

PPEARL CLIENT SUCCESSES

CASE 2

In the current harsh reality of the banking industry, banks alike are facing immense challenges. To retain their standing as market leaders, banks must ensure that the workplace of today is reflected in the people they recruit and retain.

An MNC bank in Malaysia faced problems to recruit and retain its direct sales force, threatening their ability to maintain market share and grow in the competitive environment.

PPEARL developed a comprehensive solution for the bank by designing a unique and customized process using psychometric assessment tools. With the use of a 3-step assessment centre, the Bank is now able to match the right suitable candidates to the right jobs, retain high-calibre employees and save resources in recruitment and training.

BACKGROUND

The aphorism of consumer banking is: the fastest and most aggressive mover makes the top dog. In the current harsh reality of the banking industry, banks alike are facing challenges: - global competition, a rising trend of mergers and acquisitions, an increasing need to reduce cost and increase speed and efficiency.

To retain their standing as market leaders, banks must ensure that the workplace of today is reflected in the people they recruit and retain. In retail bank-

ing, direct sales is amongst the most competitive areas within the industry.

In 2004, the second largest MNC bank in Malaysia approached PPEARL to help with a problem: their direct sales team (credit card, mortgage/shareline and telesales) was plagued with a turnover of 110% within a 12-month period. An internal study revealed the high turnover cost the Bank RM 1 million each month in re-hiring, re-training and opportunity cost. Clearly,

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business performance was not at an optimum.

The Bank had a dire need to stem the turnover of its sales force and find ways to retain them, especially the high performers. PPEARL partnered with the organisation to tackle the problem head on.

THE CHALLENGE

PPEARL quickly isolated the key problem areas through an audit of the direct sales team :-

➤ The most crucial issue: the Bank did not know what kind of person would fit the ideal profile for a role in direct sales.

➤ There were thousands of applications each time an advertisement was placed and there was no standard criteria to qualify candidates.

➤ The recruitment process was subjective and inconsistent: candidates were screened by HR via their CVs and a short interview with Team Leads; the type of candidates was extremely varied, depending on who interviewed them.

➤ Because of the high turnover, there was a constant need to fill large headcount numbers. Time was limited and candidates were snapped up regardless whether they fit the profile of a direct sales person.

➤ With 110% turnover, there was no common culture, camaraderie and organisation loyalty within the direct sales team.

➤ There were limited resources available and HR was under extreme pressure dealing with a never-ending cycle of high-volume recruitment.

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› The recruitment process took about 5 to 8 days to process. Many candidates were lost in the process.

› There was resistance from the direct sales Team Leads to adopt a new recruitment process.

THE SOLUTION

With a clear understanding of the issues and problems facing the client, PPEARL developed a comprehensive solution through the following actions:-

› To understand the direct sales role, PPEARL conducted focus group sessions with over 70 incumbents, comprising of Management and Team Leaders, to identify the qualities that made a good direct sales person. This formed the blueprint to match the right person to the job.

› PPEARL developed a set of Sales Competencies as a basis to

measure candidates at the point of hire. Interestingly, PPEARL's research revealed a credit card salesperson was very different from a mortgage salesperson. Hence, the Sales Competencies were weighted differently for each product group (credit cards and mortgage), to reflect the different emphasis on skills for each product group.

› A customised end-to-end mini assessment centre was designed in 3 parts: qualification, assessment and confirmation.

› In the qualification stage, recruitment started with a standard application form developed to efficiently sift through thousands of applicants. This form captured key bio-data along with a short personality questionnaire, capturing the key elements of whether a candidate would qualify as a successful candi-

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date. for direct sales, and whether he/she was better suited for credit cards or mortgage. The qualification stage took no more than 30 minutes.

› For the assessment stage, PPEARL designed role-plays that simulated customer interaction, for each product group. This stage acted as a second filter to gather more concrete evidence of the Sales Competencies.

› PPEARL introduced a competency based interview at the confirmation stage to standardise the interview process and minimise subjectivity.

› Over 60 Team Leads across different branches in Malaysia attended training conducted by PPEARL to equip them with the necessary skills and techniques to implement the new recruitment process.

PPPEARL's solutions produced remarkable results.

THE RESULTS

› A clear and standardised criteria for selection was developed, ensuring an efficient and accurate match of suitable candidates to the right jobs, right from the start .

› The 3-stage assessment method made the process more rigorous and provided objective evidence to make accurate hiring decisions.

› The assessment centre was designed to give Team Leads control over who they hired, relieving HR of their duties and more importantly, giving them more empowerment and buy-in to the process. In view of their busy schedules, the entire 3-stage process was designed to take only 1.5 to 2 hours. This eradicated resistance to the program and overcame time and resource constraints.

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› Since the people in the direct sales team were of similar mindset, they reflected commonalities which slowly built a strong sales culture and identity. It also allowed the Bank to build targeted programmes and schemes to incentivise and motivate this particular cohort, resulting in a solidified team and significantly reduced attrition rates.

› An internal study showed a **40%** reduction in turnover after the implementation of the new recruitment programme within a 6-month period. Significant cost savings also ensured as a result.

› With this successful inaugu-

ration, an additional 50 Team Leaders across Malaysia were trained to implement the recruitment process.

One of their bank managers said,

“ (the personality questionnaire) helped screen the thousands of people during recruitment.... and helped as a filter towards getting the right candidate.”

He added that he found the assessment centre useful in selecting a common cohort of people. He likened it to a farmer sowing a similar type of seed, and in doing so, the right treatment was applied to make them flourish uniformly.

ABOUT PPEARL

PPEARL is a HR consultancy with offices in Singapore and Malaysia. We partner with our clients to design effective and efficient HR solutions that are aligned with their unique business strategies and objectives.

We at PPEARL believe every individual plays an integral part towards an organisation's success regardless of their role. Our team of experienced consultants have the skills and tools to uncover those talents and bring out the best in every individual.

We can identify where people should be placed so that they are motivated to grow and perform to their maximum capacity.

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