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Orchard
Software to improve lives

Generation Spend: Intelligent Account Management

Aidan Dunphy, Head of Product Strategy
2 March 2016

Hello!

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- Aidan Dunphy, Head of Product Strategy for Orchard
- Technical background, now know just enough to cause trouble
- 18 years, 6 months, 26 days

Orchard

- Provider of business management software solutions
- Independently owned, no external shareholders or investors
- c. 200 staff
- Offices in Newcastle upon Tyne and Wokingham
- 175 customers in the UK

What we do

We aspire to be the supplier of choice to the sector

Social Housing: **The Past**

It used to be so straightforward

In the good old days...

- Rent income almost guaranteed
- Small minority of non-payers
- Reactive escalation process
- “Arrears Management”

Focus on

- Customer service improvement
- Customer aspiration
- Organisational growth

Then this happened

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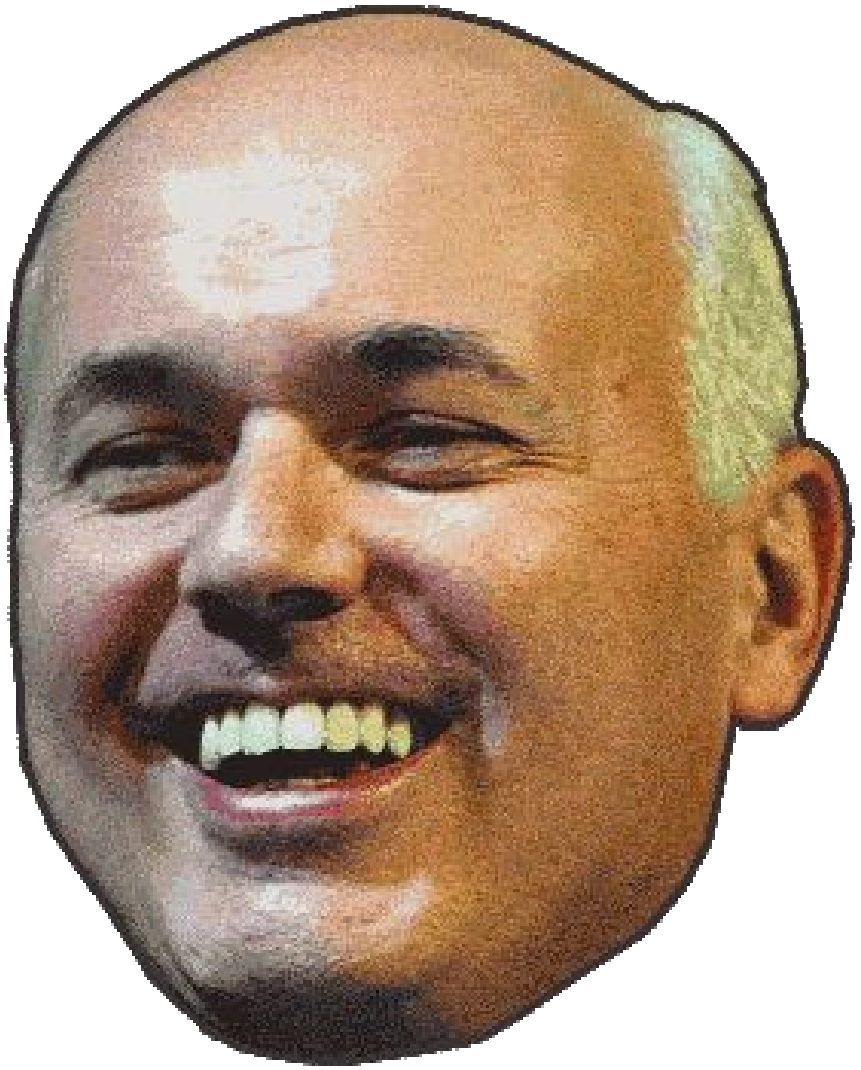
"Beware the wrath of a quiet man."

- Chinese proverb



Whoa! Nobody* saw that coming...

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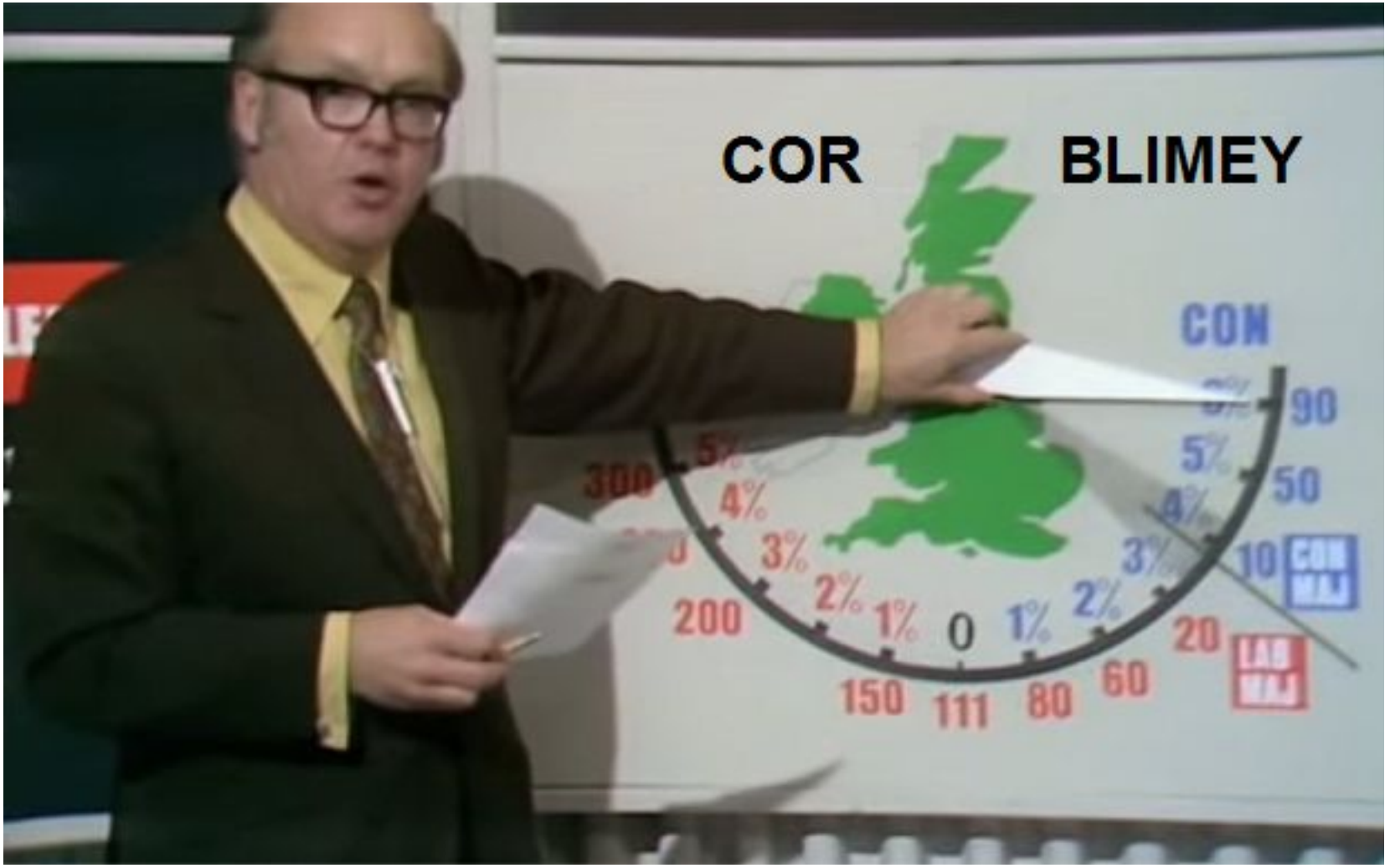
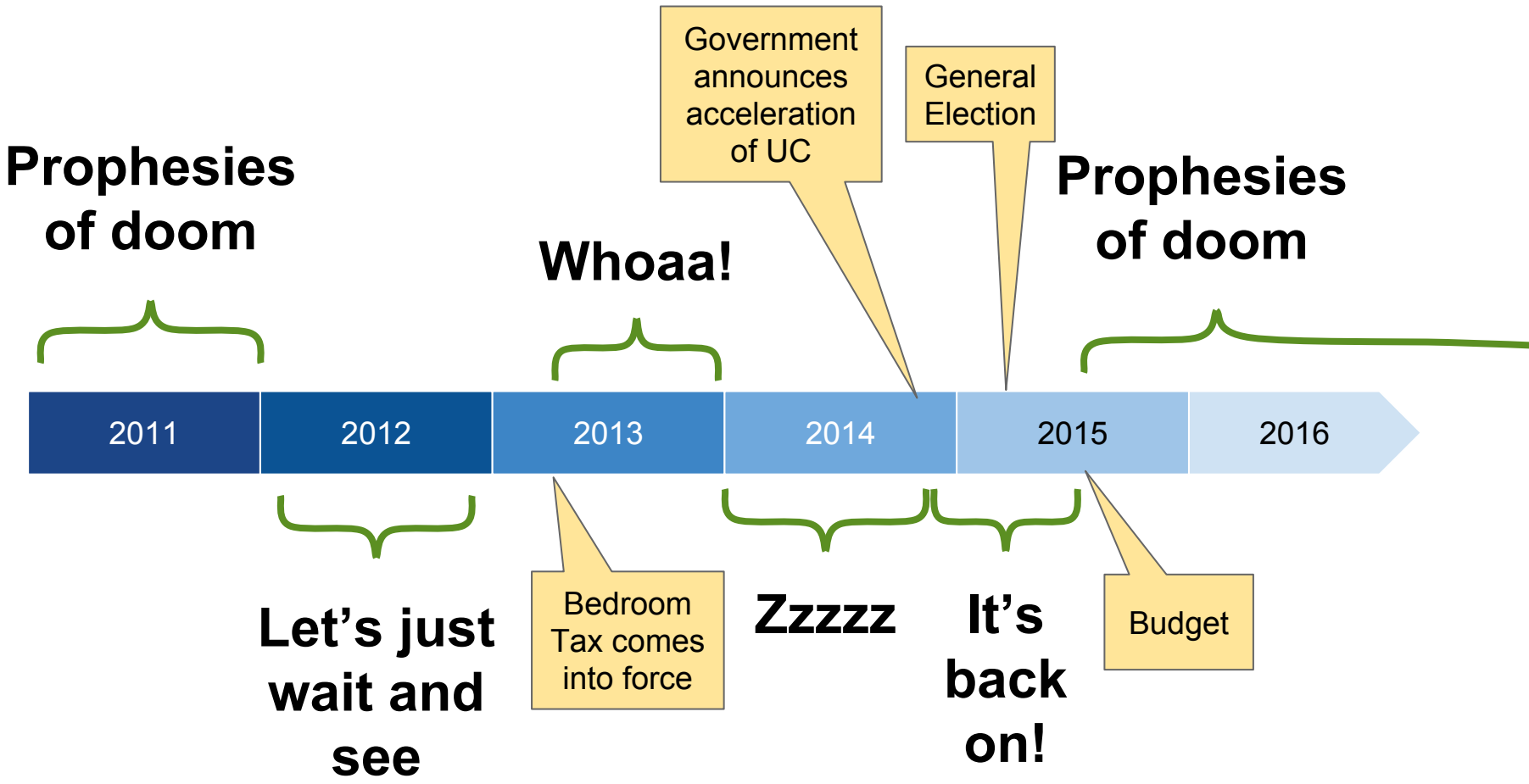


