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**position specification**  
chief technology officer  
Financial Ombudsman Service

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**23 May 2010**

#486023

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## letter to applicants

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I'm delighted that you are interested in one of the senior roles at the Financial Ombudsman Service. This pack should give you all of the information you'll need to decide whether or not to apply, but I want to also give a sense of the organisation, and the challenge ahead.

I joined the Service in March this year as chief executive and chief ombudsman, and love working here. The organisation is vibrant and fast moving, and combines the pace and 'can do' of being in the private sector with the non-profit and social purpose that motivates so many of us. With around 40% of our staff having joined in the last year, the organisation combines experience with raw energy and fresh thinking. By the nature of our work, there are a lot of smart, analytical and constructively-challenging people working here at all levels. It's hard to envisage many better working environments.

But these roles are not without challenge! Our Service was set up just ten years ago, for a different environment, and on a different scale. In the last decade we've gone from employing just over 300 people to nearer 1,500, with complaint volumes rising along similar lines. The operating model established a decade ago has seen us through – but now needs revisiting in the light of a radically different world. So, these roles are change management roles, but in a context of moving an organisation from good to great. They are also complex roles as, with our funding coming entirely from industry, and a role spanning the whole UK population, we have significant stakeholders who have a keen interest in our performance and our future, making communication and engagement a core part of all senior management roles.

What made me join was the fact that I can definitely make a difference here. The pace of this organisation and its independence, coupled with its social purpose means we can improve things and see results quickly, in an area which matters. I have never wanted to work for a Service that doesn't strive for 'great', and pride myself on the changes I've led in my career to date to deliver the best possible service for those who use us. The Ombudsman Service is a good organisation now, but staff at all levels and stakeholders I've met have told me that we could be even better, and I agree. What I now want to do is to recruit the remaining members of the senior team to lead the next stage in our development, to take us to 'great'.

If you don't know the financial services sector, don't let that stop you applying. We employ around 1,500 people who do know the sector well – and they'll help you learn. If you're worried about the longevity of the organisation, I can offer some reassurance – we've heard all political parties say positive things about us; we're not taxpayer funded so should not be affected by public sector funding reductions; and I've heard universal support from all stakeholders a strong, independent and effective ombudsman service. We're here to stay, and we want to build on the foundations of our first ten years for the next decade.

What you'll see here is that we're open to candidates from a wide range of backgrounds. What we are looking for across all roles, though, is for exceptional people. If you meet that description, I am really keen to hear from you!



Natalie Ceeney  
chief executive and chief ombudsman

## position specification

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### ***about the financial ombudsman service***

The Financial Ombudsman Service (“the Service”), a company limited by guarantee, was created under the *Financial Services and Markets Act 2000* to act as an alternative to the courts to resolve individual disputes between customers and financial services firms in a fair, reasonable, quick and informal manner. It was formed by the merger of eight independent ombudsman and complaints-handling schemes, including the Banking, Building Societies, Insurance and Personal Investment Authority (“PIA”) ombudsmen.

The company was incorporated in 1999 and, in April 2000, about 320 staff from the former schemes moved to newly refurbished premises at South Quay Plaza in Docklands. In its first year (2000-01) 31,350 new cases were received and the number of staff had increased to 390 employees. In the current year (2010-11) the Service expects to receive around 975,000 enquiries and 200,000 cases requiring investigation. Our total number of staff has increased to approximately 1,500, of whom about 400 are outsourced contractors. Our budget for 2010 - 11 is £100 million.

Firms authorised by the Financial Services Authority (“FSA”) are subject to the compulsory jurisdiction of our Service. Unauthorised firms may join the voluntary jurisdiction of the Service. The compulsory jurisdiction was widened to include mortgage intermediaries from October 2004, insurance intermediaries from January 2005 and complaints arising under the *Consumer Credit Act* from April 2006. In practice, this makes the Financial Ombudsman Service a one-stop-shop for consumers with complaints about a financial product or service.

