

Nothing beats direct observation

A former retail bank executive reflects on what she would do differently now. Here are five priorities to improve the customer experience



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Over lunch recently, a former colleague of mine from Wells Fargo asked, “In hindsight, what are some of the things you would do differently, knowing what you know now?”

I thought the question was both relevant and interesting. I had been an executive vice-president, responsible for a large number of branches. Five years ago, I had founded Kane Bank Services, a management consulting firm focused on retail banking. My management experiences now stem from working both within an organization and from the outside looking in and making recommendations.

The question was also timely in that I had recently been working on programs to measure service quality for one of my clients, and the question, “How can executives really understand their customers’ experience?” was firmly in my mind.

The things I might do differently—and which I would challenge my CEO clients to do differently—aren’t in the realm of strategy, marketing, or operations. They are the basic building blocks of solid management practices—and all of them revolve around building better intelligence about the customer and using

that information to build better competitive advantage.

Time is finite, and we all make choices about priorities. We end up spending a lot of time in meetings. Much of that time is valuable, but perhaps *less valuable* than other proactive customer-focused activities. If I could do it all over again, I would reorder my priorities to ensure that the following actions were firmly rooted in my weekly and monthly plans:

Shop branches extensively. As an executive, I tried to spend a fair amount of time visiting my stores. I even tried to make many of these visits unplanned or unannounced. But as soon as I entered the

doors, I would be recognized and my experience became far from the ordinary. For all the hoopla around “the customer experience,” few organizations have a true sense of what the reality is. Executives need to have many different vantage points from which to collect this information. I’d start with extensive numbers of mystery shops that capture the heart and soul of the qualitative customer experience (and not just the quantitative employee behavior). If these are extensive enough, this data

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should obviously become the basis for branch recognition programs, just as it is for some institutions today. And if the feedback processes are qualitative enough, this information could also be used for a wide variety of programs to improve service quality and product delivery. Too many organizations shop each branch a handful of times each year, and falsely believe that this gives them a true picture. *Market research is an underutilized tool in most banks.*

Talk to customers who like you as well as those who don't. I don't think I spent near enough time talking to customers who would share the good, the bad, and the ugly. Sure, I handled the really difficult customer complaints: those individuals who would be satisfied with nothing. But I failed to talk to customers who really liked the bank, our service, employees, and products. It's every bit as important to know what you are doing right as it is to know what you are doing wrong. Talk to customers in branches, through the call center, and even by proactively making a few phone calls. It will give you a balanced view.

Personally read all letters and e-mails from customers. For many of you, this is a no brainer; you already do this. For executives with hundreds or thousands of distribution points and millions of customers, this obviously is more difficult. I know that I *looked* at all of my mail, but more with an eye to ensure that it was "handled" rather than really comprehended. If I could do it all over again, I'd concentrate on considering more actively what the company should do differently as a result of each and every customer communication.

As for what to do with that overflowing inbox, I'd try to separate it into things and information that I would *act on* and material that is just informational. Very often, we can't get to the things in that second category.

Have focused, regular conversations with employees. Like most executives, I met with employees to get their sense of things and tried to stay close

to the front-line. In retrospect, I think I relied too heavily on my management team to pick the employees in attendance, and as a result, perhaps only those employees who reflected a positive point of view got invited to these meetings with me. Just as I think we must solicit the ideas and points of view of all customers, so too must we hear from all employees. Perhaps I spent too much time speaking with customers with a negative outlook and not enough time with *employees* with a less than picture-perfect image of the bank. Now, I would meet once a month with several different groups of employees: managers, tellers, new account representatives. Of course I'd have top-performers there, but I'd also want to hear from a wider group.

Test products and services as much as you can. Many executives don't even bother to use their own branches or call centers. What a mistake. I wish that I used more channels more frequently, and I wish that I had figured out a way to make this usage anonymous. When did you last call your call center and listen to the menu options? When did you last visit a branch anonymously? I'm not sure donning a disguise for branch visitations is appropriate, but we have to figure out how to get sleuth intelligence so that we catch employees doing things right as well as lapses in service quality.

I'd also endeavor to get copies of all written customer communications—frequently management is clueless about what we tell customers and how those messages get communicated. Similarly, we need to understand how our products really work, and we can only do that if we really use them ourselves.

There are good reasons for the expression, "hindsight is 20/20." I think that as an executive I did many things right. But I also know that I spent too much time *reacting* to things—in meetings, through e-mail and voicemail, etc. I'd like to believe that if I were to do it all over again, I'd spend more time proactively gathering honest information about the customer experience and using that information to help guide the company on where we might like to go. *BJ*