Welfare Reform: timeline of awakening



Just when everything was looking… um...

- Efficiency improvement
- Customer service improvement
- Involvement
- Recession
- Welfare Reform
- Efficiency improvement
- Digital Transformation
- Voids
- Data Protection

Then… BOOM!

- RTB2
- Rent reduction
- Commercialisation?
- Deregulation?
- Market entrants?

Impact of government reforms… so far

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Now things look harder

- Recession, unemployment, low pay
- Welfare reform
- Subsidy cuts
- Rent reduction

Focus on

- Maximising income
- Cutting costs
- Finding ways to balance the books

Has it really come to this?

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Kübler-Ross change model
AKA stages of loss and grief

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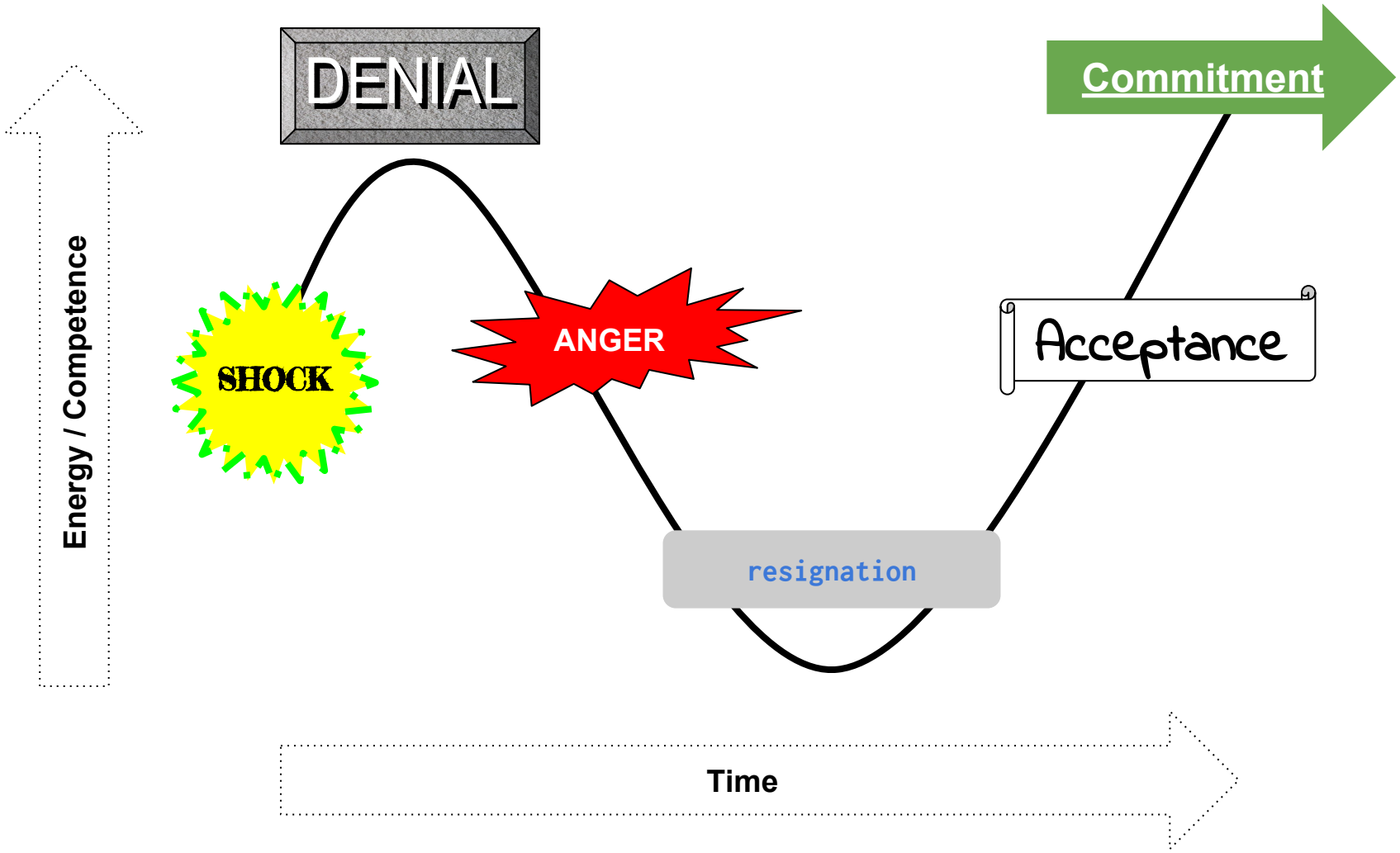
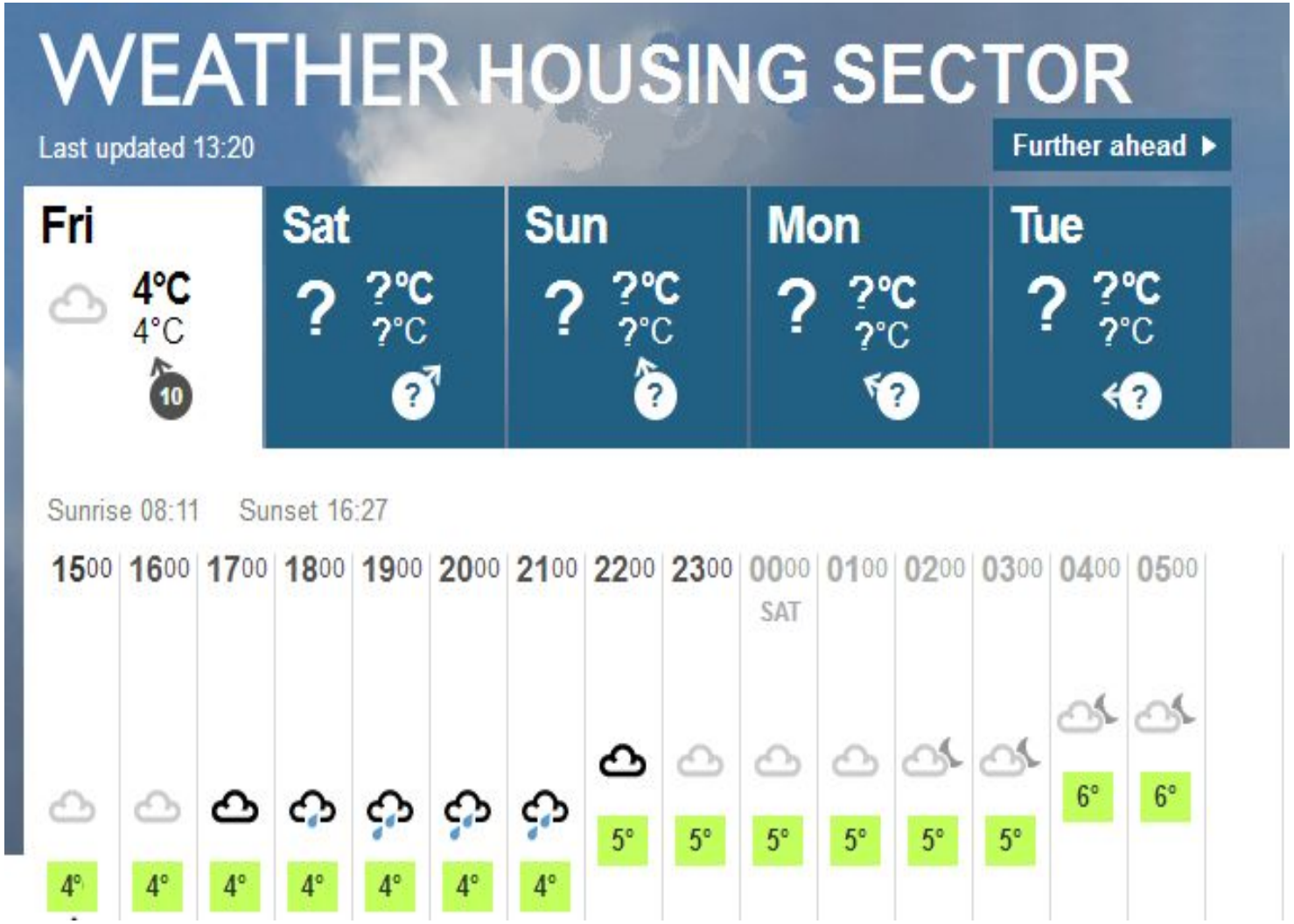