The Service is funded by member firms. Approximately 21% of our income is raised by a general levy on firms, calculated in proportion to their size. The remaining 79% is raised from case fees which are paid by individual firms at a flat rate for each case closed. The current case fee is £500 per case, with the first three cases for each individual firm received for ‘free’. There is no cost of the Service to the taxpayer.

Further information about the Service can be found at <http://www.financial-ombudsman.org.uk>. Our website includes videos on how the Service operates both for consumers and businesses which will give a stronger sense of the operating model of the Service, as well as the culture and reputation we seek to promote. On 19<sup>th</sup> May, we published our annual report for 2009-10, which details the work of the Service, and the challenges we are currently facing. To download a copy of the 2009-10 *annual review* and find further details about the type of complaints and trends in caseloads, click on <http://www.financial-ombudsman.org.uk/publications/ar10/index.html>

The Service has had a strong track record of not only welcoming, but commissioning external reviews to help constant improvement. In 2007-08, the board commissioned Lord Hunt to carry out an independent review which focused on the openness and accessibility of the Service to its wide range of customers and stakeholders. His findings are on the website at [http://www.financial-ombudsman.org.uk/news/Hunt\\_report.pdf](http://www.financial-ombudsman.org.uk/news/Hunt_report.pdf). We welcomed this review, and have largely implemented its findings. This followed an earlier review in 2004 which was carried out by the *personal finance research centre* at Bristol University. The findings of this review are on the website at <http://www.financial-ombudsman.org.uk/publications/pdf/kempson-report-04.pdf>. The Board has commissioned its next review to be by the National Audit Office, focusing on value for money.

## ***current challenges – and background to this recruitment***

The Financial Ombudsman Service has grown significantly over the past decade, in a context of changing consumer needs, increasing sophistication of the financial services market and the digital age. The Service has also changed considerably over this period, not least in the volumes of cases being handled, and in their nature. We resolved over 165,000 disputes last year, a rise of 46% on the previous year, and with significant volatility between types of complaints, and a significant rise in complaints about one product – payment protection insurance – which is now indicative of a ‘mass claims’ environment. The Service now is operating on a different scale, with far higher levels of complexity, than when it was created a decade ago. We see no sign of those demand levels decreasing.

Whilst the Service has dealt well with this demand rise and volatility one of the consequences has been backlogs building up, alongside the challenges of ensuring consistency of case-handling when hiring a large number of new staff over a short period. The business, operational and staffing models for the Service has remained pretty much as set when the Service was founded a decade ago, and there is now the chance to see whether those models really do prepare us for the challenges ahead. For example, the growth in caseload, as well as in jurisdiction, has challenged some of the Services’ basic operating models, with a need to look afresh at how we best handle cases in a way which gets them to the right person, first time, with minimal delays, and yet still with high quality work. We have already started analysis of how we can improve our processes, and this business process reengineering will be a priority for the next few years, as will developing a longer term strategy and model for our future operation.

The Services’ challenge is not, however, about just serving those who already reach it better, in the same way. As the Hunt review of 2007-08 outlined, some of the most disadvantaged in society often don’t know how to use services such as the Financial Ombudsman Service – and the consequence at present is that many don’t reach the Service, or pay intermediaries to use it when it could have served them directly and free, more effectively. At the same time, the internet age means that many people want to use the Service online, and to see a similar level of e-communication as, say, they can experience tracking a planning enquiry, or a parcel. The Financial Ombudsman Services needs to ensure that its channels enable everyone who needs to use it to do so, in a way which meets their different needs and which can also ensure that the Service focuses its efforts where it is most needed, all without increasing its costs (and ideally helping to reduce them). The Service therefore has a growing agenda to bring more customer insight into its planning to ensure that it creates the service which adds most value to those who use it. Linked to this agenda, the Service wants to harness the potential of technology to streamline how it works internally, and to provide easier channels of communication to both customers using its services as individual complainants, and to the financial services industry in terms of working with the Service to resolve complaints.

