dates. The performance trends of different groups of learners are not currently being evaluated.

8. Learners acquire good customer service skills. They apply these skills effectively in their job roles in busy call centre environments. Learners demonstrate good problem resolution skills when dealing with complex conversations relating to customers' financial circumstances. They attain key skills and are able to apply them in the workplace. Some learners achieve high standards in carrying out work tasks and progress to roles with higher levels of responsibility. Although many learners are in their first job since leaving school, they develop confidence and motivation to progress by attaining and using new skills.

Quality of provision

Good: Grade 2

9. The quality of provision is good. Training, assessment and learning are good. This strength was recognised in the self-assessment report. A particularly effective approach to assessment promotes learning. The assessment process is responsive and flexible. It integrates well with learners' work roles, on the job coaching and quality improvement arrangements. Assessors work very effectively alongside team leaders and with HSBC systems to ensure opportunities for assessment and feedback are maximised. Assessments are thorough, detailed and in the best examples are supported by good materials that contextualise the requirements for learners. This helpful method assists learners to recognise the best evidence of how their work meets the standards. Constructive feedback is provided for learners following each assessment. Clear assessment plans are set by the assessor at every visit and reviewed at the next visit. The assessment process is usually carried out at the learners' work stations. A wide range of methods is used. However, assessors do not make enough use of information technology to support some assessments.
10. The planning of learning has some unsatisfactory aspects. Individual learning needs and individual learning styles are identified during initial assessment but these are not used to construct an individually tailored learning plan for each learner. Targets recorded on plans are not individualised for each learner and in many cases are not sufficiently challenging. Most learners have an individual learning plan but it does not give detailed information on the range of activities or support arrangements actually being provided to learners. A wide range of relevant online resources is available to support learners but plans do not include reference to them and they are not used sufficiently. The off-the-job training programmes and HSBC training materials have not yet been cross referenced to the NVQ programme. Key skills assignments used at most centres are not sufficiently work related.
11. The range of provision is good. The NVQ Level 2 in customer service meets the needs and interests of learners well. Many learners are in their first job and the opportunity to train and gain a qualification with a major employer meets their needs well. Older employees who opt to join the programme also have their needs met well. They value the chance to gain a qualification at work. HSBC successfully encourages and promotes the inclusion of minority groups on to the training programmes. The employer's needs are

met well and line managers value and recognise the enhancement of skills and more mature approach demonstrated by learners.

12. Qualification progression opportunities are insufficient. Learners are not routinely offered the opportunity to progress to higher level key skill qualifications, higher level technical certificates, additional or other qualifications or higher levels of the main qualification in customer service. Many learners enter training with exemptions for the key skills requirements for their apprenticeship framework but the chance to take higher level key skills is not offered to them.
13. Guidance and support are good. Learners are very well supported and guided in their vocational training. This strength was recognised in the self-assessment report. Learners and assessors develop very good relationships and have additional contact between assessment visits via telephone and email. Learners' team leaders are fully involved in the learning programme, and are always involved in the eight week formal review meeting. Learners are allowed time away from their work for coaching and training in addition to assessment visits. Senior managers are enthusiastic, strongly committed to, and positive about, the learning programmes. They ensure that managers provide support and incentives for learners. HSBC provides good initial advice and guidance. Learners obtain careers and other relevant advice, in the workplace, from HSBC's career development officer.

Leadership and management

Good: Grade 2

Equality of opportunity

Contributory grade: Satisfactory: Grade 3

14. Leadership and management are good. HSBC's management of its subcontractor is good. The relationship between HSBC and Intec is excellent. This was identified as a strength in the self-assessment report. The service level agreement outlining what is expected from Intec is clear and well structured. The division of responsibilities between the two organisations is similarly clear and well documented. Meetings between HSBC and Intec are held monthly. These are well recorded with clearly identified actions for both Intec and HSBC. Intec provides a range of useful management information every month. It includes information on the progress made by each learner and highlights those whose progress is a cause for concern. Intec is very flexible about providing additional information if requested by HSBC. Although only started recently, Intec now routinely

provides copies of all observations of training, assessments and reviews for programme managers. The HSBC programme manager visits every site at least twice each year to monitor the quality of the provision provided by Intec. These visits are well recorded and a detailed report is produced with action points. Follow up discussions with Intec then take place. However, this discussion is largely informal and not well recorded.