Weather forecast: CHANGEABLE



Plus ça change, plus c'est la même chose

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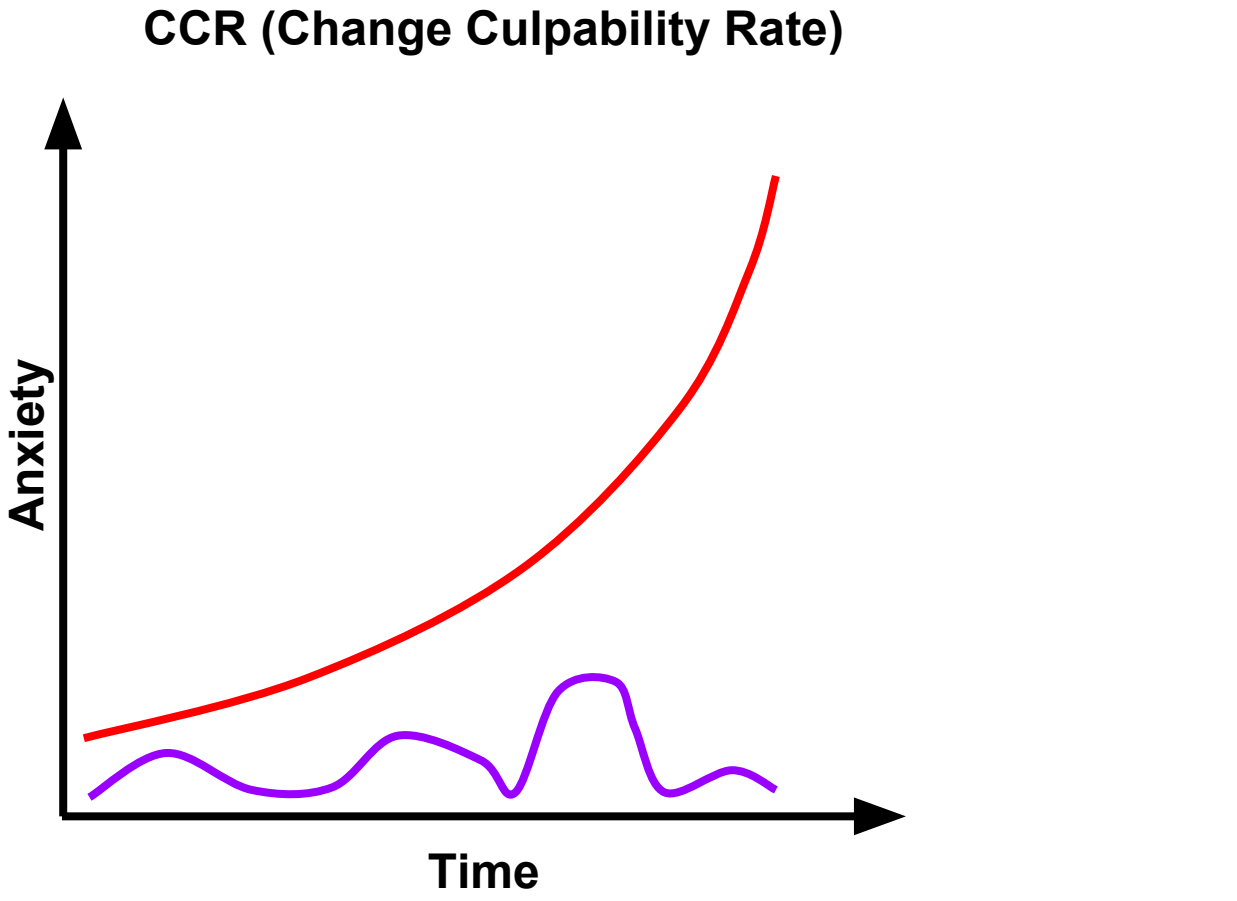

Stuff you need to do

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Digital transformation

Mobilisation

Intel /Analytics

Commercialisation

You know, like they do in the Commercial Sector

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HOUSING TECHNOLOGY

HOUSING | IT | TELECOMS | BUSINESS | ECOLOGY

IN-DEPTH | 2016

DIGITAL BY DEFAULT 2016

DIGITAL INCLUSION IN HOUSING

ONLINE | AVAILABLE | EMPOWERED

Digital Transformation

Aidan Dunphy, Head of Product Strategy

2 March 2016

Want to be like…?