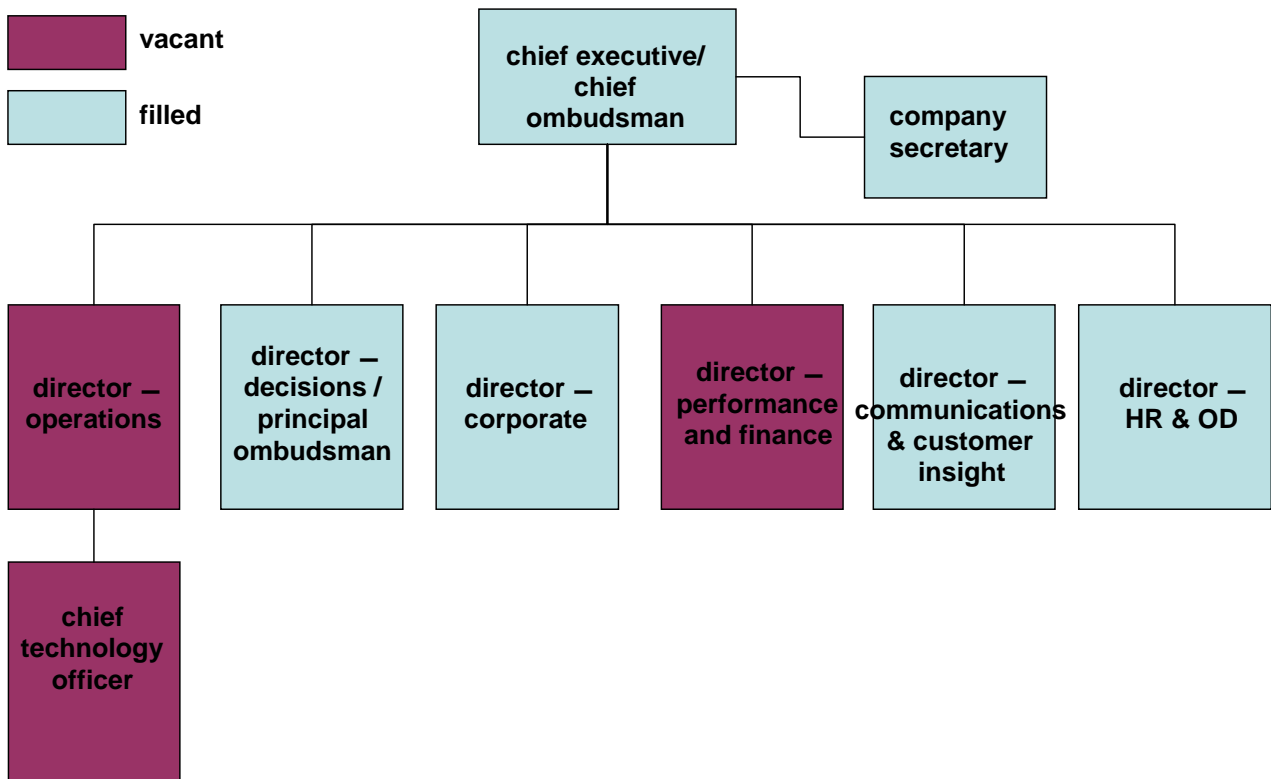
Natalie Ceeney joined the Service in March 2010, and took the opportunity to review what structure we needed to lead us through this next phase of our development. This has led to the creation of a new structure, with different skill requirements. Natalie’s aim now is to recruit a team which will provide the leadership to this Service to take it from a well regarded, good Service, to one which is universally described as ‘great’.

## The organisation's structure

The head of the Service, Natalie Ceeney, is both chief executive and chief ombudsman. We have a non executive Board, appointed in the public interest, headed by chairman, Sir Chris Kelly. Members of the executive are not formally part of the Board, but take part in Board discussions, and work closely with the non executive members to determine the overall strategy of the organisation, and then, as executive directors, to deliver it.

