# From branch to engagement center

*Channel-integrated lobbies can provide a more unified experience for customers and a more effective business model for banks and credit unions.*

**BY JACKIE HUDSON**

The COVID-19 pandemic has presented financial institutions with an unparalleled opportunity to transform branches from walk-in, in-person sales and service locations to customer engagement centers. Banking leaders are being forced to break down organizational silos and reinvent what a branch is.

Banks and credit unions have been struggling with how to use capacity at minimally staffed branches for some time. Then the pandemic caused branch closures, unforeseen changes in customer behavior and a rapid shift to other channels. Branch staff utilization was at an all-time low, while other channels were reaching unprecedented peaks.

The situation is forcing banking executives to find new ways to match their resources and capacity to customer demand across their enterprise. This is helping to close the engagement capacity gap between the service consumers expect from an institution and the institution's ability to deliver it. Executives also saw a need to continue to leverage the branch to drive greater sales and revenue growth.

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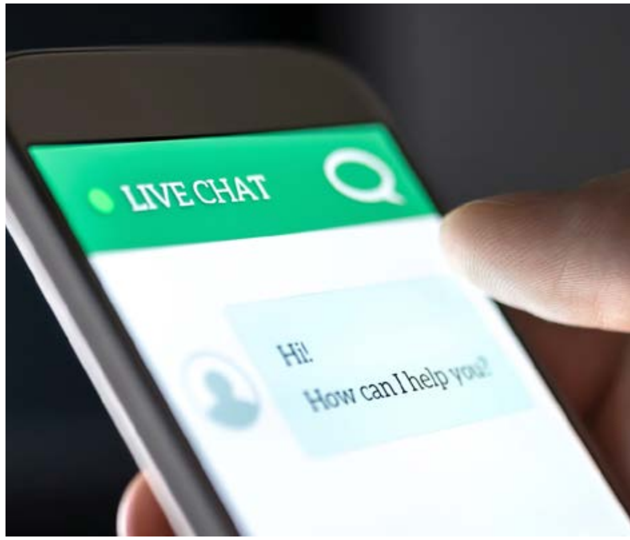
A growing number of financial institutions recognize the potential for the branch to be a customer engagement center—a location fully integrated with other channels and touch points to ensure a seamless customer experience.

In a customer engagement center, employees would engage with customers in multiple ways, including face to face and through video, chat, email, mobile app or outgoing and incoming calls. And when not interacting with customers, branch employees would support the work of the back office.

To begin this transformation journey, banks and credit unions will need to update their technology,




their processes and the skills of branch employees by focusing on:

» Integrating technology across branch, voice and digital channels.

» Hiring multiskilled, multifaceted employees.

» Deploying tools to monitor employee performance and customer interactions.

» Adopting holistic programs that are focused on the quality and effectiveness of how service is delivered to customers.

Banking institutions will need to invest in infrastructure to ensure the systems used by contact center and digital employees are also available to branch staff. Standardizing telephony and desktop tools should be nearer-term initiatives to support customer interactions across the enterprise.

### TRANSFORMING THE BRANCH STAFF

Changing the role of the branch also requires changing the role of employees. To be successful in the new branch customer engagement center, employees will need to:

- Be proficient with different types of customer interactions across different channels, such as voice, digital, chat, email and social media.
- Be able to provide guidance and excellent advice to customers, regardless of where the interaction occurs.
- Serve as great brand ambassadors who can educate customers on digital-channel capabilities and deliver excellent customer service.

*For employees who serve customers across channels, managers should evaluate their performance in all types of work and interactions they handle. These evaluations will help ensure they are being effective—regardless of channel—and that the customer experience is superior and consistent.*

Developing digitally savvy, multifaceted branch staff requires more investment in training so employees can develop new skills and stay current with the latest enterprise offerings. The diversity and complexity of the tasks branch employees will be expected to perform will require banks and credit unions to leverage technology to ensure success.

Monitoring employee interactions with customers in a customer engagement center—whether on calls or face to face—is just as crucial as monitoring employees in voice and digital channels.

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To collect the necessary data, institutions will need tools for monitoring and measuring customer interactions and workflows for compliance, quality and sales effectiveness across the enterprise. These tools include call and face-to-face interaction recording, voice analytics driven by artificial intelligence, knowledge management, and desktop and process analytics.

Culturally, banks and credit unions will need to overcome apprehensions about monitoring face-to-face interactions in the same way that they monitor calls, because they can no longer afford to leave a sizable gap in how they manage employees and evaluate the customer experience. It's just too much of a risk.

### COLLECTING FEEDBACK FROM CUSTOMERS

Direct and timely customer feedback on specific interactions is critical to transforming the branch into a customer engagement center. Financial institutions will need near-real-time feedback solutions so customers can evaluate their experience right after an interaction and staff can be alerted quickly to correct an adverse situation.

Transforming branches into customer engagement centers helps banking institutions expand their quality programs across the enterprise, ensuring consistency in the way employee performance and customer interaction success are measured.

Using common metrics to look horizontally across the organization will help executives better pinpoint any performance breakdowns and take the appropriate corrective action. Holding employees to common quality standards reinforces a uniform approach to delivering service and paves the way for ultimate flexibility—the ability to allocate resources based upon customer demand, regardless of channel.

Ultimately, the evolution of branches to customer engagement centers provides a more unified experience for customers and a simpler, yet more effective business model for banks and credit unions.

According to a study by PWC, a simplified business model may enable an institution to realize performance enhancements on key customer metrics of 50%, cost reductions of more than 25%, and reduced levels of operational risk. Those results are certainly compelling and should convince any bank to start on this branch transformation journey.

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