(AKA the obligatory global digital disruption has already happened slide)

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Digital Transformation

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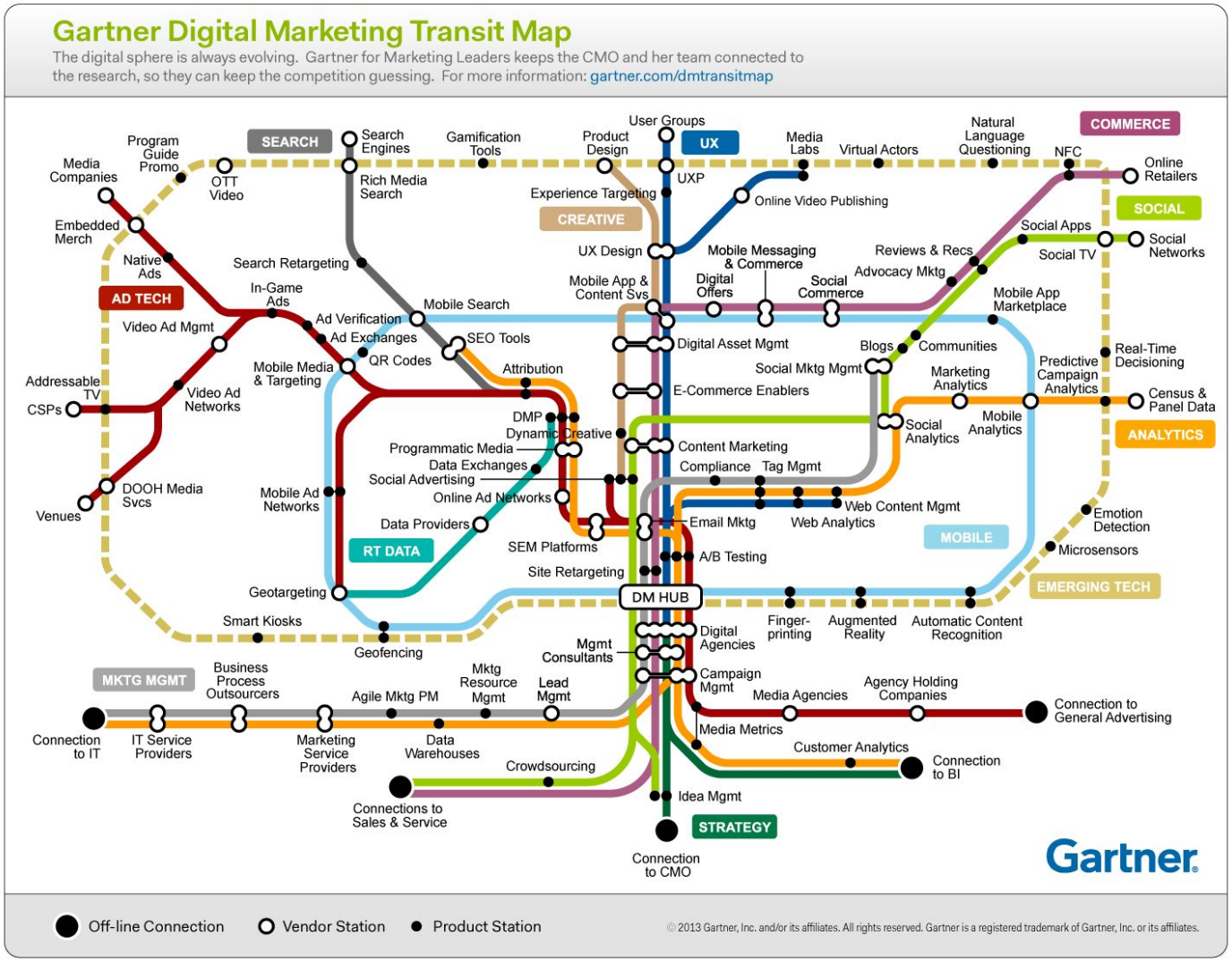
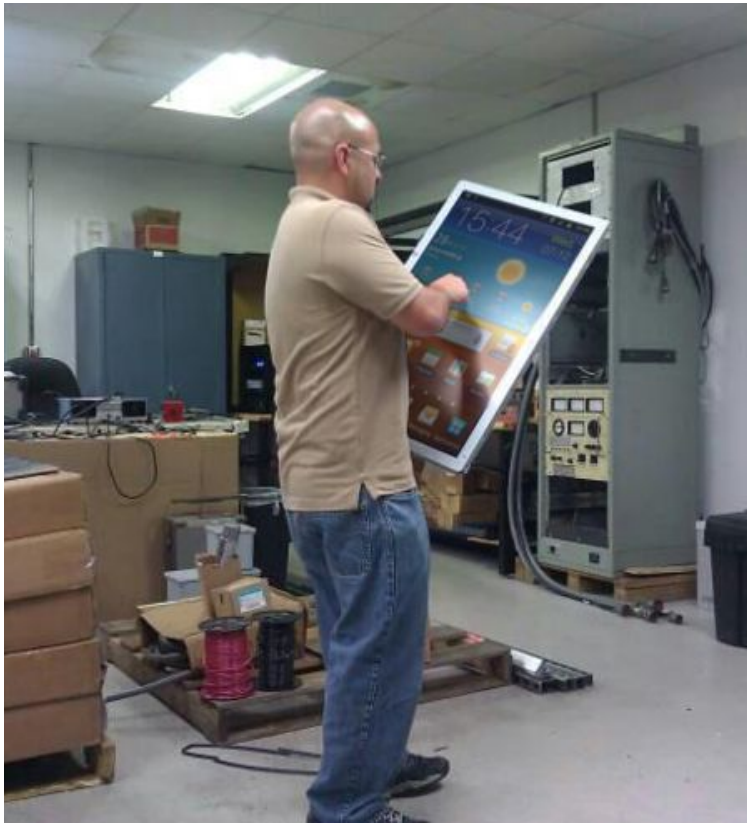


Getting rid of paper

Digitise



Channel shifting

Channel shifting - the push

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What does this tell us? Everyone who works in a call centre:

- is aged 25-35
- is good-looking enough to be a model
- wears a white or light blue shirt
- has blinding white teeth
- is ecstatically happy all of the time

Likely to be result in high staff costs, so shifting to lower-cost channels will save the organisation a lot of money.

Channel shifting - the pull

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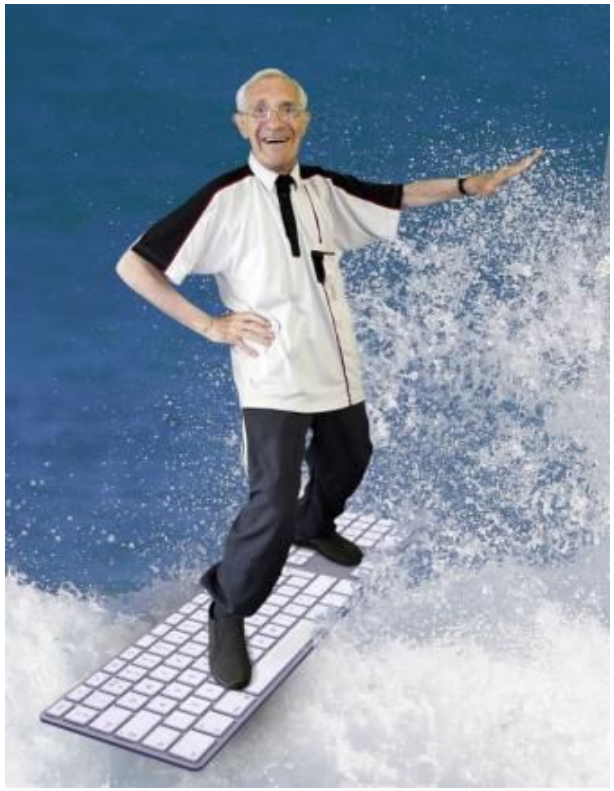
Digital by Default
Service Standard

- Growth in Social Media
- Falling cost of Internet / devices
- Easier, faster, safer
- Government strategy
- Channel shifting by **others**



Doing digital deftly

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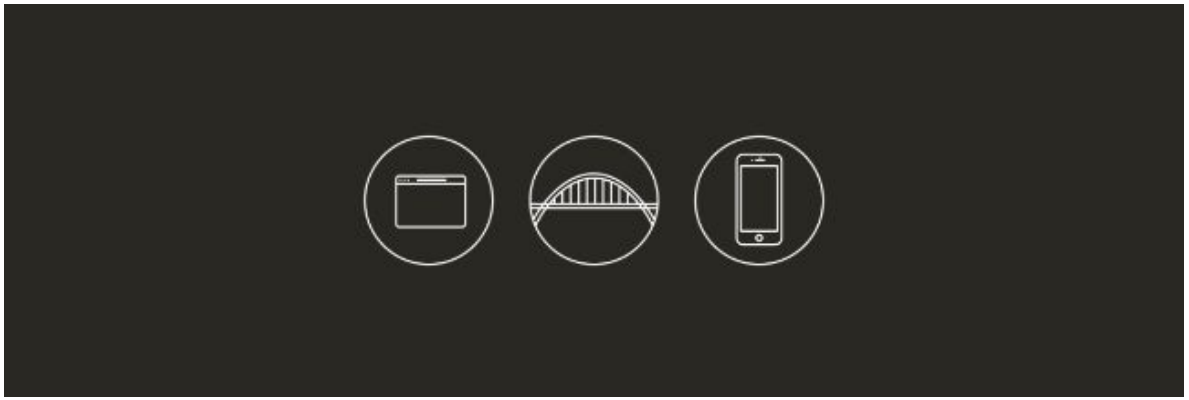
- It’s a thing
- There are people who know how to do it
- They’ve been doing it for years in other sectors
- We all use it every day

