



# Imperative 2 Initiative: Universal Banker Revisited

Financial Industry Perspective



# IMPERATIVE 2 INITIATIVE: UNIVERSAL BANKER REVISITED

**Moving to Universal Banking is easier said than done. According to Ian Hough, Director of Marketing at Solidus, Inc., “Change is not easy. Such is the case with the integration of Universal Bankers, where there is almost universal failure to appreciate the time required to acclimate current staff to the new universal banker role.”<sup>i</sup>**

A recent study shows that bankers tend to be overconfident about how well they are delivering on the promise of an outstanding customer experience as well. According to that report published by the IBM Institute for Business Value, “... bankers surveyed seem overly confident they are meeting customers’ expectations. While 62 percent of retail banking executives indicate their organizations are able to deliver an excellent customer experience, only 35 percent of retail customers share their view, a 27-percentage –point difference.”<sup>ii</sup>

## **Other Disconnects**

As cited in our earlier GGS Perspectives publication, Branch Transformation: Getting it Right, Accenture recently released its 2015 North American Consumer Digital Banking Survey that reveals some startling shifts in consumer perceptions and perspectives that seem to indicate that the Branch Transformation efforts to date may not be working as planned. This annual Accenture study showed an alarming increase in the percentage of those who view their banking relationships as simply “transactional.” In the 2015 study, 79% of consumers surveyed characterized their banking relationship as transactional, as opposed to relationship/advice driven. This is a whopping 8% increase over the consumer response in 2014 to the same question!<sup>iii</sup> Such data does not exactly support the idea that the branches are being transformed successfully, largely due to the new Universal Banker role, from transaction hubs to sales and service hubs.

According to Bancography’s research, the average salary of a Universal Banker is \$31,900 annually, which is \$5,500 more than the average teller position. The problem is that Customer Service Reps earn \$37,900 per year on average, and Universal Bankers theoretically combine the teller and CSR functions to some extent. Quoting the Bancology April 2015 newsletter, “The relatively low salary point for universal bankers raises concerns for a job role that combines the demands of the teller and CSR functions, and bankers hoping to obtain such multi-tasking skills should likely target a salary at least at CSR levels.”

Against this backdrop, what steps are needed to ensure success in a transition to Universal Bankers?

## Winning the Higher Ground

To achieve the desired results, a Universal Banker [UB] initiative must include the right training and development process for staff.

The ABA now offers a Universal Banker certification program that certainly is a good starting point. However, it is clear from the experiences of many FIs who have embarked on that UB journey that training is an on-going process rather than a one-time event.

Some FIs have adopted a program that defines various UB levels of job progression. Novantas encourages its clients to adopt such an approach, “The universal banker job does not have one definition—you want to have multiple levels of these associates, providing a path for promotion and career advancement,” according to Dale Johnson, managing director.<sup>v</sup>

Umpqua has defined four levels of universal associates, each of which require certain training requirements to be met and each with a higher degree of capability and skill set.”<sup>vi</sup>

Branch staff must also have the right talents to succeed. In addition to evaluating current staff for transition to these new UB roles, many FIs, including Extraco Bank in Waco, Texas, have looked to sales-oriented businesses, such as retail for recruiting new talent. These individuals generally possess the ‘people-skills’ needed plus they are used to working non-traditional business hours.

“Banks will need to act decisively to future-proof their employees. In an age of ecosystems, banks will be less about transactions processing and more about relationship management and engagement – with customers, partners and stakeholders alike. Different capabilities will be required – collaboration, innovation and entrepreneurialism, among others. Reskilling [sic] will be necessary, as will selective recruitment of a new, different breed of banker.”<sup>vii</sup>

Having the right employees to handle higher-quality interactions is the key to a successful ‘Genius Bar’ concept at a branch. Turning to universal employees

or staff that can handle all types of interactions at the branch can be a great place to start. Beyond sales skills, technical skills to assist customers with digital banking skills will help the engagement level of consumers.

Finally, UBs that have had the needed training and possess the right talents still need the right tools in order to succeed. This is where technology enters the UB picture.

**HAVING THE RIGHT EMPLOYEES TO HANDLE HIGHER-QUALITY INTERACTIONS IS THE KEY TO A SUCCESSFUL ‘GENIUS BAR’ CONCEPT AT A BRANCH.**

In the words of Gina Bleedorn, Executive Director of Adrenaline, “The best cross-trained employee must not only have preparation and skill, but comprehensive tools that can maximize engagement with customers...”<sup>ix</sup>

Two of the ‘must have’ tools for the UB include the tablet computer and the teller cash recycler. The tablet computer can serve as a means of monitoring self-directed banking activity by clients using assisted service kiosk devices in the branch, intervening in those transactions as required or desired. Additionally, tablet computers can bring to life sales materials as required and digital CRM data in support of a sales conversation.

Next, the Teller Cash Recycler [TCR] secures cash in ‘open plan’ branches, while also simplifying the cash in and out functions for the UB. According to Jamie Eads of Bancology, a Birmingham, Alabama-based consulting firm, “TCRs greatly enable the universal model... With TCRs, the banker can migrate from the teller workstation whenever needed, with no risk to the cash stored within.”<sup>x</sup>

## Continuing the Conversation

There is a great deal of conversation about Branch Transformation and industry experts all agree that the Universal Banker role is a vital part of any transformation plan. Having the proper tools is an essential part of the success of any Universal Banker initiative. To learn more about GGS’ technologies, that make that transition to expanded staff roles more achievable, please contact your Glory Account Manager.

- i Bank Branch Transformation: More Than Lipstick on a Pig, Ian Hough, The Financial Brand, October 8, 2015.
- ii Banking Redefined: Disruption, transformation and the next generation bank, IBM Institute for Business value, J. Brill, N. Drury, A. Lipp, 2015, p 2.
- iii Banking Shaped by the Customer, 2015 North American Consumer Digital Banking Survey, Accenture, Page 6, May 2015.
- iv Bancology Newsletter, April 2015, Bancography
- v Universal Banker: The New Staffing Approach, ABA Bank marketing and Sales, Deb Stewart, November 2014, p 21.
- vi Ibid.
- vii Banking Redefined: Disruption, transformation and the next generation bank, IBM Institute for Business value, J. Brill, N. Drury, A. Lipp, 2015, p 13
- viii 10 Branch Banking Innovation Strategies for 2016, Chad Davis, The Financial Brand, November 24, 2015
- ix Bridging the Technology Gap: Rise of the Universal Banker, The Financial Brand, Gina Bleedorn, December 1, 2014.
- x Universal Banker: The New Staffing Approach, ABA Bank marketing and Sales, Deb Stewart, November 2014, p 20

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