



Case Study: Leading Private Sector Bank

About the Client:

The Bank is the first of the new-generation private banks in India conceived through collective contributions from the NRI community towards India's economic and social development. It has become one of the fastest-growing banks in the Indian banking sector with 150 ATMs of its own, and multilateral arrangements with other banks with a total network of 15,000 ATM outlets. The Bank's broad lines of business include Corporate Banking, Retail Banking, Treasury and Foreign Exchange, Investment Banking, Capital Markets, Non-Resident Indian (NRI), High Net worth Individual (HNI) Banking, and (through a subsidiary) Information Technology.

Business Challenges:

The Bank started its operations initially in Corporate Banking with little or no focus on retail customers. In order to harness future opportunities, it ventured into the world of Retail Operations. Here, it faced increased competition from other established private and public sector banks.

In an extremely competitive banking environment, the Bank faced the following challenges:

- Greater demand from investors to grow at a faster pace, to increase market share and to better its bottom-line
- Increased pressure on branches to acquire and retain profitable customers in the chosen customer segments
- Strong need to differentiate its products and services from competition
- Create greater visibility of the brand in the market
- Taking business advantage of the merger of a leading financial institution with the Bank
- Attracting the right talent as well as motivating and retaining them

Nihilent's Role:

Nihilent's recommendations to overcome the challenges faced by the Bank were:

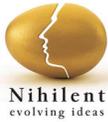
- To focus at the branch level since they are the customers touch points and converting them from transactions oriented desks to relationship centers
- To create a congenial atmosphere at the corporate level in order to align strategy and business focus between branches and corporate structure

As the acquisition of new customers was a critical factor in attaining faster growth and increased market share, this was made possible at the branches by:

- Creating focus on proactive acquisition of customers by bank employees by going out in the field rather than waiting for customer walk-ins
- Redirecting energies of excess operational staff for sales and marketing
- Motivating employees to cross-sell products and services to improve performance of the branch
- Creating a culture of performance, collaboration and continuous innovation by institutionalizing learning and best practices sharing across branches

Transformational conditions were created at corporate level by:

- Addressing issues outside branch purview but identified as "Affecting Branch Contribution" on priority basis
- Implementing high priority Initiatives through the set up of Program Management Office (PMO) with representative from all the support units



- Considering a new Performance Monitoring System (PMS), which will clearly distinguish and reward high performers

Nihilent approached the achievement of the above objectives through the following activities:

- Nihilent facilitated the creation of corporate as well as branch level Balanced Scorecard with measures, initiatives and owners to achieve the Financial, Customer, Process and Learning objectives
- A sales monitoring mechanism was introduced to track and report performance
- Branch business planning exercise was facilitated to realistically plan for budget realization
- Nihilent conducted motivational workshops across branches and at corporate office through internal team formations, internal felicitations and visits by senior management
- Best practices were identified and rolled out so that change was visible across branches
- Nihilent's consultants helped to identify areas for improvement in branch level operational efficiency
- Recommendations were made to improve the existing Performance Management System with a focus to reward and retain the high performers

Business Benefits Delivered:

- Improvement of sales culture across the branches
- Alignment between the organizational goals, business strategies and objectives to that of the divisions' and individuals' role and performance expectations
- Improved operational efficiency at the branches leading to freeing up of resources for sales and marketing
- Increased motivation of staff towards better performance and ownership at branch level towards acquisition and retention of customers
- Creation of the right culture of teamwork, collaboration and innovation so that employees continuously learn, share and ideate
- Creation of platforms for interactions to share knowledge/experiences and best practices, to enable collective problem ownership/solving mechanisms, to take feedback/suggestions, and to generate ideas for improvements