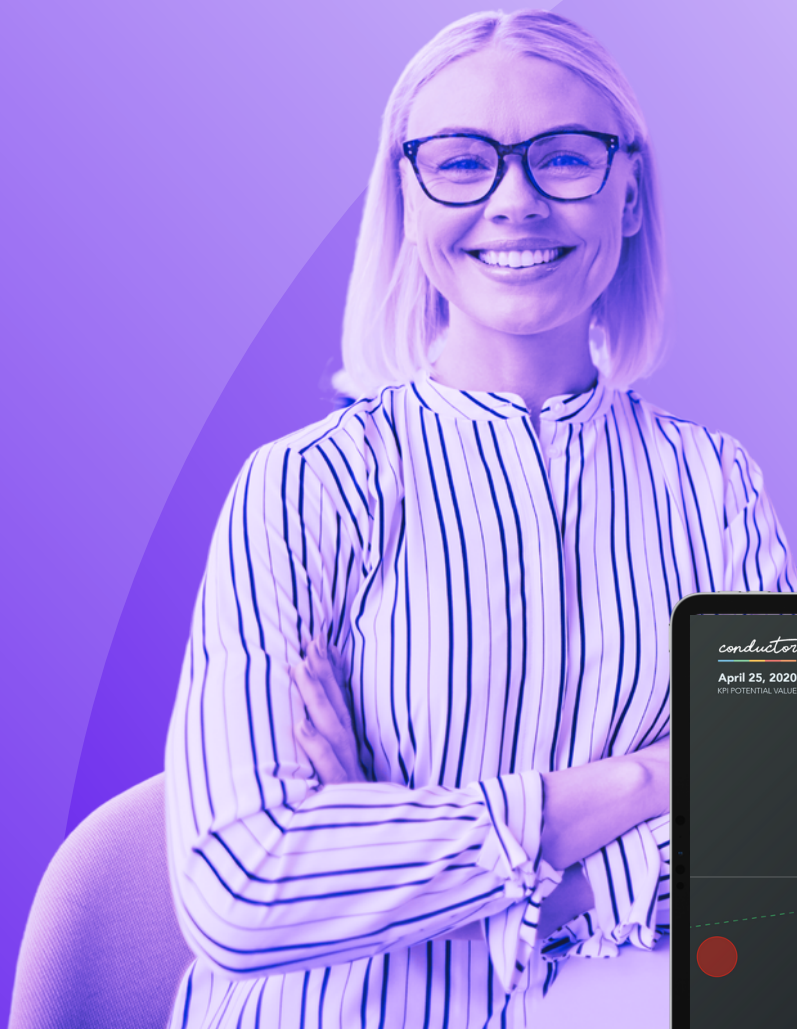


Case Study

Banking



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The Overview

The team of a Regional Manager of a Retail Bank had lost their momentum and their groove around customer service and sales from a needs based sales perspective, and revenue growth and profit performance had stagnated. She wanted to get her people back to a place where they would feel safe, supported, motivated, and back to the activities that made them successful, prior to COVID.

The Situation

She said the reasons for her critical business issue included:

- The bank had been caught up in non-compliance with some of the extra regulation recently put on by the industry. The risk division of this bank came down really hard on the error makers, so there was a fear that making mistakes could cost you your job. The fear of, “What if I say the wrong thing?” pervaded, even simple tasks like making return calls to loan applicants. This of course generated call avoidance or less than resourceful states, instead of performance states of mind, in front of clients. In addition, she saw that if you’re too afraid to learn, you can't grow, you can't change, you can't fix problems, or improve things;
- Her staff had endured significant disruption and even trauma over the last couple of years as the business responded to COVID. During this time accountability for performance, to meet the numbers had been eased off;
- The genie was out of the bottle in that her people believed that they can be cared about and be held accountable for performance. Staff and culture had moved to a new place, and a return to the old “hit the numbers at any cost” standard pre-COVID approach of one-on-one coaching sessions around service & sales behaviours, KPIs and targets would not fly. It would lead to the great resignation; and

The Situation

- Some branch managers had gone a bit too hard, and too early. They had toggled from, “We are running a chaotic environment, let’s just survive the day, let's stick together and help each other out.” to “How many of what, are you doing today?” The reaction of the staff was playing the victim, avoidance, accusations of bullying, and feeling uncertainty, and lack of fairness.

The Solution

The Regional Manager said the capabilities she wanted included:

- The means to see what leadership were doing, and what staff were experiencing, in branches, and how that impacted sales performance;
- Actionable insights so the management team could maintain control over the causal factors to drive safe revenue performance improvement;
- A means to increase results accountability in a safe and supportive way in order to preserve the team dynamics and agility that had helped the branches navigate COVID. That her leaders would be able to have and encourage open, honest, and vulnerable conversations with team members about how they are feeling about taking risks and making mistakes; and
- That her front-line staff could be comfortable being accountable for sales results, relaxed and confident making calls to home loan customers which would increase converting home loan opportunities to revenue.

The Outcome

Conductor Analytics system, Conductor Circular Leadership program, and leadership coaching provided her with these capabilities.

The analytics tool measured team and leadership psychological safety, team dynamics, leadership influence, diversity & inclusion, and wellbeing across a range of demographics and team levels. The tool analysed which business KPIs were most influenced by staff and leadership and identified home loan conversion rates (converting a customer from loan application to settlement), home lending growth and branch profit were very strongly influenced by staff psychological safety. Conductor discovered a significant opportunity for profit improvement, through improving average conversion ratio to equal or exceed the benchmark of 25%.

There was significant correlation (above 60% - so very very strong correlations) between home loan conversion performance in 10 of the 25 dimensions of leadership and team dynamics that Conductor measures.

The Outcome

Two stand out dimensions were relatedness and equity (i.e. the ability to feel comfortable and safe and learn around your peers whom you believe have got your back.)

Conductor identified that the overall psychological safety score was 79 (good). The leadership influence was up in the eighties, and a couple of branches in the nineties (excellent). However, in a manner consistent with our findings with other organisations during the last year, staff did not feel safe to take risks nor feel it's okay to make a mistake and staff were afraid to be seen as not performing.

The results helped the regional leadership team to understand how leadership, people, and bottom-line performance were inextricably linked in their branches. The managers embraced the results saying, "It's demonstrated to me what I'm doing well, and the areas that I need to work on from a leadership perspective, that I know I haven't been tackling, and I can see the consequences of that neglect."

The Outcome

During their report debrief they shared their realisation that, “They now understood how to use this information to work on the environment in order to impact results. That they could focus on reducing fear which would lead to intrinsic motivation to act. They could first create an environment where staff want to be held accountable.” Only after that had been addressed could they safely open dialogue on throughput, i.e. activity level and process effectiveness, for example, how many customers their people were calling in regards to home loans.”

The Results

Conductor identified an opportunity equated to an average of \$17M revenue and \$279K profit increase per branch per year. The bank is currently working towards achieving that goal which will achieve a payback of under two months and an ROI exceeding 600%.



For more information go to www.onirik.com.au

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