

## CHAPTER 7 - RESEARCH RESULTS AND INTERPRETATION

### 7.1 INTRODUCTION

Chapter six was devoted to the research design and methodology. This chapter presents the research results and interpretation thereof. The chapter concludes with a discussion on the propositions presented in chapter one.

### 7.2 QUESTION BY QUESTION RESULTS AS PER THE DISCUSSION GUIDE

(See Appendix A)

#### 7.2.1. Question 1

The following results were obtained from the interviews that were conducted:

There is a change from old industrial mindsets and behaviours from the 1960's and 1970's. There is an indication that things need to be done differently than in the past in order to adapt to change and to get ahead of competition. We are moving into times of change, where the management structures are not so hierarchical in PFS as in the past. Top down decision making structures, silo effect leadership and empire building are eliminated to a great extent.

Democratic decision making is more entrenched to the lower levels of employees. This motivates and boosts morale of employees. Employees must have the adequate skills and knowledge to deal with clients.

The following points were dominant in interviews:

Relationship managers and the rest of the employees of ABSA and ABSA PFS must be entrepreneurial and everyone needs to change their mindsets to adapt to change.

- Everyone in organisation is considered a leader in its field. Everyone must run it as if it is his/ her own business.
- It is about sharing organisation values, creating value, being innovative and enhances personal growth by working together towards the companies goals.
- Where there should be room for more creativity.

- Organisations must value diversity and where everyone is given a change.
- Relationship managers are more empowered which enhances better and easier job fulfilment. Also involves giving employees more responsibility- everyone in the organisation is responsible for the performance of the organisation and his /her own job performance.

Collectively from the responses above the following **main finding** is formulated:

**New economy leadership/new generation organisations aim to shift the organisation’s leadership culture from mediocrity to high performance through change leadership.**

### 7.2.2 Question 2

The following results were obtained from the interviews that were conducted:

- The “old ABSA” was seen as a very “Afrikaans” bank and very rigid in its approach. It has changed where the organisation is focused to adopt to change and to make a difference.
- Cultural diversity has been entrenched by PFS.
- Empire building has been eliminated.
- Leaders are younger and more driven.
- Top down management approach is starting to focus on change. Top management do send out questionnaires asking the relationship managers what they feel need to be changed.
- Democratic decision making and involvement is entrenched. This enhances personal growth and this make a difference in the organisation and to clients.
- Clients have a different perception of the organisation than compared to the “old Volkskas” days. Market has a more positive perception of what ABSA as an organisation and what ABSA PFS stands for.
- Clients notice the change in the type of leadership.
- Everyone has a responsibility for the performance of the whole organisation. Democratic decision making and involvement is entrenched. This enhances personal growth and to make a difference in the organisation and to clients.
- Trying to leave a legacy.

- PFS is also committed for the responsibility for the whole ABSA as an organisation.
- Empire building has been eliminated.
- Leaders are younger and more driven.

Collectively from the responses above the following **main finding** is formulated:

**The majority of the participants were of the opinion that ABSA PFS has made a leadership transformation.**

### 7.2.3 Question 3.1

(i) The following results were obtained from the interviews that were conducted:

- Market has noticed changes, especially internally.
- Cultural diversity; Leaders mindsets have changed. More black, coloured and Indian people are employed. Male employees do not dominate the workplace anymore. ABSA PFS has entrenched diversity and everyone is treated with respect.
- Bringing in different cultures and dynamics is positive as it encourages different people to work together.
- In beginning of PFS most relationship managers and other employees were white. The ratio has changed to a 50% split, between white and black employees.
- This cultural change is beneficial to both the relationship manager and clients. Client view the organisation differently. Also the needs of cultural diverse clients differ. It is therefore important to have skilled and knowledgeable relationship managers to deal with the needs of these diverse clients.

The research also indicated that there was an opinion that ABSA PFS has not made a cultural transformation as yet due to:

- Some mindsets that have still not been changed-follow old mindsets. Some people have not “bought” into it as yet.

