

II. EXECUTIVE SUMMARY

Overview Problem Statement & Objective

According to a Retail Customer Satisfaction Survey in 1995 conducted by HongKong Bank, customers are not satisfied with her in-branch service especially for the attribute that the Bank do not open as many or all operating counters as they can/should during peak hours. In this context, I have defined the problem statement as "**customer are deacidified with slow counter services during peak hour in a retail bank**". I have selected HongKong Bank as an illustration of this problem.

In short, this research project aimed at identifying major causes of the problem supported by our findings and data analysis. Recommendation are provided in order to improve customer services in a retail bank.

Research Design and Methodology

In term of research design, our primary goal is descriptive/predictive. Moreover, Ex Post Facto Design will be used and field studies will be used to collect the secondary data and survey will be used to collect the primary data.

As far as data collection methods are concerned, both primary and secondary data will be collected in order to fit into the analysis. Furthermore, qualitative data were collected through in-depth interviews with a Branch Manager in Hong Kong Branch in November 1995. These information assisted in designing the questionnaire and understanding of the problem background. Our sampling size cover 30 branch manager and 63 back office staff which representing 12.6% of network retail branches. This selection is based on district dispersion and major business categories.

Major findings

After analysis the data in detail, I summarize the following findings:

- * Peak hours have been defined as lunch hours during 11:30 a.m - 2:30 p.m.
- * 36% of our branches have staff shortage problem. Distribution are:
- * 89% of retail branches have teller to back office staff (excluded cashier) ratio greater than 2:1. This indicated that for these branches even if the back office staff are willing to backup the counters during lunch time. the counter position cannot be 100% opened.
- * 46% of retail branches have counter position greater than number for approved teller by 3 or above. This indicated that even if I do not have teller shortage, many branches will still give customer the perception that the Bank are indifferent to their needs and do not open these counters to shorten the queue.
- * 17% manpower allowance in staffing model covers many non-modelled factors. Originally, staffing model was not designed for openings full counter during peak hour.
- * 78% of the part-times in our survey worked during 8:30 a.m. to 2:30 p.m. This indicated that it might be more easy for personnel to recruit part-time tellers for the morning session and assist branches to arrange full counter operation.

Causal Analysis

Based on the above findings, I conclude the major causes of "slow counter services" are: shortage of manpower, ineffective policy and operation procedure, insufficient machinery, unrealistic staffing model, insufficient support from other department and back office, too many sales activities, inadequate staff training and difficulties in recruiting both full-time and part-time staff to operate the counter and so on. All these causes contribute to customers' perception that "not all counters are available in peak hours".

Recommendation

Since the Bank need more time to recruit sufficient staff for 100% full counters during peak hours, I recommend the following:

- * Install detachable cover for unmanned counter to avoid customer misunderstanding that those are operating counters and they are not being opened to shorten queue length.
- * Display recruitment poster to indicate that the Bank is trying to recruit more staff to server the customer better.
- * Distribute guidelines to branch managers that they should based on the Branch Maintenance Clerk Function List to assign the non-time critical back office work to tellers after close of counter as reciprocal help to back office staff (BOS).
- * Continue to employ more part-timer to ease the staff shortage problems.

- * Implement shift teller system and use part-time tellers. If it is difficult to recruit sufficient part timer within a short time, I propose to implement the system by phases and will focus on strategic location.
- * Revise the staffing model to reflect the real life situation.
- * Revise the operation procedure of batching and balancing of teller function in order to reduce waiting time of customer.
- * In the long run, management should consider to provide better training to teller especially in customer service area. Moreover, an improvement in existing working condition and use of machinery such as a powerful computer system. Finally, a better incentive scheme will help to uphold staff morale and motivate staff to improve performance.