

CONSUMER DUTY: CULTURAL & OPERATIONAL SELF-ASSESSMENT

Our RAG (Red-Amber-Green) self-assessment checklist is designed to help you evaluate your firm’s current standing against the FCA’s expectations for culture, competence, and evidence under the Consumer Duty.

Focus Area	Red (Action Required)	Amber (Developing)	Green (Best Practice)
Tone from the Top	Leadership rarely discusses customer outcomes; incentives remain purely sales or volume-based.	Leadership discusses the Duty, but it hasn’t yet changed strategic decision-making or reward structures.	Board reports and incentives are explicitly aligned with delivering and evidencing good customer outcomes.
Psychological Safety	Mistakes are met with punitive action; staff are hesitant to report risks or errors.	Errors are recorded for compliance, but there is no formal “learning loop” to support staff improvement.	Mistakes are treated as vital data points; staff are encouraged to identify risks and are supported to learn from them.
Employee Wellbeing	No formal support for staff “burnout”; high pressure to maintain productivity regardless of call difficulty.	Basic Employee Assistance Programmes (EAP) exist but are not linked to customer outcome quality.	Staff have autonomy to “depressurise” after difficult calls; wellbeing is tracked as a driver of service quality.
Personalised Learning	Training is a “one-size-fits-all” annual compliance module with no role-specific context.	Training includes Consumer Duty basics but lacks practical application for different business functions.	Learning is tailored by role/ function; staff understand exactly how their specific actions affect the customer. Competence is continually assessed and not seen as a ‘one-off’ achievement.
Vulnerability Awareness	Staff use a generic script for all customers; no specific training on identifying or supporting vulnerability.	Staff can identify vulnerability but lack the tools or authority to provide tailored solutions.	Partnerships with specialist organisations provide staff with deep insight and materials to support diverse needs.
Performance Metrics	KPIs are based solely on productivity (e.g., call handling time, volume of cases closed).	Some qualitative measures exist, but productivity remains the primary driver of bonuses and reviews.	“Customer Advocacy” and satisfaction metrics are the primary drivers of performance evaluation.
Data & Evidence	Only basic complaints data is monitored; no proactive testing of customer outcomes.	Quantitative data is collected but lacks the qualitative “story” or root cause analysis.	A rich mix of qualitative and quantitative data is used to track outcomes and trigger operational shifts.
Root Cause Action	Risks are identified but rarely lead to changes in processes or business strategy.	Issues are fixed on a case-by-case basis, but the underlying process often remains the same.	Evidence shows that identified risks lead to documented changes in operations, products, or training.

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