

STRONG LEADERSHIP DRIVES SUCCESSFUL CHANGE AT ZIVNO BANK



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Much is talked about the importance of securing senior management buy-in to sales and other management training programmes. The reality is however that, more often than not, little more than lip service is paid to executive involvement, once project budgets have been signed off, reflecting an 'everybody below me needs training' approach. And, more often than not, the results of the investment in such training fall well short of expectations in terms of delivering lasting and quantifiable performance gains.

Yet are we right to read cause and effect into this? Recent work on behaviour change undertaken with Czech bank, Zivnostenská Banka (Zivno) makes a strong case for such a causal link and provides an object lesson for change programmes everywhere. Put simply, at Zivno, 'action, not words' has been the key to successful change.

An integrated approach

Milan-based Unicredito Italiano has been much in the headlines recently following its takeover of Germany's HVB Group: it is set to become 'the first truly European bank' according to chief executive, Alessandro Profumo and, in particular, a dominant player in Eastern Europe.

Following its earlier acquisition of majority shareholdings in seven banks in the former Communist-bloc, Unicredito approached Huthwaite in mid-2004 to embed a fully customer-centric sales approach.

Huthwaite's strongly research-based methodology, financial services experience and international network were ideally suited to Unicredito's requirements, which went much further than simply sales skills training. What the Bank needed was a credible, high quality approach to cultural and behaviour change, which would be both consistent across national boundaries and, critically, link with other change projects already underway.

It was agreed that Huthwaite's SPIN -based behaviour change programme would be trialed initially at Czech subsidiary, Zivno, seen in its marketplace as a strongly traditional private bank - the equivalent of such Western-based financial services providers as Ansbacher or Rothschild.

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skills, as Zivno sought to expand its client base from the ultra-high net worth to the mass affluent. Like their Western counterparts, these include many younger, more sophisticated entrepreneurs keen to play an active part in the investment decision-making process: as a result, personal bankers could no longer simply rely on their technical expertise, but needed to work out how to become more proactive and consultative.

Senior management workshop

Before undertaking any training, it was essential that senior management understood, and bought into, the methodologies involved and would be able to provide effective on-going support, in part by speaking a common language.

As a first step, Huthwaite undertook a field assessment of the three lines of business - which included Corporate and Retail as well as Private Banking - and presented its findings at a Top Team event to launch the project. This one-day workshop, attended by senior members of both Zivno and Unicredito, included a number of distinct strands and proved to be a pivotal point in the development process.

Based on its recent observation, Huthwaite gave a 'warts and all' assessment of Zivno's starting point with regard to the quality of its customer relationships and then explored how change was about much more than simply skills training.

At the same time, to put together an action-plan in which all senior managers could play an active support role in securing long-lasting change, it was essential to flush out all potential barriers and deal with them at the outset. Issues around prioritisation, for example, had to be addressed to ensure that sufficient time was dedicated to the effective delivery of both training and reinforcement.

To create the right environment for such radical change, Zivno recognised that the programme should be seen, not as 'just another HR initiative', but as a business-driven strategy. As part of this, head of HR management and development for Zivno, Marco Berini, was appointed as SPIN® 'Champion' and tasked with working closely with the Huthwaite team to make it all happen.

This was achieved, for example, by developing a co-ordinated communications programme, which included high-profile articles in the company magazine on the importance of behaviour change, by-lined to senior managers.

'Quick wins' soon appeared, reflecting early successes by personal bankers and other customer-facing staff. The communications strategy also capitalised on these by dedicating part of Zivno's intranet to the 'change behaviour, change results' programme, including interviews with internal trainers designed to generate a high level of interest and receptivity in advance for those attending the courses.

Coaching and measurement

Another key element in this 'ownership' process was that Huthwaite prepared Zivno's own staff to deliver the training and management, so they too underwent coaching. Indeed, the head of the Private Banking Division was trained as a coach and has remained visibly and intimately involved throughout implementation of the programme.

Equally critically, the COO, Sandro Bianco personally endorsed the importance of this follow-up, by having weekly briefings using detailed data analysis to ensure that sales managers were



Marco Berini



maintaining a high level of coaching activity to sustain performance improvement.

As Berini wryly observes: 'As a branch manager, knowing you could get a call from the COO at any time to check on coaching activity is just the stimulus needed to make it happen!'

Training individual branches and recording results from the coaching enabled performance to be closely measured against a control group - both at a behavioural and a results level. The results speak for themselves: for example, in the three months following the initial trial, the SPIN® group recorded an improvement in the level of selling up and new business of some 38% over the control group.

Crucially, Unicredito recognised that investing in its staff through training was integral to the success of a broader long-term strategy and not, as is often the case, simply an afterthought. Including coaching and measurement as key parts of the behaviour change programme also played a major role in achieving some outstanding results.

However, there is no doubt that it has been the whole-hearted and highly visible commitment of Zivno's directors and managers which has contributed directly to a level of sustained improvement almost unparalleled in my experience.

And as far as Unicredito is concerned, the proof of the pudding has certainly been in the eating, as the trial has now been extended to the Private Banking arm of sister Polish bank, Pekao SA.

Huthwaite International is a leading behaviour change consultancy specialising in sales performance improvement.

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