The new organisational structure is as follows:

### new structure



Like many organisations which value professional standards highly, the operating model is that of a matrix organisation, with most of the staff being managed by a **director of operations**, and with professional expertise driven through a parallel structure, in which the Ombudsmen sit (managed by our **decisions director & principal ombudsman**, Tony Boorman). The director of operations has full responsibility for the handling of all cases that come into our doors – from initial contact through to completion. The decisions director has responsibility for professional leadership and knowledge management, across the organisation.

The **chief technology officer**, which is a new post, reports directly to the director of operations to ensure that we re-engineer our services with technology at the heart of our planning. E-enabling the business, both internally and from a customer (firms and consumer) perspective is a core priority for us over the coming years.

In order to ensure that there is strong customer insight driving both our business process re-engineering and ongoing business delivery, the **communications and customer insight director** (David Cresswell) will provide a strong 'outside-in' focus to the executive team, ensuring that what we deliver meets the needs of the customers we serve (both consumers and industry), and backing it up

with new research and insight, as well as ongoing monitoring of our service quality levels, and of customer satisfaction.

The **director of finance and performance's** role is to ensure, at both a strategic as well as operational level, that the organisation is managed effectively, with the right financial stewardship, that we are appropriately managing our risks, and engaging effectively at senior levels with our key stakeholders. In addition, our current **corporate director** (David Thomas), who leads our strategic relationships with government, firms and the FSA is retiring in late 2011. We will therefore have a year of handover from David to enable the new senior team to benefit from David's expertise and experience during a period of change. At the same time, it also allows the new team to explore best how we fill David's role when he retires, with the option of some, or all of David's responsibilities to go to one or more of the new Directors.

Finally, the **HR & OD director's** role is to support all of this at both an operational and strategic level (the post is currently filled on an interim basis by the deputy director of HR, Jacquie Wiggett, and will be recruited to in the autumn).

This matrix structure requires members of the senior team to really work as a cohesive team, with complementary expertise and experience, to collectively lead the organisation. These roles will be suited to people who relish being part of a high performing team, and welcome the challenge and excitement of working in a constructive, challenging and discursive team environment.

### ***our aims and values***

We aim to achieve our objectives by:

- being ***independent, impartial***, and operating with a high degree of ***integrity*** (our values)
- offering a service which is ***quick, fair, reasonable*** and ***informal*** (our aims) – i.e. trying to resolve disputes as quickly as possible, doing what's right in the case, avoiding jargon, and trying to reach decisions without involving lawyers, and using resolution approaches which suit the nature of the specific complaint
- being trusted – we have an extensive range of communication initiatives with stakeholders include countrywide seminars and workshops, the monthly publication of newsletters, regular meetings with industry liaison groups and the provision of a technical advice helpdesk.

### ***our staff***

The Financial Ombudsman Service employs around 1,100 staff directly, and another 400 through outsourcers. As a result of a significant recent growth, around 40% of the organisation's staff joined within the last year, many as new graduates with legal qualifications (at adjudicator level), and at ombudsman level through a wide variety of backgrounds, including law and industry.

The Service's case handling model has three tiers, employing three levels of staff (and within each level, there are various sub-levels, reflecting degrees of expertise and responsibility).

- The first is the '**customer contact' division**, where customers first use the Service, and where calls are taken and letters answered. Here, around 950,000 calls a year are taken, of which around 200,000 become fully fledged 'cases', while other callers will be referred to other sources, referred back to the financial service firms if the firm has not yet concluded their own internal investigation, or the complainant given advice which helps them sort out the issue directly. For many staff, the customer contact division is their first point of entry to the organisation, and many have risen from customer contact staff to senior roles in the organisation. As this is the point where all customers contact the Service, excellent customer service levels here are critical.
- Once a complaint has been accepted by the Service, it is routed to an appropriately trained **adjudicator**. Adjudicators can start as new graduates or as experienced industry hires, and can develop significant expertise in certain product areas (e.g. investments or pensions) or stay as generalists and move across the organisation, all with strong development support and training. Although adjudicators can develop significant expertise, and are expected to use their own judgement in resolving cases (with appropriate mentoring and support), there is strong professional

leadership provided throughout the organisation by the most senior and expert cadre of staff – the ombudsmen.