15. The operational management of provision is good. Site managers are all very supportive of the provision and they attend regular meetings with the programme manager to discuss provision. They are well informed about the progress of learners at their site. Managers make good use of data to identify those learners who are making slow progress. Action is taken to provide additional support for these learners. A 'buddy' system, made up of staff who have completed the programme, has been introduced to help, support and encourage learners. HSBC ensures that Intec assessors who work in its centres are aware of changes to the bank's processes, procedures and roles and responsibilities. This ensures that programmes remain relevant to HSBC's business operation. There is however, insufficient guidance for some aspects of the programme. Intec has a procedures manual but it mainly covers administrative procedures with insufficient detail on the key aspects of learners' programmes. Internal verification is carried out satisfactorily but the good practice is not always shared. Intec recognises the need to improve the sharing of good practice. It has introduced systems to enable assessors from all sites to meet or to have telephone conference calls to discuss current issues and exchange ideas about provision.
16. Good use is made of feedback for quality improvement. This strength was identified in the self-assessment report. Managers collect an extensive range of feedback on the programmes from learners, team leaders, managers, programme delivery and subcontractor staff. Following detailed analysis they use this feedback to develop a survey action plan. Implementation of the plan is closely monitored and has led to a range of very effective improvements being implemented. Examples include extended learner time with assessors, introduction of a buddy system and the provision of additional programme information for team leaders. Intec is also fully involved in the quality improvement process. As a result of feedback the initial training period has become more intensive to support learners through the first four weeks of training when learners are most at risk of leaving the programme.
17. Equality of opportunity is satisfactory. HSBC has a comprehensive and well written range of policies and procedures which are accessible to learners on the organisation's intranet. Equality of opportunity has a high priority at HSBC and is a key agenda item at all programme management meetings. Equality and diversity is a significant element of the induction to the training programme for learners. An online and mandatory diversity learning programme is completed by all staff. Assessors reinforce equality and diversity during learners' reviews. However, learners' understanding and recall is limited. HSBC collects data on learners' gender, ethnicity, and disability. However, it does not use this data to compare the performance of different groups to monitor equality of opportunity. HSBC takes effective action to recruit from otherwise under-represented groups and 25% of learners are from minority ethnic groups. Premises provide good access for people with restricted mobility and HSBC makes adjustments to provide additional support in the workplace. Its procedures for safeguarding learners meet current government requirements. A comprehensive audit has been carried out against the five *Every Child Matters* themes.

18. HSBC does not have a sufficiently clear strategy for programme development. Since November 2007 provision has been placed in the division whose remit is to communicate HSBC's 'better place to bank' strategy to those working in the call centres. It is unclear whether provision will remain within this division. HSBC has not produced a clear strategic plan for the development of work-based learning provision within Customer Telephone Services. It has produced a three-year development plan but much of this is insufficiently detailed without measurable goals. Learners' documentation, such as the learning pledge, has not been updated to recognise that HSBC is now the contract holder.

What learners like:

- The opportunity to get a nationally recognised qualification by training at work.
- 'I'm so much better and more confident dealing with customers now'
- 'It gives me an opportunity to stand out within the bank, and show that I am prepared to put extra effort in to do well'
- 'The opportunity to help new people doing training now, just as my team leader helped me'
- 'It makes you realise how much you do know and can do'
- The opportunity to improve skills
- 'I like that we are able to have time away from the phones to get our work done'

What learners think could improve:

- The opportunity to be able to do more work electronically
- 'The programme could be better tailored to me and the job I'm doing'
- The opportunity to go on to the next level
- 'I would like more assessor visits'
- More time for completing NVQ work