Collectively from the responses above the following **main finding** is formulated:  
**ABSA PFS has made a cultural transformation and this impact positively on customers and on employees.**

**(ii) Question 3.2**

The following results were obtained from the interviews that were conducted:

**(a) Strategy:** strategy is important for relationship building and has a positive impact. The value proposition and strategy of PFS is in line: building client relationships. The group has focused on an incentive program in order to motivate people and therefore encouraging to work toward a common goal.

PFS strategy is to pay the sales force better than that of the retail banking employees. Incentive schemes were also introduced that enhanced motivation.

The Strategy also fits in with the cultural transformation process as the strategy is focused on the acquiring of more black affluent clients. Mindsets however need to change as the focus is not anymore on the white affluent market but on the black affluent market.



The research also indicated that there is a concern that other departments' vision is not aligned and therefore the perception that the current strategy does not add value. This was an opinion of only one of the participants, however attention needs to be paid by PFS management on this point of concern.

Collectively from the responses above the following **main finding** is formulated:  
**ABSA PFS's strategy positively impacts on relationship management and on the role of relationship managers.**

**(b) Structures**

The following results were obtained from the interviews that were conducted:

Positive results:

- Structures are more flat. Everyone is responsible for his own business

- Segmentation had a positive impact i.e. R750 000 income requires a specialised service.

Negative results:

- Support structures not the best, knowledge of support staff not up to scratch. Therefore taking up a lot of time as relationship managers take care of administration.
- Structures not properly in place. i.e. relationship managers are not mandated enough to make decisions or to action requests. This makes the fulfilment of the role of a relationship manager very difficult.

Collectively from the responses above the following **main finding** is formulated:

**Current ABSA PFS structures positively and negatively impacts on relationship management and on the role of relationship managers.**

### **(c) People capacity**

- The more developed and trained the relationship manager is the better he /she can do his job.
- Ongoing training is necessary to up skill staff.
- Development plan is very important.
- See life as a whole.
- A relationship manager does not want sit in the same position for 10 years. Need to move on.
- ASBA PFS encourages development.
- Education and self-development is important.-PFS supports development and education.
- PFS require a high standard of people to do the job. Self development, knowledge and training are needed to successfully fulfil the role.

The following points were raised that is a concern to relationship managers:

- Not enough support from top management to develop people.
- More coaching is needed for new relationship managers.

- PFS must invest more in developing-investing/skills courses and programs.

Collectively from the responses above the following **main finding** is formulated:

**People capacity does impact on relationship management and on the role of relationship managers.**

#### **(d) Business processes**

Everyone's commitment and values in the organisation must be aligned with the PFS value proposition. Everyone should share the same goals and vision in order for the relationship manager to successfully do his/her job. Barclays is committed to make PFS the best private bank in Africa. This vision and goal must be shared by the rest of ABSA and its employees. Business processes however needs to be clearly defined. Sla's (Service level agreements) must be adhered to between the different divisions in order to deliver good service. This will improve turn-around time and will enhance relationship building.

There is still however human interface in processes where people from other divisions delay the process due to the fact that they do not share the same goals.

Collectively from the responses above the following **main finding** is formulated:

**Business processes does impact on relationship management and on the role of relationship managers.**

#### **(e) Pay and Incentives**

- Pay should be in line with the type of job profile and responsibility, and market related.
- Role of relationship manager can be better fulfilled if better paid or incentives.
- Job satisfaction and reward drive motivation.
- Pay and incentives motivates people. The more motivated one is the better the fulfilment of the role of a relationship manager and will lead to increased productivity.

- If relationship managers are market related paid and they do receive incentives for high performance, relationship managers will not look out for other positions at other banking institutions or divisions.

The following negative results were obtained from interviews conducted:

- Relationship managers are not paid enough/ market related.
- Incentives currently not aligned- The incentive that a high performer receives is not marginal different from a standard performer.
- Incentives only paid to top performers and middle performers are not incentives enough.

