

Building Management Consistency

Abbey National's quest for higher performance



Issue

All modern organisations need automated systems to manage customer data, pay-roll, purchasing and many other processes. They can't run without the efficiency and consistency which these systems produce. But management systems are just as important.

Abbey National knew that their investment in automated systems would not pay off if not accompanied by a completely new, customer facing culture and management process. Abbey's Head of Branch Network, Malcolm Parker, was particularly perplexed by the business's inconsistency. *"Why does the customer experience in Carlisle feel so different from that in Bournemouth when the products, branding and training are identical?"*

The answer was clearly to do with how people performed and were managed.

- They prided themselves on being friendly to customers but few staff thought of themselves in a sales role: *"I was never hired to do that"*
- Managers were seen by staff as operating an overly directive management style: *"I'm the manager - so do what I tell you"*
- There seemed to be little impetus to improve the status quo at any level

They prided themselves on being friendly to customers



Solution

Implementation started with reviewing differences in approach between supposedly similar branches. We compared actual practice with what managers thought was happening and against our model of what should be happening.

Relationship selling skills were learned at every level of staff

A steering group was formed from all levels of management and led by Malcolm Parker. As a first step each member acted as mystery shopper at competitor branches - and then at their own locations. *"It was a true 'eye-opener'. In reality we were no better than many of the organisations to whom we had felt superior"*, said Malcolm Parker.

With this experience, the team set out to identify service and sales behaviours that would be mandatory and consistently applied. They decided which would be done on a daily, weekly, monthly or quarterly basis for each management and staff role. Given the eye opening nature of their own experiences, the steering group insisted that every member of staff should be required to 'shop the competition' as part of their individual learning!

Every manager was trained extensively in how to provide formal coaching to direct reports on a weekly or monthly basis - and informal coaching and recognition every day

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Relationship selling skills were learned at every level of staff, through manager-led training in the working location. Both behaviours and outcomes were measured, reviewed and rewarded.



Retaining customer accounts

Two years after commencing this management reconstruction, the bank commissioned an independent progress review. Feedback was very positive and results impressive. Not that everything was perfect. Most people recognised that the journey was long with a lot more still to be achieved.

Malcolm Parker said: *“With our new Management Model, we achieved in two years a culture change that many banks have been struggling to achieve for five years - and will still be struggling with it for another five years. People now don't say: It's the Boss's new system, but It's the way we do things around here.”*

One Area Manager said: *“Coaching is the most outstanding feature of the system. Sales team meetings, live coaching, management meetings, formal feedback: we do them all and to a far higher standard. And we're more future and results oriented. The process has taken us a major step forward.”*

One previously sceptical Branch Manager commented: *“The top of the company now genuinely listens to people at my level. As a result of this extra attention individuals feel more important and branch staff are making more effort - and enjoying talking to and advising customers. Cashiers are initiating conversations with customers and asking questions and listening.”*



Joe Liddane has over 20 years of consulting experience within the financial services sector. His reputation within the market and his knowledge of industry issues have allowed him to build long-term relationships with key industry figures

So the behavioural change had happened but what about business results? The most heartening aspect was that service and sales indicators were trending upwards naturally and easily:

- Lead generation was up by 75% to 80%.
- Conversion rates had improved from virtually nil to 40% of leads
- Leads produced by enthusiastic counter staff were now of much higher quality as they were based on customers' real needs
- One region had sold around 1,200 pensions in five months - 300% of previous rate
- One branch sold 100 investment products in six months - versus 20 in the previous full year
- Managers became better at recognising both efforts and successes - and on thanking people for their work
- Service quality scores had improved by 15% at the same time as sales were rising.

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The survey included feedback on the process and the consultants who had guided it. One Regional Manager commented: *“You always felt that there was a wealth of knowledge and experience behind them. But you never got the sense that they were pushing hard: they were just there to help us. We believe now that this is our system.”* ■



John Hutchinson has over 15 years international consulting experience. His experience spans Management Practices, start up banks, New Retail Banking and multiple channel distribution

For more information

☎ 020 8343 4447

✉ jliddane@setantapi.co.uk

🌐 www.setantapi.co.uk