

Case Study

Service Delivery/Customer Experience

\$7B U.S. Virtual Bank

The Challenge

A \$7 billion direct bank was experiencing stalled deposit growth, account closings and customer attrition despite highly competitive interest rates on insured savings products. The telephone customer service center, which was the single point of contact for customers, was experiencing a high rate of attrition and morale was low in the unit. Bank management was aware of customer dissatisfaction but had no real information as to the exact cause of the customer and employee “noise.”

Key Management Issues

- Do we really know what our customers are thinking and saying when our only communication with them is through our telephone customer service representatives?
- How do we better utilize the customer service reps’ direct customer knowledge in the planning process for product launches, technology developments and policy and procedure changes?
- How do we retain our knowledgeable service reps to minimize recruiting and training costs?

The Action

Phase I - The Current Assessment

This direct bank had no physical branch presence and all account opening and account maintenance was done via the Web, the telephone banking system and the telephone customer service unit. A thorough review of the bank’s operating procedures, change management process and customer call center processes was conducted.

All decisions related to product launches, policy changes, procedural enhancements, technology projects and marketing promotions were made by corporate management with no input from the people who dealt with the customers on a daily basis (i.e. the telephone customer service reps). There was no communication with, or feedback mechanism from the only people who had direct contact with the customers and direct knowledge of their needs. The customer service reps were dealing with irate customers on a daily basis, frustrated by their inability to make the bank aware of customer issues. They felt they had no chance to influence decisions that directly impacted their ability to serve their customers.

Phase II – Redefining the Service Process

The first step was to conduct a series of focus groups and brainstorming sessions to understand the real customer experience. Every customer service rep attended one of the sessions. Free speech was encouraged and insured by eliminating supervisors from the sessions. All discussion points, ideas, questions, “complaints,” etc. were logged and documented, resulting in over one hundred items that were categorized and analyzed for feasibility. Recommendations were made for action plans. Align FSC consultants worked with the bank’s management team to create and prioritize action plans, track progress and monitor implementation.

The Results

A series of “quick hit” fixes were implemented to address issues that required minimal funding or investment in staffing or technical development. Several major initiatives were identified and prioritized in the technology development queue. These projects received funding as part of the bank’s upcoming budget cycle and were completed within 12 – 18 months.

An ongoing, formal Service Delivery program was launched, providing a two-way communication process between corporate decision-makers and the “line of fire” reps who dealt directly with the bank’s customers. The program provided a mechanism for the bank to accurately understand customers’ desires and satisfaction, and to capture and track ideas and concerns on a regular basis so they could be included into corporate planning sessions. Input was tracked from inception to completion and monthly status reports kept the participants aware of the outcomes.

The morale in the customer service department improved significantly as a result of these programs. The reps felt that they were important to the process and that their knowledge and experience were taken into consideration. A continuous feedback mechanism provided a means for the reps to report issues and ideas on a regular going-forward basis.

The bank also developed a marketing program to communicate to customers that the bank was aware of their issues and was addressing them (“you spoke, we listened”).