Collectively from the responses above the following **main finding** is formulated:

**Pay and incentives does impact on relationship management and on the role of relationship managers.**

**(f) Change leadership**

- Need to embrace change.
- Need to adapt to changes in the environment otherwise the relationship manager cannot succeed in role.
- New leadership needs to adapt to change.
- Innovation and creativity is needed to enhance change leadership, and creativity will assist the relationship manager to be more efficient in his/her job.
- Look at situations differently. Ground staff can also be leaders.
- Need to adapt to change easily. There was a lack of direction, however this has been changed. Management has emphasised the importance of change leadership in order to be the nr 1 private bank servicing the affluent market.
- The changed, creative and innovative leader will provide solutions and added value to the diverse client base.
- The diverse cultures in PFS also make it easier to resolve and service diverse clients.
- Knowledge and skills are shared with each other.



Collectively from the responses above the following **main finding** is formulated:  
**Change leadership does impact on relationship management and on the role of relationship managers.**

#### 7.2.4 Question 4

The following results were obtained from the interviews that were conducted:

- Top down management and decision making has been changed to a great extent where employees can make decisions –obviously quicker decisions can be made. The organisation is more democratic in decision making.
- More responsibility and accountability are given to relationship managers and other employees in the organisation.
- No more rule by fear as in the past.
- Most of PFS regional managers and top management are female, compared to only male management as in the past.
- Reporting structures more flat.

The following arguments were given as to why they think ABSA PFS has not entrenched new economy democracy as yet:

- Top management still have autocratic leadership behaviour.
- However still too much “red tape “in ABSA.
- Down level staff not involved in decision making.
- Not enough support from management to give relationship manager back-up.
- Due to policies and procedures the job does not allow too much scope for entrepreneurship. However one manages your own client base so there is a certain level of entrepreneurship that can be exercised.
- Relationship managers are given responsibility and accountability to some extent, however still problem with not enough support/back-up from management.



Collectively from the responses above the following **main finding** is formulated:

**The research results indicated that the majority of the participants agreed that ABSA PFS has abandoned old hierarchical power.**

### 7.2.5 Question 5

The following results were obtained from the interviews that were conducted:

- Clients are cultural diverse.
- Team learning , knowledge and sharing are embraced.
- Creating value for the whole organisation is important.
- Allow people to make mistakes and learn from it.
- The organisation is valuing diversity. The mixture of knowledge from diverse people and how other people perceive things are important.
- PFS focus on talent creation and management.
- Working smart not harder. Use the same tools that work in another department. Share knowledge
- More courses are implemented to encourage learning and studying.
- ASBA PFS is involved in charity donations and has a more social responsibility to the community.
- Structures more flat-allows room for more personal authority, responsibility, accountability and democratic decision making.
- Empower people more.
- Relationship managers manage their own client base and are responsible and accountable for the growth and profit of their portfolio.
- Relationship managers have the personal authority to resolve their own daily work problems.

Collectively from the responses above the following **main finding** is formulated:

**The research results indicated that ABSA PFS has entrenched new economy democracy and principles.**

### **7.2.6 Question 6**

The following results were obtained from the interviews that were conducted:

#### **(i) Personal mastery**

- Relationship managers are more self-motivated and align themselves with the vision of PFS.
- Envision what the organisation stands for.
- Focus on creating value for staff and for clients.
- Keep up to date with what is happening in the world (changes), otherwise one will stay behind.
- Must align personal goals with the organisation goals.
- Share your personal vision and goals with that of the organisation-bring it into alignment.
- Having the personal authority to align processes to be able to master a smooth flow of work. To be more professional.

#### **(ii) Self-organising high performance teams**

- Relationship managers must work in a team together, sharing knowledge which will positively impact on the role of a relationship manager.
- Reliance of each other. Each one a specialist in his/her field. Everyone learns from each other in order to better service the client.
- Back-up teams are critical. When there is a delay in work processes the clients are unhappy. This puts more pressure on relationship managers as they get involved into doing the administration.

#### **(iii) New economy leadership behaviour**

- Shared knowledge and more responsibility impacts positively on the role of relationship managers- More room for innovation and creativity.
- Relationship manager make use of networking to service clients better.
- More entrepreneurial thinking; manages your client base as your own business. Clients can be better serviced.
- Sharing knowledge; to add value to the client.

- Creating value for client; if value is created for client, client will be retained
- Relationship managers are exposed to various companies and people. By being your own “boss” you can be innovative and add value.
- Focus on networking in order to broaden the client contacts.