KOMODO



Digital Inclusion

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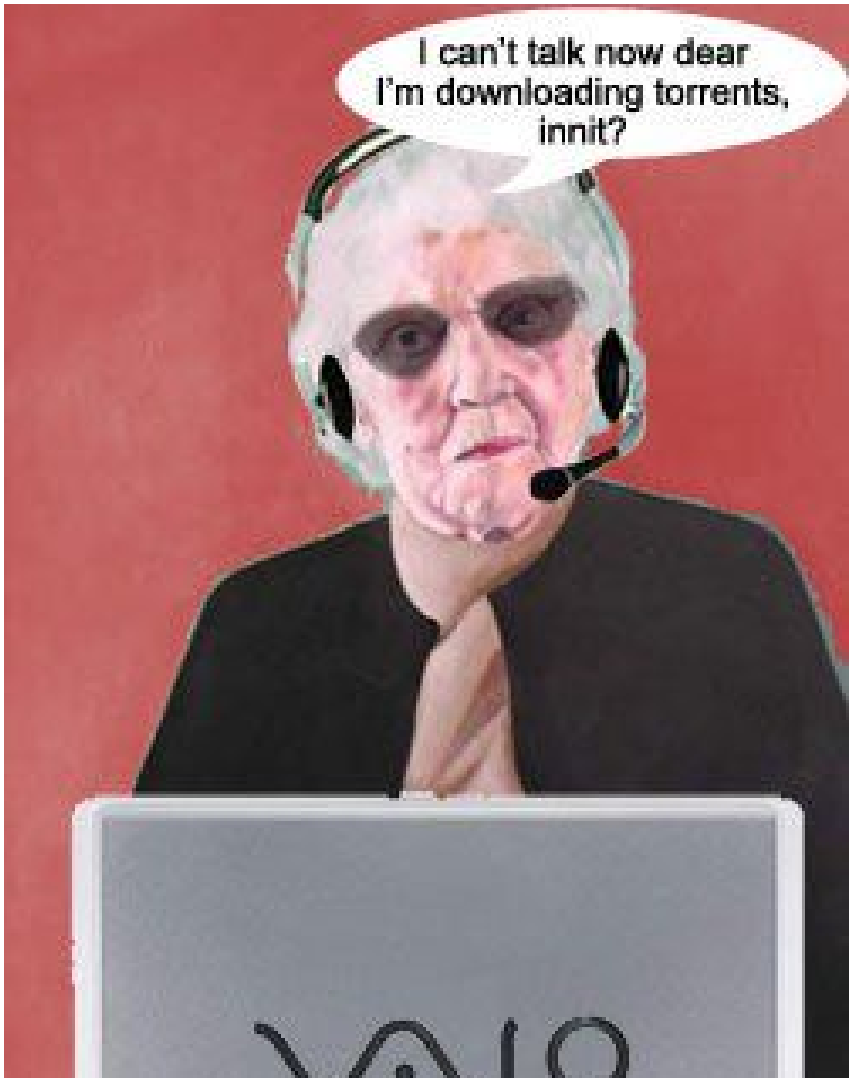

You need:

- Familiar, on-trend design
- Easy to use and access
- Flexibility to adapt
- Agile development
- Apps?

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Software to improve lives

Mobilisation

Aidan Dunphy, Head of Product Strategy
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Mobile? Like, I can't even...

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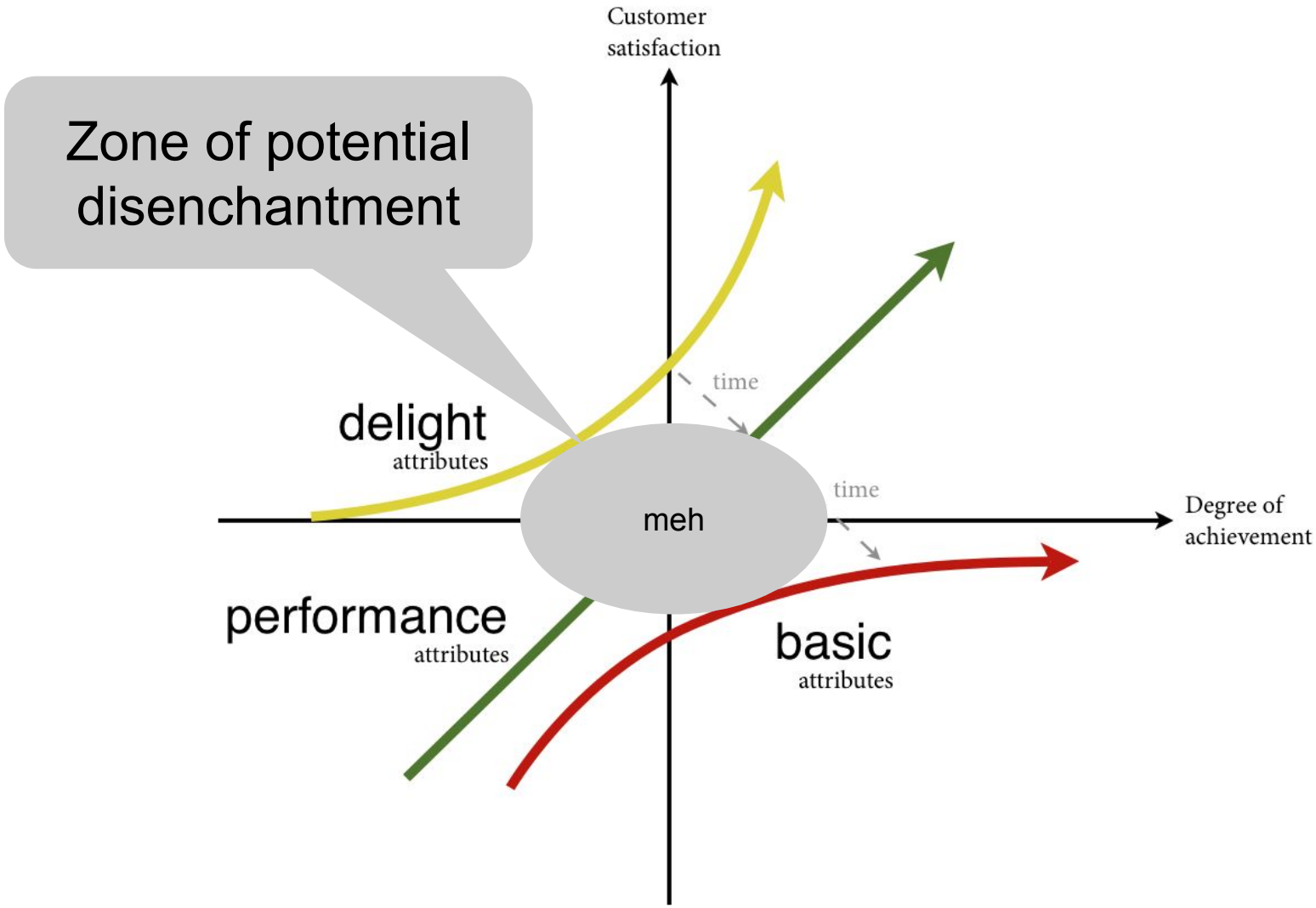

Mobilising your people

What:

- Getting staff out to homes
- Face-to-face contact
- Deal with debt, arrears, payments

How:

- Accessing systems from anywhere
  - CRM
  - Case management
  - Mid- & back-office
- Specific apps

How? Native vs. mobile web

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“The government’s position is that native apps are currently rarely justified. … Making sure your service meets the Digital by Default Service Standard means it will work well on mobile devices.”

