



Case Study: Improving Credit Union Branch Capacity Using Workforce Management

After a series of successful engagements with Guidon, the financial institution decided to engage the firm to conduct a review of workforce management in its branches with the goal of improving member service. This was an opportunity for the credit union to assess staffing levels and productivity at the branch level—to maximize member service, while being good stewards of credit union resources.

Close examination revealed a mis-match between staffing levels and traffic flow. While conventional wisdom led to the belief that lunch periods were very heavy, the reality was that, in most branches, traffic remained flat across the lunch hour while teller capacity decreased due to employees taking lunch breaks. In addition, the branches had never mapped their traffic based on days of the week and “special” days of the month, such as the first Monday and Tuesday of the month, and the Saturday before and Tuesday after Monday holidays. Mapping these traffic patterns showed that daily teller volume follows a distinct pattern based on these day-of-week and holiday-related factors with minor variations across branches.

Guidon used Lean principles to construct a management tool to enable local branch leadership to match its staffing capacity to volume by day-of-week and hour-of-day, while supporting waste reduction such as waiting, over-producing, and errors. The model took into account both capacity needs and the types of transactions demanded at various branches at specific times. For example, 60 percent of resource requirements are transaction-based functions, such as lobby and drive-thru transactions, member services, check scanning, and managing night deposits. Forty percent of resource requirements are necessary to manage other activities such as open and close procedures, cash maintenance, and ATM balancing.

By using a matrix of member demand and transaction type, Guidon's model allows branches to experiment with what-if scenarios for staffing existing and new branches. This allows each branch to schedule its employees in a much more efficient and productive manner, yielding a 21 percent increase in productivity. The savings from the model's efficiencies topped \$291,000 in the pilot branches alone. And, eight new branches were staffed by moving tellers from existing branches, rather than hiring new staff.

The client is currently rolling out the model across all branches, with a total savings of nearly \$2.5 million expected. Moreover, the resulting savings can be passed on to credit union members in the form of more attractive rates and fees. Member satisfaction is also expected to increase since staffing levels allow the credit union to service members more quickly and effectively, even during busy times.

Of course, one of the key benefits of the model is the guidance it offers in making productivity adjustments. The financial institution's management team is free to adopt the model's recommendations at its own pace, secure in the knowledge it has an important new organizational and staffing tool to help grow the business effectively – one that is also flexible enough to allow the team to make its own decisions about the next best steps.

Client: A leading Credit Union with over \$3.5B in assets and serving over 300,000 members

Industry: Financial Services

Service: Workforce Management

Challenge:

- Branch staffing demands had increased 25% while in-branch transactions had declined by 10%
- Establish appropriate staffing levels in branches to ensure member needs were met at peak-volume times and during low-volume periods
- Create a staffing tool to allow branch managers to schedule staff appropriately based on forecast transaction volume

Solutions:

- Workforce Management evaluation in four pilot branches
- Study of traffic patterns showed a mis-match between staffing levels and actual traffic flow
- Adjusted full-time and part-time staffing to accommodate staffing and traffic fluctuations

Results:

- Staffing adjustments resulted in productivity increase of 21 percent and savings of more than \$291,000
- Roll-out of the model across all branches is expected to generate savings of nearly \$2.5 million
- Staffing eight new branches by moving tellers from existing branches, rather than hiring new staff



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