



Case Study: Resurrecting a Culture of Continuous Process Improvement within Multi-National Bank

Culture may be one of the most difficult organizational aspects to define and refine. It is represented by the norms and unwritten rules that guide employee actions, so it's often somewhat amorphous and subject to perceptions. However, culture is critical to an organization's success, so it is important that it not be undervalued or ignored. The bank needed to shift its culture to one where employees are encouraged and motivated to seek continuous improvement.

The Guidon team worked with the bank's employees to establish specific metrics for improvement, many of which the employees could personally affect. Interviews with 160 employees across seven business units were conducted. By examining the social architecture (values, roles, norms, and recognition actions of the company) and the operating architecture (how the work gets done), Guidon's consultants had a comprehensive understanding of focus areas and could better direct teams in how to positively change the bank's culture to align with management vision.

A series of facilitated sessions uncovered significant opportunities for bottom-line improvements. Teams were taught how to identify problems and constraints; how to think about solutions; and how to present these facts and ideas to their managers and supervisors. Managers were trained in how to more clearly communicate their own goals and expectations and how to give employees the resources they needed to be successful.

While cultural performance benchmarks can be challenging to establish, there were some significant improvements as a result of this program. The improved ability to identify, communicate, and solve problems led to one team implementing a process that recovered \$12 million in unreported charge-off fees. Improvements in other areas of operations totaled approximately \$8 million annually, including:

- Commercial Lending Process Improvements: \$2 million
- Credit Card Fraud Management Improvements: \$1.8 million
- Account Recovery Improvements: \$1 million
- Branch Support Services Improvements: \$1.8 million
- Mortgage Lending Process Improvements: \$500,000

Improvements to mortgage credit center increased productivity by 35 percent and bankruptcy operations had an improvement in lead time of 68 percent. Credit center employee satisfaction survey results showed a 40 percent improvement in all areas and the team realized a 90 percent improvement in customer experience scores in all areas. Reduced call time in collections areas saved \$60,000 per year and a joint team eliminated duplication of property searches, which resulted in another \$50,000 in savings annually. The management team's next goal is to improve cost savings to \$12 to 13 million annually.

Today, employees are overwhelmingly enthusiastic about the power of culture change and Lean Six Sigma principles and continue to look for opportunities to improve their jobs—streamlining operations, increasing employee satisfaction, and benefiting the organization as a whole.

Client: A Canadian bank with more than \$350 billion in assets

Industry: Financial Services

Service: High Performance Culture, Lean rapid process improvement (Kaizen)

Challenge:

- Previous improvement initiatives had limited success and were not sustained
- Employees were skeptical that “flavor of the month” process improvement initiatives would quickly lose favor
- Helping leadership team change culture and lead transformation

Solutions:

- Trained broad base of employees with continuous improvement principles and tools
- Empowered all levels of the organization to make changes that would directly impact their working environments
- Implemented tools to engage associates in the success of the business
- Used Lean rapid process improvement (Kaizen) to target specific areas of operational improvement resulting in more efficient and effective workflows

Results:

- Customer Service uncovered several improvements that saved approximately a half-million dollars in one year
- Found \$12 million in unreported revenue as a result of improved processes and reporting structures
- Approximately \$8 million annual savings from strategic projects such as commercial lending, mortgage lending, fraud, recovery, and branch services



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