

PermataBank, Indonesia

Audit for sustainability

PermataBank is the 7th largest Indonesian Bank with a strong presence in both the retail and SME sectors, and is a partially owned subsidiary of Standard Chartered Bank. Originally formed by a merger in 2002, the corporate focus had been on service quality. With over 310 retail branches nationwide, Permata progressed from being ranked 11th for service quality to number 1 in 2005. With the rapid expansion in the market and increased competition, Permata wanted to change focus to become a more sales orientated business.

ANALYSIS

With the above objective in mind, Renoir conducted an initial Analysis of the bank's operations in to help identify the issues and opportunities for improving sales.

A recent re-organization within the bank had produced a pool of excess branch employees who were simply transferred as 'sales' staff into the key branches. With little training, there was a lack of understanding of their new roles, a lack of tools to help them sell and consequently extremely low sales activity levels (calls, visits and interaction with walk-in customers).

Compounding these issues, the branch management team had little experience of managing a proactive sales process and were unable to guide these newly formed teams. No leading 'sales' KPI's were available. Renoir felt that by jointly tackling these issues, sales productivity could easily be doubled, increasing the level of new acquisitions.

PROJECT

Following the Analysis, PermataBank and Renoir jointly launched a Branch Sales Improvement Project with the aim of doubling the sales productivity in 40 selected A-Class Branches.

A 10 member project taskforce was selected from across Permata to help drive this initiative. Under the guidance of Renoir, a 3 stage approach was taken:

Stage 1: Development and trial of a revised sales system - 6 'pilot' branches in Jakarta.

Stage 2: Roll-out to 28 further A class branches within Jakarta and 6 A class branches in Medan, Surabaya and Bandung.

Stage 3: Sustaining the change process through the use of situational leadership and helping Permata prepare for roll out to 270 additional branches.

"The Project has been a great success. Productivity has more than doubled and new sales items have increased by over 30%. Our sales team is now behaving in a more results driven manner and using the Renoir Behavioural Audit System we are confident that this step improvement can be sustained."

Mahdi Syahbuddin
Director, Shared Distribution

Key Results

Increase in salesproductivity by over 250%

Increase of new sales acquisitions by over 30%

Installation of a systematic & disciplined approach to managing the change process

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By Project week 20, productivity had doubled in all of the 40 branches and new sales acquisitions had improved by over 30%. These results were achieved through the introduction of 5 key working practices:

- Detailed & effective individual daily/weekly sales planning.
- Call/Visit Records created to manage hot prospects.
- Joint Visit Check Sheets to enable managers to identify skills issues.
- Daily/Weekly Report with leading KPI's, activity targets, productivity measurement and product volume targets.
- Daily Branch Sales Meeting that enabled managers to hold sales staff accountable for results.

One of the key success factors used to drive the change process was the introduction of situational auditing. This allowed each manager to identify where they were in the change cycle and what action was required for further improvement.

THE RENOIR GROUP

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