



## Case Study: Leading Public Sector Bank

### About the Company

One of the oldest and largest banks in India and the market leader is facing serious competition in the market with the opening up of the retail-banking sector. The entry of other major players in the financial sector made more choices available to the customers in terms of Products, Services and Cost & Quality, and made the Bank realize the need to change in order sustain its market leadership. The Bank has a footprint of nearly 13,000 physical branches and a network 5000 ATMs across the length and breadth of the country with staff strength of 200,000 employees across India.

### Business Challenges

The immediate objective of the bank was to retain market leadership, which was no longer guaranteed in the face of growing competition. This could be achieved by:

- Providing a clear focus to its employees towards achieving the financial, customer, internal process and learning & innovation goals of the bank
- Increasing employee motivation (involvement) towards customer acquisition, retention and superior customer service
- Innovating & leveraging best practices for customer acquisition, retention & service across the bank in a standardised manner

The Bank was poised for exponential growth in step with the reforms in the banking sector. The Bank's financial performance had enormous potential to improve vis-à-vis the market potential.

The Bank embarked on a journey of introducing "Core Banking Solutions" at each branch, thereby addressing the need for technological advancement to streamline operations. Even after initiating the process and technology related interventions, the Bank still felt that the immediate objective of 'Retain Market Leadership' was not being achieved.

### Nihilent's Role

Nihilent's recommendations to achieve the bank's immediate objective were to retain existing customers (by improving their banking experience and increasing the number of products they avail of) and acquire additional customers (by conducting special marketing programs and campaigns).

As acquisition and retention of customers was critical to the overall objective, these were made possible at the branch level by:

- Creating and maintaining employee level focus on customer acquisition and retention
- Understanding the employee motivational issues that currently hinder customer focus with a view to prepare remedial action plan
- Creating a culture of continuous innovation by institutionalizing learning and sharing to improve business processes in the branch
- Monitoring these on a continuous basis using a Balanced Scorecard aligned to the business strategy



Nihilent approached the above objectives through the following activities:

- Nihilent facilitated the creation of a branch level Balanced Scorecard with measures and initiatives to achieve the Financial, Customer, Process and Learning objectives
- Employee motivation sessions were conducted and action plan for improvements was recommended
- The best practices across the leading branches were identified that could be replicated at other branches
- A roll out plan was created and collaborated at different levels to ensure execution
- Nihilent's consultants conducted workshops on marketing innovation

### **Business Benefits Delivered**

- A customer focused culture was created
- The project resulted in increased involvement of employees in acquisition and retention of customers
- Alignment and clarity of corporate vision and business goals was achieved
- Nihilent enabled the Bank to create internal capability to ideate and roll out the best practices across organization
- An objective and systematic process for performance measurement was established