- Around 10% of decisions made by adjudicators are ‘appealed’ by either the complainant or the firm, and are then referred to **ombudsmen**. The ombudsmen operate in a quasi-judicial environment and have the powers to decide cases (with the challenge then being to judicial review). We have a smaller team of ombudsmen (around 40, and are actively recruiting more) who, as well as deciding cases, provide the professional leadership to the rest of the organisation, ensuring that everyone learns from cases, uses the knowledge generated to inform approaches and improve consistency, and to develop approaches in new areas and on new products as issues emerge.
- Across all of these teams are huge complexities driven by the wider jurisdiction of the Service, and the complex nature of many of the different areas of financial services. Therefore, knowledge management, training and development and expertise are all core to the organisation’s success.

The Service has a very open, collegiate and informal culture, where silos are rare, and people are keen to share knowledge and develop each other’s skills. The organisation’s values of being **quick, fair, reasonable and impartial** permeate the organisation, and the culture. The Service’s HR infrastructure is strong, so there is strong performance management, good training and development of staff, and a clear career structure (although work is underway to further clarify and develop the employee proposition). Staff satisfaction and morale are high, and most staff enjoy working at the Service, and would recommend the Service as a good place to work.

### ***the board***

The governing body of the Service is a Board of nine non-executive directors who represent a wide range of business, financial and consumer expertise. The Board meets ten times per year. Directors are appointed by the FSA, but under terms which secure their independence from the FSA. The current chair is Sir Christopher Kelly.

The Board is responsible for:

- determining overall strategy
- ensuring the Service is properly resourced and is able to carry out its work effectively and independently
- approving the rules
- appointing the chief ombudsman/chief executive, principal ombudsmen and ombudsmen. The Board also appoints the independent assessor who deals with complaints about the service provided by the Service
- the approval of the draft budget each year for recommendation to the FSA
- the preparation and approval of the *annual review*.

The executive team are appointed by the chief executive, and are formally not members of the Board. However, the executive attend Board meetings, and the Board operates effectively by combining executive and non executive insight to effectively govern the organisation.

## ***the role*** ***chief technology officer***

### **job title:**

chief technology officer

### **reports to:**

director of operations

### **location:**

South Quay Plaza 2, London E14

### **salary:**

Six figure salary, with generous flexible benefits package

### ***job purpose***

Until recently, the Financial Ombudsman Service has been a paper based organisation, with our IT focused on delivering IT desktop services (which we've run mostly in house) and the operation and development of our bespoke casework handling system (which we've outsourced both the development and management of). Given the scale we now operate on, the technological environment we, and our customers, live in, and the opportunities that technology offers us to streamline the business, we are developing our in-house IT operations in order to e-enable the Service's business. The model we want to move towards is to have a senior IT capability in-house, to form an 'intelligent customer' function, and to lead the design and commissioning of our IT development. We envisage that development and delivery will be through a mix of in-house and outsourced development, for the new IT team to scope and commission.

This is therefore a new post, and is responsible for shaping the development of our technology strategy, and for delivering that strategy through an appropriate mix of in-house and outsourced resources. It is likely that the first 6-9 months of your time will be spent creating the right team structure, and developing the plans for our service development, including costing the developments and determining the benefits and payback periods for the different components of work. Then this will become a delivery role (along with leadership of ongoing innovation and development), to lead the e-enablement of the Service, working closely both with colleagues internally, and with key partners externally.

We handle the cases of over 160,000 individual consumers a year, handling sensitive, confidential and valuable information. Your role is also to support our information management agenda, ensuring that we know what information we have, we protect it and manage it effectively as an asset, and manage our information risks effectively.

