

# ***Eagle Net***



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## **SERVICE IS THE KEY TO SUCCESS**

For years we have advised clients and coworkers in the industry to focus on customer preferences and exceed their expectations for engagement and deliverables. Two of the best examples of how this unrelenting focus pays off in Canada are Royal Bank (where many WESI leaders worked) and TD Canada Trust. They both announced their 2<sup>nd</sup> quarter profits this week at over \$2 billion (RBC 2.2 and TD 2.1) as they did in Q1.

Two decades ago RBC made an important commitment to customer preference research on a national scale to determine current and future needs, which impacted strategic decisions for the distribution mix and emerging business. Their 7/24/365 multiple-channel, multiple-medium mix, combined with outstanding employee development and performance management continues to pay outstanding dividends as RBC continuously adjusts to existing and emerging trends.

At TD, they won a strategic battle about two decades ago to acquire Canada Trust and its leader, Ed Clark. CT knew their research said “convenience” drove service. So they went out and captured the populous minds with 8-to-8 branch banking. (Subsequently they lead the industry in 7 day branch banking where some such as CIBC have ventured but not with the same success).

Service sells! But you have to own your niche and nurture it. You can’t simply do as others do and think you will keep up.

With the digital landscape both RBC and TD Canada Trust are out front of the pack – their customers expect that. What do customers expect from you in service that allows you to differentiate yourself and protect your share of mind today and in the future?

## **AUSTRALIA**

### **Suit for a Bank**

Wearable computing and hence banking is still in its infancy but in the next 10 years it will explode as another convenient medium. Heritage Bank is planning a reloadable prepaid card in the sleeve of suits! The customers can pay for transactions under \$100 how they suit! Simply wave the suit sleeve within 4 centimetres of a terminal for half a second if it suits you!

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Near-field Communication (NFC) technology is based on a set of standards that has yet to take hold in the USA but in Australia it is what lets the card chip speak to the Visa payWave terminal.

Heritage Bank will open a test market with up to 1,000 suits. The technology is part of the bank's future distribution options.

## The Credit Union Australia Core Upgrade Experience

The American Banker published a congratulatory article on CUA's upgrade of its core banking system. CUA is Australia's largest credit union operating in multiple states and it invested \$57 million and 2 ½ years replacing its core banking system. CUA had a mammoth task, which required leadership, outstanding resilience and public relations expertise. The transformation was massive but the members, staff and management will benefit in many product, distribution and competitive ways.

CUA has also recently introduced a new branding facelift. This is a progressive, outstanding credit union of approximately \$10 billion in assets and it should be an excellent partner for other credit unions' survival.

## **BANK CUSTOMERS REPORT CUSTOMER EXPERIENCE DECLINES**

ContactCenterWorld.com report summarizes the findings of the 11<sup>th</sup> Annual World Retail Banking Report (WRBR) released by Capgemini and Efma. Basically, retail banking customers responded that they are having fewer positive customer experiences for the first time in 3 years, which is a signal for customer and profitability erosion. Quickly evolving preferences and demands of digitally savvy Gen Y customers show a need for digital transformation at financial institutions. The Future is Now! Only 41.7% of customers between 18 and 34 years of age report positive experiences compared to 63.4% for all other ages. Gen Y dropped 10% in one year.

## **BANK OF MONTREAL MASTERCARD MELTDOWN**

BMO MasterCard suffered an embarrassing crash recently – not for hours but days! Scores of customers have had their cards declined and have then sat in contract centre queues for well over an hour before hanging up. Other BMO customers have found their online banking become inaccessible. A spokesperson for BMO said the disruptions were related to "systems work". In a digital era there is nothing worst to erode your brand.

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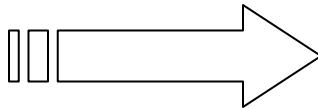
## **FAST FUTURE SEMINAR FOCUS – 2025**

Fast Future held a seminar in London on May 19<sup>th</sup> in aid of Street Kids International. At the heart of the message for 2025 is the notion of transforming the DNA of business – reworking what the organization is doing to become more responsible, flexible, adaptive, innovative and future focused.