Mobile first, responsive web

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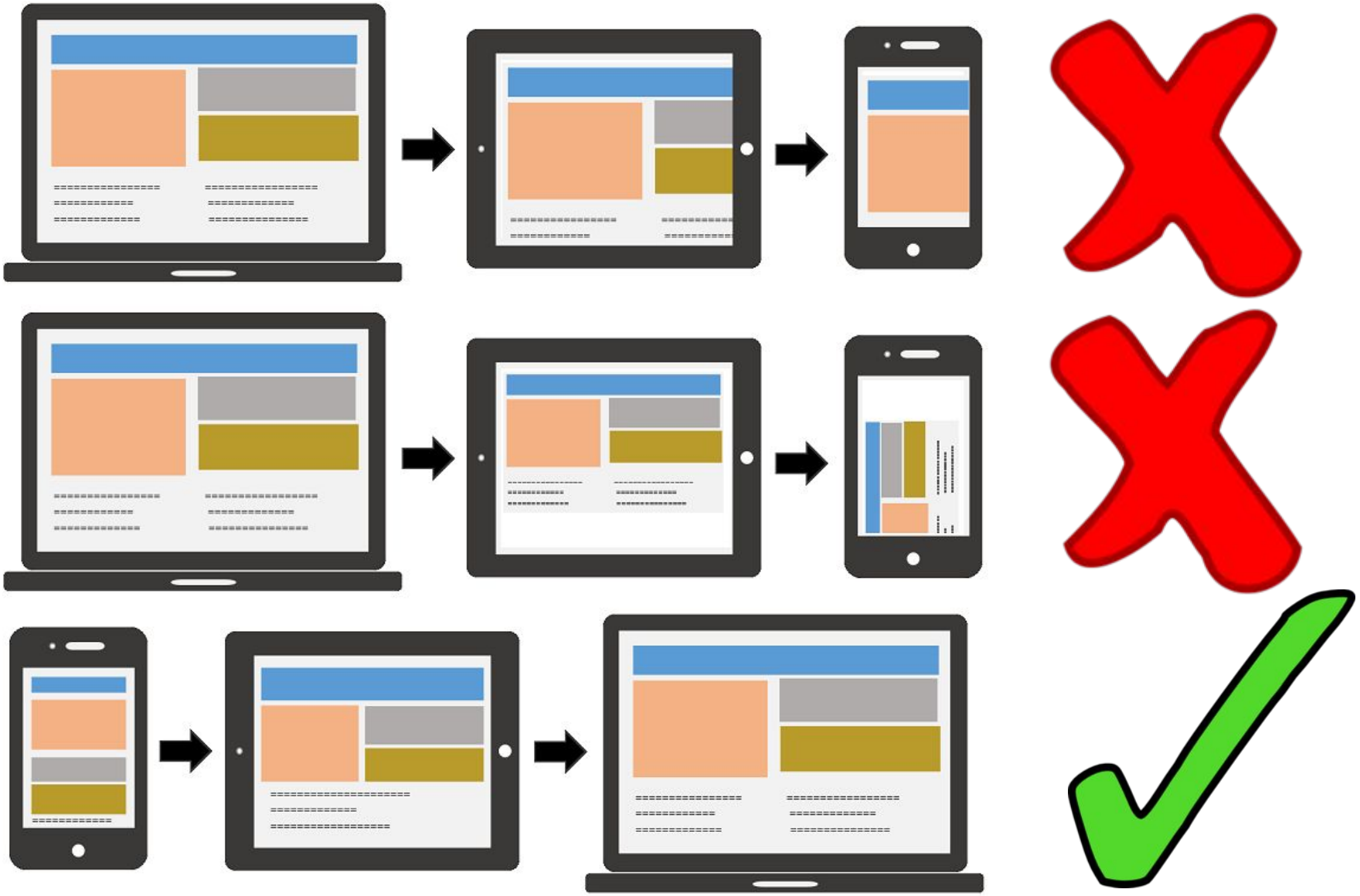

Intelligence and analytics

Aidan Dunphy, Head of Product Strategy
2 March 2016

Focus group July 2015

- Hosted by LMH Liverpool Mutual Homes
- 8 housing organisations
- Kano-based technique
- Prioritising ideas
- A long, hot day!

Two key themes

Tools for providers

- Manage payments / UC
- Predict rent arrears
- Tools to chase payment

Tools for tenants

- Self-serve financial management & budgeting
- Build financial confidence / capability

Predicting rent arrears? Really?

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Use of Analytics growing in the sector:

- Risk Analysis
- Predictive Analytics
- Decision management

Current approaches:

- Analyse patterns of rent balances or payments
- Some blending with other risk factors
- Based on your data

...but how big is your data?

Big Data

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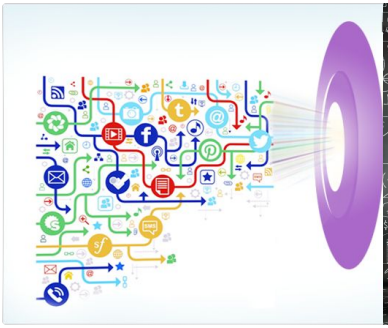

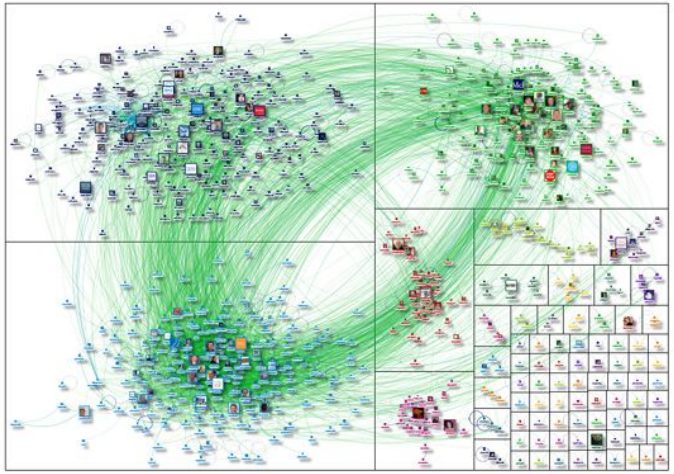

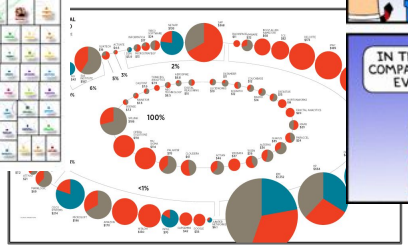

Gartner Hype Cycle 2014

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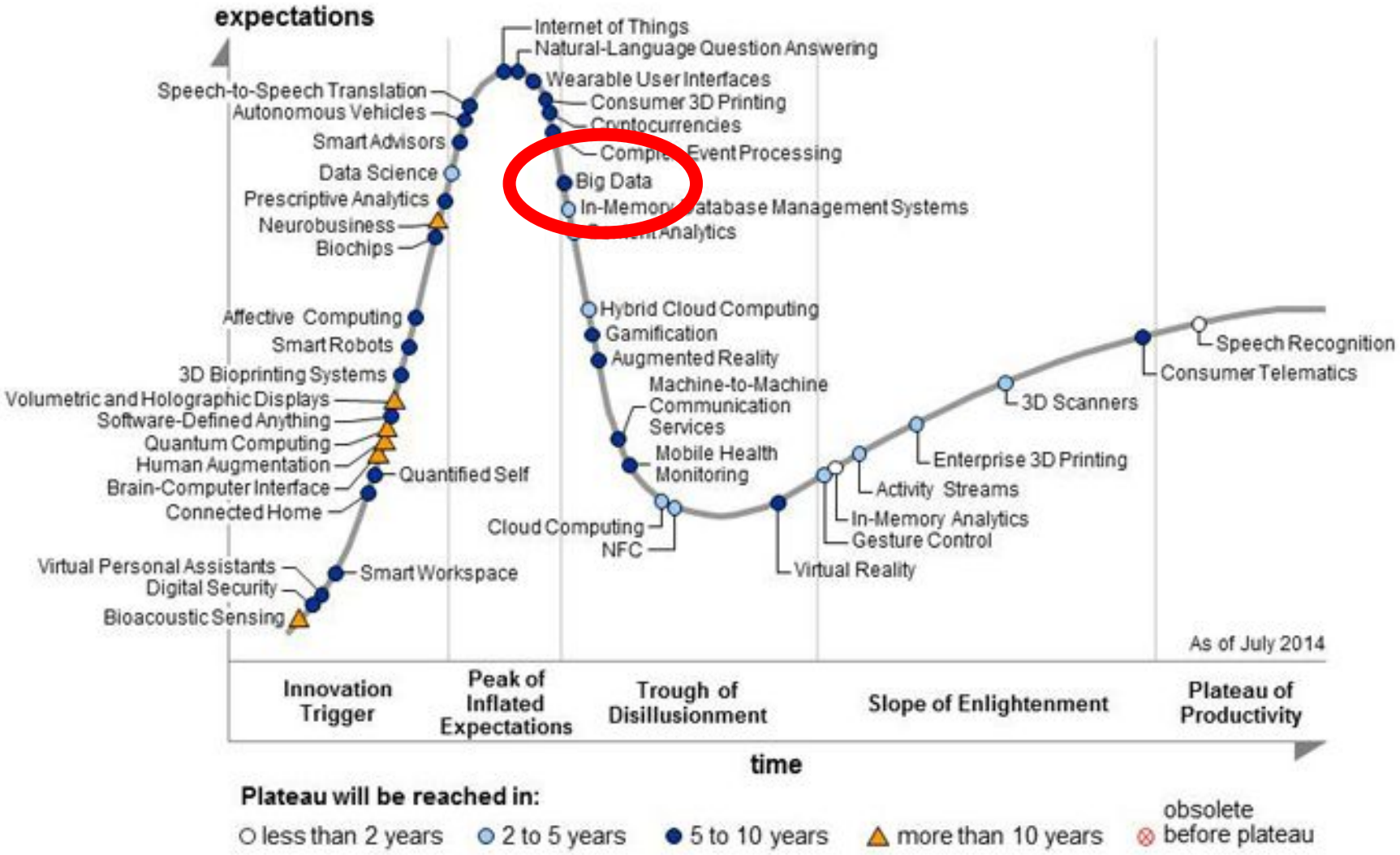

Gartner 2015. Not so big any more?