### ***main responsibilities and accountabilities***

The chief technology officer will be responsible for:

- Developing a clear technology strategy for the organisation:
  - Working with colleagues across the organisation, developing a blueprint of the functionality we need to offer, in line with the appropriate channel strategy/ different audience segments, and management interfaces to the large firms
  - Developing an information architecture to support this
  - Ensuring we understand the costs, payback period for the investment, and the benefits realised for the different areas of the strategy

- Create the organisational capability to deliver our IT agenda:
  - Identify the resources we'll require
  - Determine the balance of in-house and outsource resource required
  - Create the structure/ contracts to deliver
- Deliver the IT strategy:
  - Deliver the results identified, to time, to budget
- Deliver our ongoing in-house IT desktop and telephony service:
  - Ensure that our ongoing IT support meets the needs of the business
- Manage our information, and the risks associated with it, effectively:
  - Lead our information assurance agenda, ensuring that we have identified and mitigated our core information risks
  - Ensure that we are coding the right information at the right points to extract the data we need for the business
  - Ensure we understand what information we need to keep, for what period, and that we have the infrastructure to keep it

### ***candidate profile***

This role is both strategic and operational, and will require you to have the skill to both develop a vision for the technological interface of the Service, and to deliver it.

### ***experience and qualifications***

essential:

- Education to degree level or above (or equivalent)
- Has run a significant IT service of comparable size – with experience at IT operations, IT development, and managing both in house and outsourced IT arrangements
- A good understanding of the Information Assurance agenda and of managing information risk (ideally having delivered an information assurance programme)

desirable but not essential:

- experience of working in a professionally driven culture/ with senior professionals
- experience of financial services
- an understanding of/exposure to, regulation
- an understanding of wider information management issues

### ***core leadership competencies***

#### **business acumen**

- Is seen as a reliable and consistent expert in their field, with a strong understanding of the wider IT market and issues
- Politically astute – particularly in terms of complex customer and stakeholder management
- Is ambitious about what can be achieved for the Service, using external benchmarks and best practice to challenge the status quo
- Is able to see their function through the eyes of the (internal and/or external) customer and considers the provision of services from the perspective of all users

### **Setting strategy**

- Able to develop an IT strategy, and to turn this into tangible deliverables and plans

- Scans the environment for new opportunities and best practice in their field to inform new approaches and develop innovative ideas
- Strong analysis skills, numerate, and able to draw conclusions from complex or ambiguous information
- Able to clearly communicate a vision and rationale for change that people can buy into (at all levels)
- Creates and maintains a culture of continuous improvement recognising that the function exists to serve the needs of its internal and/or external customers

### **executing for results**

- A strong track record of delivering results, to plan, and to budget
- Is decisive in taking action in the face of a crisis and is able to deal with conflict and challenge
- Takes brave and 'right' decisions rather than expedient ones
- Has the ability to manage quality and consistency of service delivery
- Projects an innovative style and attitude towards risk-taking, but with a 'common sense' approach
- Demonstrates tenacity in the face of resistance, and is prepared to remove necessary obstacles preventing the achievement of excellence

### **leading people and teams**

- Able to clearly articulate where we are heading, and what it means to individuals at all levels
- Able to engage people at all levels, and visible, accessible and approachable
- Develops and gets the best out of their people
- Possesses high levels of personal integrity, not only embracing, but promoting ethical values such as integrity, respect and accountability
- Has a zero tolerance of discriminatory practices and challenges discrimination associated attitudes, language and behaviour

### **building relationships & using influence**

- Clearly a team player – seeing success as about the performance of their colleagues, and the Service as a whole, and not just of their 'part' of the Service
- Builds strong relationships across boundaries which are sufficiently strong to allow robust debate and challenge
- Solicits feedback, and who is willing to be challenged and to challenge others
- Able to negotiate win – win solutions in seemingly impossible situations

## the selection and recruitment process

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The Financial Ombudsman Service has appointed Russell Reynolds Associates (“RRA”) to assist in the recruitment process.