Six key shifts are taking place which could accelerate in the next decade:

### **FROM**

Efficiency  
Hierarchies  
Controlling  
Extrinsic Rewards  
Office & Office Hours  
Customers & Partners



### **TO**

Responsiveness  
Networks  
Empowering  
Intrinsic Motivation  
Anywhere & Anytime  
Community

Underpinning these shifts are some critical ideas about what are required in design, culture and behaviour. Some examples:

### **MEANS**

Participation  
Decentralized Network  
Transparency  
Anywhere & Anytime  
Experimentation  
Some Failures are Okay  
Decreasing Cycle Times  
Adaptability  
Empowerment

### **DOES NOT MEAN**

Consensus  
Flat  
Nothing is Private  
No Value In-Person  
Completely Unpredictable Results  
Don't Make Mistakes  
Lack of Long Term View  
Lack of Direction  
Lack of Leadership

Note: Follow [www.fastfuture.com](http://www.fastfuture.com) "Accelerating Innovations".

## **CARIBBEAN BANKING SHOWING CRACKS**

At least two Canadian banks are in the throes of strategic realignment in the Caribbean where Canadian banks such as Scotiabank, Royal Bank and CIBC have been key industry players for decades, even centuries.

Back in 2006 CIBC bought Barclays PLC 44% interest in First Caribbean International Bank and then in 2008 RBC reacquired RBTT Financial Group for \$2.2 billion. This year RBC has divested itself of its Jamaican operations and CIBC is showing the financial strain of its business with a \$420 million after tax goodwill write-down and a new loan loss provision of \$123 million after tax.

The Caribbean market has been tough on Canadian banks. Tourism levels are down and island economics are not attractive. Buyers for any part of their operations will be few, if any!

## **OPUS RESEARCH – BEYOND THE CHECKLIST**

Opus has released a paper on 10 attributes of successful cloud based contact centres, which is worth a read. Key sections in report:

- Conversational is the “The New Normal”
- Support comes from Cloud Computing and XaaS (Infrastructure and Platform-as-a-Service)
- Implication for Contact Centre & Marketing Managers
- The Starting Point for Vendor Evaluation (See below for checklist)
- A Hierarchy of Service Providers (telcos, hosted contact centres, voice ASP’s, virtualized contact centre infrastructure and conversation specialists)
- Resistance is Futile
- New checklist for GenMobile and GenSocial

### **10 Attributes of Successful Cloud Contact Centres**

1. Reliability, redundancy & security
2. “Hooks” into existing infrastructure
3. Flexible deployment models
4. Professional services and support
5. Support of multiple channels, devices, modalities
6. Global reach and span
7. Scalability
8. Partnerships
9. Vertical knowledge
10. Reusable, proven applications and app development tool

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## Cloud-based Contact Centre Checklist

- Inbound routing
- Outbound routing (preview, progressive, predictive)
- Blended (inbound & outbound)
- Universal queue
- CTI support (for screen pops etc.)
- IVR
- Auto attendant & voicemail
- Speech processing (ADR, TTS, speech apps)
- Web chat
- SMS text (outbound alerts and inbound)
- Email response
- Administration tools
- CRM integration
- Application design tools
- Call recording
- Agent screen recording
- Workforce Optimization (WFO)
- Speech analytics

Source: Opus Research 2013

## **THE LAST WORD**

Summertime – The lazy, hazy days of summer have finally reached us after 6 months of snow and frigid temperatures. Perhaps now we can sit back and look at things with a different strategic eye and view for the future. Two concepts that have value for the investment of your time and mind are Community and Collaboration.

Community conjures up important ties and involvements, be it where you work, live or play or in this day and age, “connect”. We are social creatures who know what motivates us “to belong”. Your brand does or attempts to create a community. As a leader you want your team to be a community. The list can go on and on. Empowering community is powerful. If you have a high NPS and have a low referral rate or low number of products per customer, how strong is your community?

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On a similar vein, Collaboration is a catalyst for synergistic benefits at home, in business or volunteer endeavours. Leaders cultivate teamwork/collaboration and identify those that make it work. To compete today, unless you are the best with the deepest pockets and produce the biggest profits, you have to collaborate. (By the way, the largest FI's are successful collaborators with suppliers, customers, NFP organizations and external experts). Unfortunately, we have too many small FI's that will have a survival difficulty due to their inability to complete strategic collaborations. Collaboration is a defense and an offense.

As you sip on your favourite drink this summer reinvent your thinking on Community and Collaborative.

See you in September!