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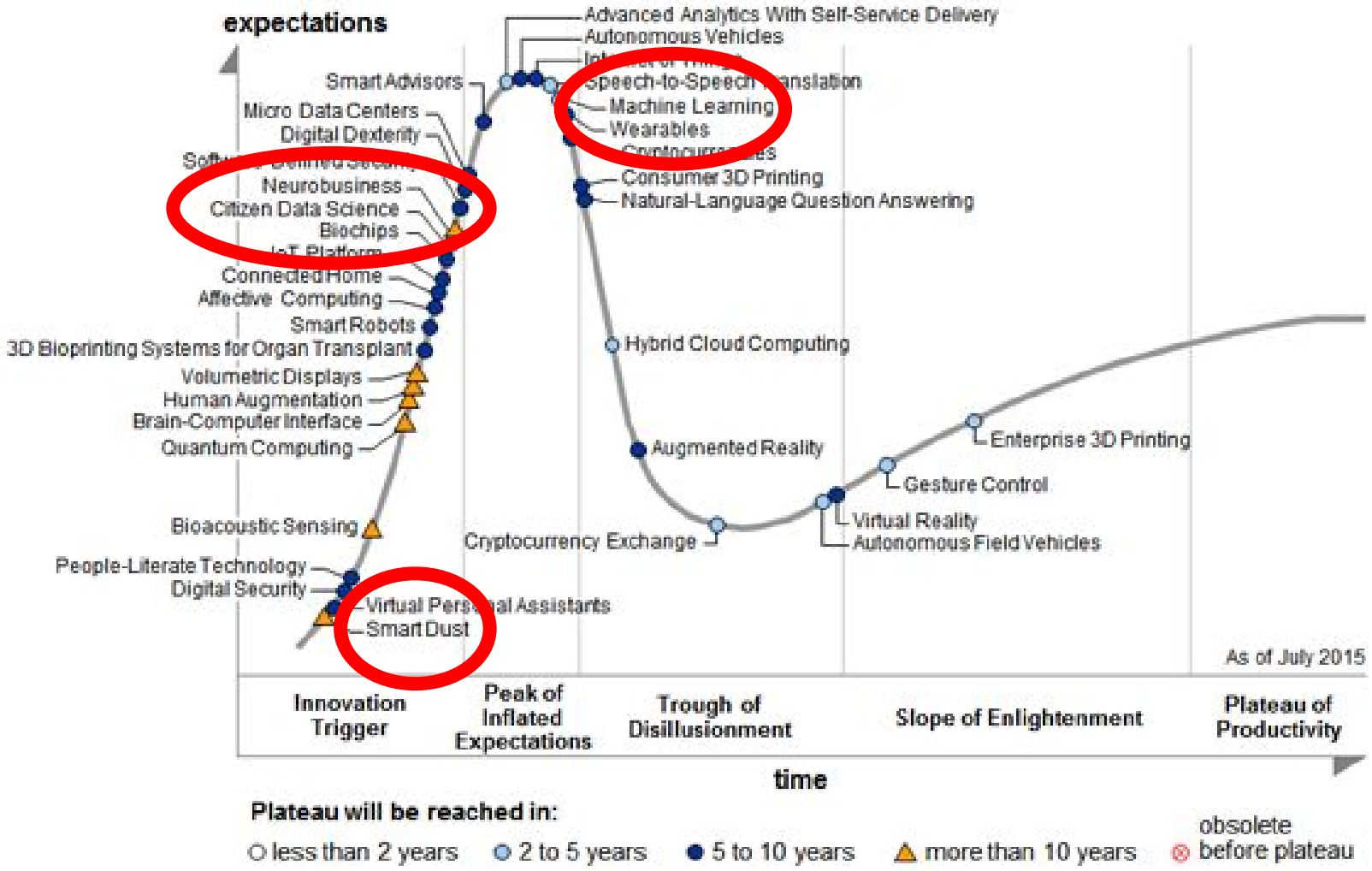
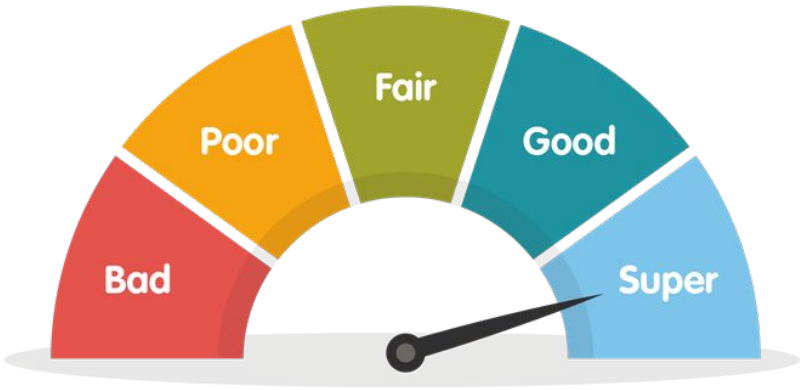


Tenants are consumers

- Rent often not the first bill to go unpaid (water is)
- Some debts trump rent - e.g. Council Tax, the man in the leather jacket
- Others trying to get money from your customers: payday lenders, Brighthouse etc.
- A retailer offering credit would want to know about these, why not you?

Consumers come with risk

	Range A	Range B	Range C	Range D
Factor A				
Factor B				
Factor C				
Factor D				
Factor E				



Risk score based on

- History of payments, debts, defaults (and now rent payment)
- Used for reference by lenders
- Alerts and reference for
  - Debt recovery
  - Prevention of overcommitments
  - Investigating fraud

How to do predictive analytics

"The thing about predictive analytics is, it's predicting the past."

Tom Smith, CEO OCSI

But someone else's past may be your future

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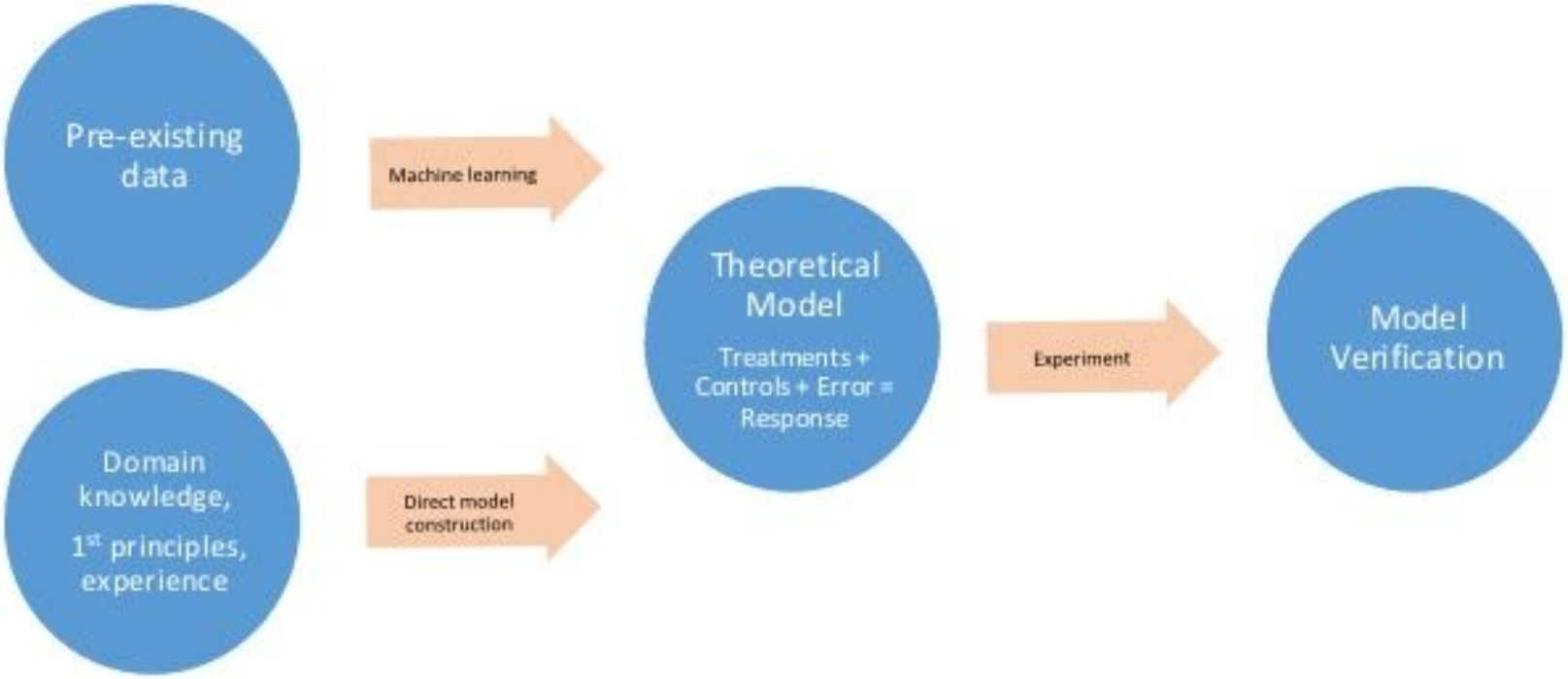