### ***indicative timetable***

<b>Date</b>	<b>Action</b>
Sunday, 23 May	advert in Sunday Times
Monday, 7 June	advert closes
Friday 11 June	long list meeting
14 – 28 June	Interviews for long-listed candidates with RRA
Monday 5 July	short list meeting
Tues and Wed July 13 and 14 July (2-3 hrs for each candidate on one of these days)	candidates : informal (“fireside”) meeting with CEO, informal meeting with exec team members, and ‘leadership conversation’ with external assessor
w/c 5 July	online psychometric tests for shortlisted candidates (online – in your own time)
Monday 26 July	final Interview – chief technology officer

### ***application instructions***

All applications must include the following:

- the reference number 1004-058L;
- a short covering letter of not more than two A4 sized pages explaining why this appointment interests you and how you meet the appointment criteria as detailed in the candidate profile;
- a CV with educational and professional qualifications and full employment history, where possible giving details where applicable of budgets and numbers of people managed, relevant achievements in recent posts;
- current remuneration;
- names of at least two referees who will be contacted at short list stage, before final interview;
- day time, evening and mobile telephone contact numbers and preferred e-mail address for all correspondence, which will be used with discretion;
- the completed equal opportunities form (attachment 1). This form will not be disclosed to anyone involved in assessing your application.

Applications should be sent by the closing date of Monday 7 June 2010, marked for the attention of Patrick Johnson, to:

By email: [Responses@RussellReynolds.com](mailto:Responses@RussellReynolds.com) (preferred medium)

Or, by post to: Patrick Johnson  
Russell Reynolds Associates  
24 St James's Square  
London SW1Y 4HZ

Response Website: [www.rraresponses.com](http://www.rraresponses.com)

***questions and informal discussion:***

If you have any queries about any aspect of this appointment, or merely wish to have an informal discussion, then please call +44 (0) 20 7830 8052.

***attachment:***

1. equal opportunities form – *must* be completed and returned with any application.

## equal opportunities

We will treat this information in total confidence. It will help us identify and overcome any barriers in the way we provide our service. However, you do not have to complete this form and we respect your right not to answer these questions.

### disability

Do you consider yourself to have (or have had) a disability? Yes  No

Please tell us about any workplace adjustments that might be necessary for you to carry out this role:

### gender

my gender is: female  male

### sexual orientation

bisexual  heterosexual/straight  homosexual/gay/lesbian   
 prefer not to say  other

### religion or belief

Buddhist  Christian  Hindu  Jewish  Muslim  Sikh   
 other  no religious or philosophical belief  prefer not to say

### ethnic origin

- |  |   |
|--|---|
| <p>a) <b>Asian</b></p> <p>Bangladeshi <input type="checkbox"/></p> <p>Indian <input type="checkbox"/></p> <p>Pakistani <input type="checkbox"/></p> <p>other Asian background <input type="checkbox"/></p> | <p>d) <b>Mixed</b></p> <p>White and Asian <input type="checkbox"/></p> <p>White and Black African <input type="checkbox"/></p> <p>White and Black Caribbean <input type="checkbox"/></p> <p>other mixed background <input type="checkbox"/></p>   |
| <p>b) <b>Black</b></p> <p>African <input type="checkbox"/></p> <p>Caribbean <input type="checkbox"/></p> <p>other Black background <input type="checkbox"/></p>  | <p>e) <b>White</b></p> <p>English <input type="checkbox"/></p> <p>Irish <input type="checkbox"/></p> <p>Northern Irish <input type="checkbox"/></p> <p>Scottish <input type="checkbox"/></p> <p>Welsh <input type="checkbox"/></p> <p>other White background <input type="checkbox"/></p> |
| <p>c) <b>Chinese or other ethnic group</b></p> <p>Chinese <input type="checkbox"/></p> <p>other ethnic background <input type="checkbox"/></p>   | <p>f) <b>prefer not to state ethnic origin</b> <input type="checkbox"/></p>   |

### nationality

I would describe my nationality as: \_\_\_\_\_

We are committed to diversity and equality. Thank you for completing this form.