

Progressions Inc.

Sales Training & Consulting



Keep Your Eye On The Ball

Referrals Word of Mouth

Profitability Empowerment Common Sense

CUSTOMER RETENTION SALES CUSTOMER SERVICE

Please take a moment and share this real life story with your staff:

We are all focused on fee income. It is the hot topic these days. However if we lose sight and put too much emphasis on fee income we can jeopardize the subjects above. Listen carefully to this real life story that happened in British Columbia.

A very high network individual (Client A) keeping between 10 and 15 million dollars at one of the major banks and maintaining a VIP account where he pays \$125 a month so that there is never any service charge wrote a 2.5 million dollar check that needed to be certified. This 2.5 million dollar check was given to another VIP client B at the same bank who paid a \$35 a month fee to have a personal banker type relationship and also pay no service charges. Client B met with a personal banker by title but who I will call a clerk due to her performance. He presented the 2.5 million dollar check to be certified. The "clerk" informed him there would be a \$35.00 charge to certify the check. Client B politely explained both the structure of his client relationship and that of Client A and how neither of them were to EVER pay any service charges. The clerk further explained that because the check was written to another party that did not have the VIP service, there would be this \$35 charge.

Here's where the story gets interesting.

Party B was incensed and paid this \$35 fee in cash explaining to the clerk that his plans were to close his entire account. What she did not realize was that this



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represented not only all of his personal business but all the 12 other business accounts as well. The clerk at that point explained that all Party A had to do was come in and the \$35 fee would be refunded. Party B questioned why this individual had to take his time to come into the bank when he had called and spoke to a manager that morning explaining this large check was on its way. Apparently the manager knew all about it and everything had been set up. Party B then made a telephone call to Party A who upon hearing the story planned to also close his entire account. Please remember the amount that client A had on deposit. Client A is VERY well connected in the community.

Now if we use the learning from the Harvard Business Review and factor in that one bad story is shared with 11 others who in turn share it with 5 others in a very short time, 55 people will hear this story with names and details. In respect for privacy I am not giving any identities.

\$35.00 in fee income...one silly young woman!

No effective leadership

No contingency plan when leadership is not present

Poor customer service training....equals grave consequences.

Millions of dollars were moved from this financial institution by both Party A and Party B. Party A's son is a prominent realtor in the community and virtually knows "everyone."

So here are my questions and hopefully the learning that will come from this sad story:

- Have you empowered your employees to make the "right" decisions for customer retention and just plain common sense?
- Do you have communication channels in place to make sure everyone knows how to handle a situation such as this?
- Are you keeping the big picture in mind versus the little picture ie \$35.00 in this case?
- What coaching and training have you done to prepare



your team to handle a situation such as this so the customer is delighted rather than upset?

-I hope you would never ask a customer to come back in to "fetch" their \$35.00 in this day of advanced technology.

-What steps are you taking to help your staff look at every situation from the customer's eyes as they are your true report card?

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