# How digital transformation can help engagement

*Inside Housing*'s survey, in association with Futr, asks how landlords can use digital approaches to better support residents

With physical contact kept to a minimum during COVID-19, the adoption of digital solutions picked up pace across the sector, as landlords sought to maintain contact with residents and streamline services. But a survey by *Inside Housing*, in partnership with tech start-up Futr, suggests more changes are afoot, with a wave of landlords embarking on digital transformation strategies as demand increases among residents and staff for digital products.

A total of 140 organisations responded. Of these, 54% were housing associations, 28% were councils and 7% were ALMOs.

In a sign that the sector is heading towards a digital future, the findings showed that 40% of respondents had a digital transformation strategy in place, while a sizeable 50% were either developing a strategy or had developed a strategy but were yet to implement it.

More than half said it was a top organisational priority and played an integral role in the group's overall business strategy. A further 32% said digital transformation was considered a top priority, but they were still in the planning stages as to what role digital transformation would play in their overall business strategy, while a sizeable 65% said their leadership team believed digital transformation was key to their development.

Randall Shortland, digital experience manager at association Settle, says: "We're cresting a bit of a wave of focus on digital, which ties up with the findings in the survey. Our executive and leadership teams are now fully engaged, and we've recruited new board members who have specific experience and focus on digital."

He adds that he is also in the process of writing a digital strategy, which will feed into the group's 2024 business strategy, while Settle is building its internal teams to help support this digital shift. "It feels like, as a business, we are moving towards more digital automation and better use of data," he says.

While many organisations had already put in place a digital strategy before the pandemic, nearly 80% of participants said the pandemic had either significantly or slightly increased the focus and ambition of their digital transformation. One such organisation was WHG, which launched an automated income collection service called Project Wizard during the pandemic. The system was part of the group's process for managing and supporting the migration of customers from legacy benefits to Universal Credit (UC) – called 'Move to UC'.

It works by automatically identifying and contacting customers who might need a nudge to pay their rent.

The system learns what contact number is most effective for each customer and identifies/flags those who do not engage with this method of contact.

## Accelerated by pandemic

Tansy Crowley-Sweet, the landlord's income and resident manager, says that it already had plans in place to launch this digital service but the pandemic accelerated them, with WHG seeing seven months' worth of new Universal Credit claims in just two weeks during the first lockdown. She says: "We did a projection and forecast of what our business would look like after the full implementation of Move to UC and the demand that would put on our services, [which] gave us a real business case to say that we needed something to ensure we could engage and support more people."

She adds: "The numbers we ended up with during COVID-19 were very similar to the numbers we thought we were going to be ending up with in a couple of years' time. So, we had the plans in place but [the pandemic] accelerated them. What we recognised pretty quickly was that this wasn't going anywhere, so if we delayed things, it was only going to exacerbate the impact [this increased demand would have] on our team in terms of their mental health and well-being, so we just went full pelt ahead and delivered it in the middle of COVID-19."

The sector's commitment to digital transformation was matched by a surge in resident and staff demand for digital products in the past 18 months. Findings showed more than 80% saw an increase in resident demand for digital products over this time. When asked about staff demand, the response was more than 90%.

**32%**
Respondents who said digital transformation was a top priority

**80%**
Those who have seen an increase in resident demand for digital products in past 18 months

**90%**
Those who said it was very important for tenants to have choice in how to contact landlord

**4%**
Those who said their business had no option at all for residents to contact them out of hours for non-emergencies

## Does your organisation have a clear digital transformation strategy in place?
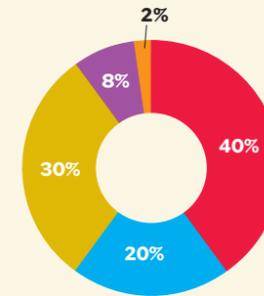


- Yes, we have implemented a clear strategy
- We have developed a strategy, but we have yet to implement it
- We are currently developing a digital transformation strategy
- We have yet to develop or put in place a strategy, but this is our intention
- No, we have no strategy in place and no plans to put one in place in the near future

