

**CASE STUDY:
IMPROVING CUSTOMER
EXPERIENCE & EFFICIENCY
AT TEACHERS MUTUAL BANK**



ABOUT US



The **Process Improvement Group** are an Australian consultancy that specialise in helping financial services organisations to **streamline** the way they operate to **reduce costs** and **improve the customer experience**.

We've showed organisations such as **Westpac, CBA, Macquarie Bank, Aon, Marsh** and **Teachers Mutual Bank** how to make their customers happier and save millions of dollars at the same time. In one case we identified \$3 million dollars of potential savings in just 12 days.

We use our proven **Process Transformation Method (PTM)** to create experiences that customers will love, will streamline company operations and provide **multi-million dollar savings**. We use our expertise to analyse and improve existing business processes to **eliminate unnecessary work** and to **automate current manual steps**. *This simultaneously reduces costs and creates a superior customer experience.*

Our purpose is to become the catalyst for creating experiences that customers will love.

Please [contact us](#) to arrange an obligation free discussion or call us on +61 280064626 or contact us via our social media links below.

Further ebooks, blogs & case studies are available to download from our website at www.processigroup.com.

Regards,

A handwritten signature in black ink, appearing to read 'Craig Reid'.

Craig Reid, CEO



P.S. Please feel free to forward this ebook to friends or colleagues.

THE CLIENT

Teacher's Mutual Bank, one of Australia's largest mutual banks.

ABSTRACT



Rising costs were eroding profitability for the bank and the perceived gap between their customer experience and the major banks was being slowly eroded.

The Process Improvement Group was invited to introduce business process improvement to the organisation in a means to improve operational efficiency and customer experience. In a short timeframe they were able to set up a

cohesive approach to business process improvement that engaged staff at all levels of the organisation whilst identifying potential savings of just under \$3 million per year from 7 core business processes.

THE CHALLENGES

Teacher's Mutual Bank had several challenges to overcome:

- No expertise in business process improvement
- No frameworks or methodologies in place
- No understanding of process costs
- Limited understanding of customer experience

THE APPROACH

The Process Improvement Group had to find ways to understand the situation quickly and to quantify the possible efficiency and customer experience gains that could be achieved.

Step 1: Understand The High Level Issues



Depth interviews were conducted across 3 levels within the organisation in order to identify concerns at varying management levels:

- C Level
- Team Manager
- Operational Staff

This allowed us to identify the key concerns of the C level so that these could be further investigated at the operational level. This was a critical step to gain C level buy-in to the change initiative.

Step 2: Define Key Messages & Communicate



In consultation with senior management, key messages were developed which encapsulated the goals that the organisation wanted to achieve by implementing business process improvement.

Once agreed, a communications strategy and plan were developed to start communicating to staff as early as possible in order to negate fears

regarding the change initiatives.

Step 3: Understand Process Maturity



One of the key elements to the initiative was to “draw a line in the sand” by which improvement could be measured whilst simultaneously identifying pain points.

To do this an organisation wide “process and procedural survey” was conducted.

Key findings indicated that there were significant risks present. The

organisation was rated at a CMMI maturity level of 2 (managed) due to the following reasons:

- Not all processes documented / up-to-date
- Reviews unstructured and unscheduled
- No process ownership
- No continuous improvement process
- Processes not monitored or managed effectively

The survey also identified those areas of the business most in need of process improvement.

Positively the vast majority of staff felt that the organisation would benefit strongly by the introduction of business process improvement.

Step 4: Design Framework & Approach



This step involved designing a process framework that would cater for the improvement of existing processes as well as provide a framework for the implementation of new products and services. Key aspects of this framework included making sure that process improvement was aligned to project delivery processes as well as being clearly linked to the organisation's strategic goals.

Another critical factor was to ensure alignment of all business processes to customer needs via the organisation's enterprise architecture.

Step 5: Education



A key part of the framework was to implement a method that could help the organisation rapidly identify potential process improvements whilst at the same time allow staff to quickly learn the method themselves and start to identify their own improvements independently. To support adoption of this framework, the Process Improvement Group trained over 40 staff in the CEM Method as well as running shorter

education sessions with senior managers who required a short overview of the method.

Step 6: Improvement

A comprehensive list of core (customer facing) and support (non-customer facing) processes were developed and in conjunction with the process maturity survey and staff interviews, several process areas were targeted for improvement. These included:

- Customer Onboarding
- Customer Identification
- Home Loans
- Personal Loans
- Credit / Debit Cards
- Payments



For each process, all operational staff involved with the process were invited to attend a 2-day workshop (day 1 - current state, day 2 – future state) facilitated by the process improvement group using our process transformation method.

Significant improvements were identified with an average of **68%** of tasks in the process being identified as being able to be **eliminated**, with an average of **24%** of tasks being identified as being able to be **improved**. Only 8% of current tasks were unable to be eliminated or improved.

These improvement opportunities offered potential savings of just under \$3m per year whilst simultaneously improving the customer experience by simplifying the process (to reduce customer effort). These improvements and savings were identified in only 6 weeks.

Step 7: Implementation Roadmap



The process improvement group then presented the results to the executive team along with a proposed 5-year roadmap for implementation, which was strongly endorsed by the organisation.

This roadmap included:

1. Quick Wins for immediate implementation (at minimal cost – approx. 15-20% of identified improvements)
2. Establishment of process standards for process modeling, documentation and review cycles
3. Creation of a centralised process repository as a single source of truth for process documentation
4. Establishment of process ownership
5. Process Automation – investigation / pilot of Business Process Management System and cost / benefit analysis to implement
6. Establishment of Process Centre of excellence
7. “Core” business process improvement - a 2-year programme of work designed to create industry leading customer experience.
8. “Support” business process improvement - a 1-2 year programme of work focused on improved back office efficiency.

CONCLUSION

The Process Improvement Group were able to set up a cohesive approach to business process improvement which engaged staff at all levels of the organisation whilst identifying potential savings of just under \$3 million per year from 7 core business processes. Furthermore the group created a 5-year process improvement roadmap to help the organisation to reach operational excellence whilst providing industry leading customer experience.

The bank is now utilising the planned roadmap to help achieve significant cost savings and customer experience improvements.

Please feel free to forward this case study to friends or colleagues.

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