

A RETAIL BANK CASE STUDY

CLIENT

A large international bank, with over 22 000 employees and over 850 retail branches in South Africa alone, needed to increase market share and product sales within a tightening economic climate and an increasingly regulated industry.

CHALLENGE

In servicing the Bank's wide customer base, a key customer interface is the Sales Consultant (2 500 employees). These consultants are tasked with meeting the sales and service requirements of walk-in customers within the branch network, as well as proactively selling the bank's financial offerings using a variety of lead channels. Key challenges faced in optimising the sales and the service achieved by these consultants include:

- **The complexity of the business content.** Sales Consultants are required to be competent in over 50 financial products, multiple operating systems, and a myriad of business processes and compliance legislation. Given that most new staff have no tertiary education or previous experience in the banking industry, this proves to be an enormous learning challenge.
- **Long time to competence.** The existing training academy requires new Sales Consultants to undergo 85 days of formal training, spread over an 18-month period, to reach a level of competence. However, given the pressures on branch performance, only 39% of all staff had managed to complete their minimum training requirements.
- **Inadequate training impact.** The Bank was offering up to 15 000 people training interventions a month, and yet below 20% of 'trained' staff were capable of successfully completing competence assessments two months afterwards (based on an assessed sample). Training therefore appeared to be targeted more for compliance purposes (tick box exercise) than for business impact.
- **The rate of change.** The increasing rate of change that was experienced in financial products, branch processes, operating systems and legislation and policy rules resulted in ongoing refresher training and varied 'versions of truth' being held within the Bank. This increased the error rates of consultants within the branch network, and impacted on their ability to close sales and delight customers.
- **Lack of accurate, easy to find sales and service information.** The disparate nature of documentation and information within the business (related information existed in multiple places and at varying level of accuracy) resulted in consultants spending significant time tracking down the right information while the customer waited in front of them.
- **High staff turnover.** This was experienced as a result of both ongoing internal staff rationalisation and a volatile labour market where competitors were consistently offering remuneration packages that exceed the Bank's maximum limits (requiring the Bank to seek non-financial factors to differentiate and retain skilled staff).



- **Customer satisfaction levels.** Customer service feedback highlighted that service levels were not at the required levels to differentiate the Bank within the industry.
- **Product adoption.** Staff tended to sell either what they were instructed to sell to meet targets or what the customer directly requested, without conducting a proper needs analysis and offering effective advice. This resulted in many product sales being de-activated after three months, as the customer found the product to be unsuitable. This therefore increased the overall cost of sale and contributed to customer dissatisfaction.

SOLUTION

Based on a detailed analysis, it became clear that the sheer volume of information that consultants needed to know, and the rate at which the information changed, proved overwhelming to staff. The result was that they tended to focus on what they could remember, and their sales and service became constrained by this 'comfort zone'. This impacted heavily on the cross-sell percentages, as staff focused more on clearing the lines and worrying about whether they were following the right process, entering the right data, and giving the right information than offering their current customer an exceptional experience.

To resolve this, we built a solution that effectively integrated their learning, knowledge management and performance support into one. A key part of the solution was an integrated Electronic Performance Support System (EPPS) that 'wizards' the consultant through the sales and service engagement, allowing them to focus their attention more on offering exceptional customer experiences than memorising complex processes and detail. To build this EPPS, we identified the best minds in the area of financial products, operating systems, branch processes, compliance and sales and service, and spent time mapping in predictable/repeatable logic of the complex integrated flow of an optimal interaction that a consultant should have with any customer. This meant mapping at the conversation level the process that a consultant should follow in welcoming a customer, conducting a detailed needs analysis, following the correct branch processes, entering the correct data in the correct operating systems, ensuring that all actions and decisions are fully compliant, and ensuring that the entire interaction reflects an optimal sales and service process (with effective cross-sales included). At each decision/engagement point, we also identified the required information that a consultant would need to either make a decision, or supply the customer with information.

Then, using CUDA Coach™, we built an EPPS that could be delivered within the compromised bandwidth realities of a branch network, and that could offer the consultant integrated, online support while s/he engaged with the customer. We also populated the organisation's CUDA Business Brain™ with all supporting information (including targeted online learning), access to key forums and subject matter experts. Having done this, we turned the learning attention to what truly differentiated the sales and service experience for a customer: the engagement experience. Conceptual learning was tackled via e-learning, followed by a few days of application/simulation learning conducted in a classroom setting. Once staff were comfortable using the EPSS and Business Brain in customer engagements, they were then provided with a few days of targeted performance coaching in a top performing branch, working with 'real' customers. This coaching was then continued by their line managers back at their respective branch.



RESULTS

The results of this solution have been profound. Key impacts noted within just three months of implementation include:

- reduction in formal learning (from 85 days to 63 days), with much of the content being offered through intelligent performance support. This not only significantly reduced total training costs, but also enhanced overall business flexibility;
- 26% improvement on individual sales volumes in a declining market (based on historical sales that were recorded in a buoyant market);
- improved cross-sale ratios, resulting in consultants requiring up to 40% fewer customers to meet their targets;
- 8 point increase in customer satisfaction rating, with a noted improvement in customer compliments offered at branch level;
- reduced retraining, with staff able to effectively react to ongoing product, process, system, legislation and policy changes using the online performance support that automatically adjusted to accommodate for these changes;
- reduced business risk, as the current wisdom held within a few key business people's heads was captured in explicit format accessible to all. This reduced a major key-person risk that the business had with certain subject matter experts;
- reduced compliance risk, given that staff are guided through a consistent process with a common view of product, process, system and legislative support material. This not only ensured a consistent customer experience, but also significantly reduced the risk of staff offering inappropriate advice; and
- profound impact on staff performance, morale and attitude (based on qualitative feedback from staff and line managers):
 - Improved work attitude and overall ownership of their learning and performance.
 - Increased collective learning (sharing), with staff using daily huddles and electronic forums to share successes and learning.
 - Enhanced levels of confidence in following the correct processes and system steps, offering accurate product information and effectively resolving complex customer queries.
 - Reduced support, with branch managers now having more time to focus on value-adding tasks, rather than spending significant amounts of time shadowing consultants and answering queries that consultants are unable to handle.



SUMMARY

The decision to shift the training effort away from a more traditional approach that focused on content detail to one that targeted conceptual understanding and differentiating behaviours had a significant impact on the sales and service delivered in the targeted branches. Supported by an 'intelligent' Business Brain that offered the organisation's wisdom in ways that assisted just-in-time learning and on-the-job performance, consultants were not only able to benefit from expert guidance through complex customer interactions, but they were also able to focus on the customer experience without the anxiety of forgetting a product, process, system or compliance detail. The end result was less training and more performance, an important outcome in today's economic climate.

For more on this case study, or other case studies in which we have managed to significantly reduce formal learning yet enhance resulting performance, please contact Bernadine Reynolds on 011 259 4200.