Source: *Inside Housing* survey in partnership with Futr

## What are the main barriers holding back your digital transformation plans (select top three)?
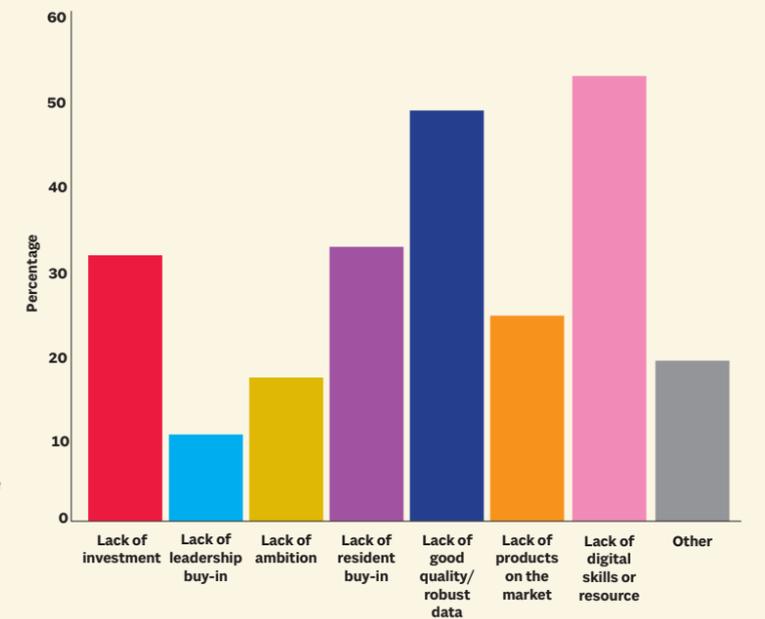


Source: *Inside Housing* survey in partnership with Futr

Kitty Hadaway, business development manager at Futr, says: "This is a watershed moment – it's also a moment for landlords to make sure they don't get left behind because this is what tenants and staff want."

## Giving tenants choice

Asked how important it was that tenants were given choice about how they got in touch with their landlord, an overwhelming 90% said it was very important. Hand-in-hand with this was a finding that showed 66% of respondents were planning to promote social media channels such as Twitter, Facebook and WhatsApp as routes for tenant engagement. The findings tied in with Tpas' 2019 engagement survey, which showed an ambition across the sector to increase the use of digital channels in engaging and communicating with tenants.

Although the sector has a desire to digitalise to improve its service, there are still some gaps. Asked how they communicated with residents who were non-native English speakers, a third said they relied on internal staff resources, while 10% said they had no existing option.

In terms of how residents were able to contact their organisation out of hours for non-emergencies, nearly 70% of respondents said email, while 4% said they had no option at all. So it comes as no surprise that 'improving resident engagement' and 'enhancing resident communication' were areas where businesses felt digital innovations could deliver quick wins.

Discussing the benefits of digital to improve resident engagement, one participant said: "We're already seeing digital creating better engagement opportunities for regeneration projects, local events and initiatives. The ability for residents to communicate with an association about what's going on in their neighbourhood can be powerfully enabled by the right digital innovations."

Elsewhere, respondents were asked for their top barriers to digital transformation, with a lack of digital skills and resources coming top (54%).

On this, Ms Hadaway says: "A big problem in social housing has been legacy housing management systems, portals and apps that have an arduous process to implement. New products are coming to the market that are tailored for the operation of social landlords that don't require lots of resources and training, so these barriers are actually becoming a bit of a myth."

Other challenges cited included lack of good quality/robust data (49%) and a lack of investment (32%), while one participant flagged the difficulties attached to delivering bilingual services. They said: "As a Welsh authority, all customer-facing digital solutions must be bilingual and [the same for] output messages. Not many companies can handle this requirement. Implementing dual-language customer portals costs twice as much and takes quadruple the amount of time and effort."

*"It's a moment for landlords in the sector to make sure they don't get left behind because this is what tenants and staff want"*
*Kitty Hadaway, Futr*