E.g. "If X happens or Y doesn't happen, does it increase the risk of non-payment?"

Smart response

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Smart response

- Prioritise cases
- Trigger to check on financial circumstances
- Chase payment using SMS & email
- Automated voice

Call 2 Collect

Putting it into your customers hands

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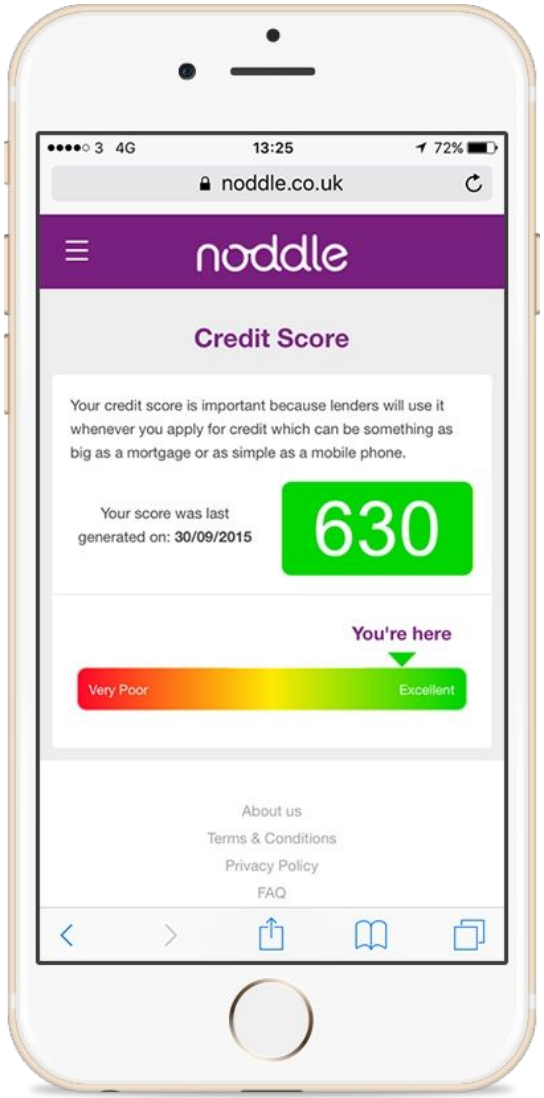

noddle

- Check your own credit score (FOC)
- Targeted offers
  - Utilities
  - Brand savers
  - Ethical lenders
- Advice on how to improve credit score (premium service)

Imagine an app that offers:

- Access to safer, cheaper credit
- Money manager - where is it all going?
- Budget / benefit calculators
- Alert of impending financial problems
- Call your landlord for help

Hmmm what else could you do with this?

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Commercialisation: new offers

Aidan Dunphy, Head of Product Strategy
2 March 2016

Opportunities

B2B

- Outsourced repairs, servicing & maintenance
- Facilities Management, e.g. health/academic

B2C

- Development for market sale / shared ownership
- Servicing & repairs
- Care products

You need the right tools for the job

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You need the right tools for the job

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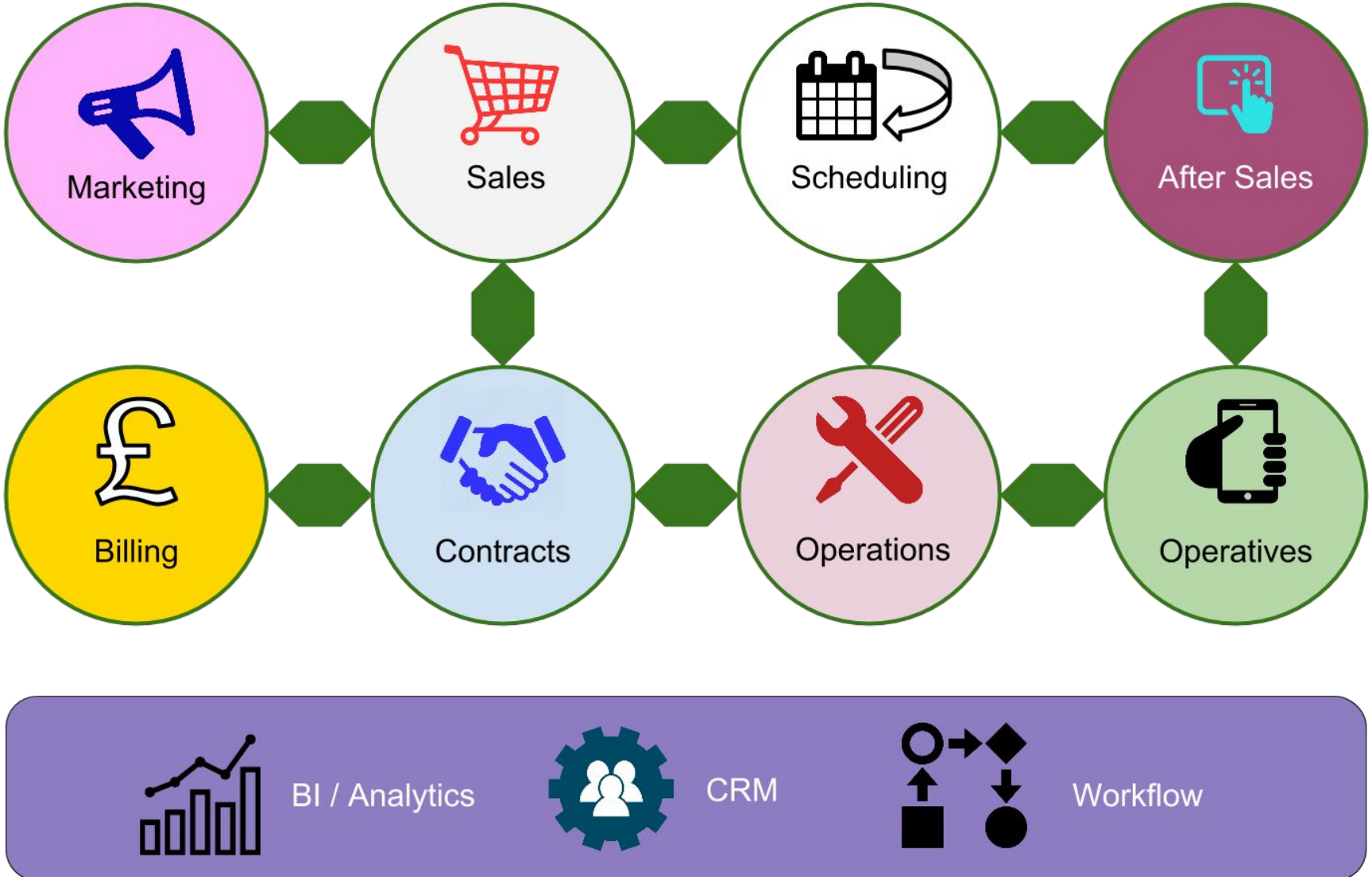

Questions to be answered

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amazon

Commitment