#### **(iv) Change leadership development**

- Change leadership will benefit the role of relationship managers if there is more involvement from top.
- Must believe in change, must be communicated to relationship managers.
- ABSA PFS has started with the change however people’s mindsets needs to be changed.
- Various training courses and leadership forums are held to develop and implement change leadership principles and behaviours.
- Communication is the key factor.
- Some of the participants however are of the opinion that change leaders development is not filtered down enough from top management and feels that ground staff-input is minimal.

#### **(v) Managing complexity and diversity**

- Impacts on customers-customers can see the change in culture of the organisation. Leads to increased business-more profit for organisation.
- In the beginning it was difficult to understand each others cultures and work practices and ethics. Knowledge has been shared and the change has been adapted by PFS and its employees.
- It benefits the organisation, as customers view the organisation differently. Client’s different needs and problems can now be better understood and resolved.
- Benefit of managing diversity is that there is respect for each other’s cultures and beliefs and amongst relationship managers and clients.
- Skills and knowledge is shared by different cultural diversity levels.
- More specialised skills are needed when the subject is more complex.
- The diverse mixture of people and cultures are beneficial to PFS.

- Everyone can learn from each others cultures. A black client might prefer that a white relationship manager looks after his financial affairs. In this process knowledge and skills are learnt from each other. Personal growth is enhanced.
- Personal mindsets need to be changed. Everyone needs to adapt to the diverse employee and customer base.

Collectively from the responses above the following **main finding** is formulated:

**The implementation of the five drivers of “Leading the ABSA Way” has a positive impact on the role of relationship managers.**

### 7.2.7 Question 7

The following results were obtained from the interviews that were conducted:

- Age is important-Get rid of old guys.
- Enthusiastic, committed and motivated.
- Must be positive.
- Innovative
- Building values and looks for opportunities to do things differently.
- Personal vision that is aligned with the vision of PFS.
- Being entrepreneurial.
- Working hard and to be performance driven.
- Looking for opportunities.
- Hard worker
- Someone that is tolerant
- Self confidence
- Accountable and more responsible for own and total organisation performance.

Collectively from the responses above the following **main finding** is formulated:

**Leadership roles need to change to break down the silo behaviour and enhance ABSA PFS as a high performance organisation.**

### 7.2.8 Question 8.1

(i) The following results were obtained from the interviews that were conducted:

- To be a changed leader–new economy leadership behaviours must be entrenched.
- More responsibility and accountability is given to relationship managers to better fulfil their roles.
- Relationship manager and other staff are committed to the organisation's performance.
- Shared vision-aligns strategy with personal strategy in order to build relationships and creating value for clients.
- Learning together-able to provide better service to clients.
- Changed leadership will focus to be more pro-active to develop employees.
- There is pressure from top management to change leadership behaviours in order to adapt to the changing environment and the different way in which we need to do business.
- Employees master their own work. They think differently “out of the box”.
- Learning as a team-learning organisation.

Collectively from the responses above the following **main finding** is formulated:

**All the participants in the interview states that there are contributing factors of the new economy leadership principles that impacts on the role of relationship managers.**

### (ii) Question 8.2

Collectively from the responses above the following **main finding** is formulated:

**New economy leadership principles have a positive impact on the role of relationship managers.**

### 7.2.9 Question 9

The following results were obtained from the interviews that were conducted:

- CRM is a process where the relationship manager starts to build a relationship. Appropriate advice is given to client in order to add / create value and delivering good service for the client. The only way that a relationship can be build, is when the relationship manager get to know the client and understands his needs.
- Building relationships by interlinking different departments such as marketing and finance in order to function as one organisation and to deliver the best possible service to the customer. It is also about building relationships between divisions and customers.
- All parts of the organisation to create one specific function.
- One weak link brings whole organisation down.
- Alignment to deliver good client relationships

Collectively from the responses above the following **main finding** is formulated:

**CRM is about building relationships between divisions and customers by interlinking different departments in order to function as one organisation to deliver the best possible service.**

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### 7.2.10 Question 10.1

(i) The following results were obtained from the interviews that were conducted:

- The current Focus is on both acquisition and retention. Focus should be turned more to retention due to more costs that occur when acquiring a new client, especially when you take over a client from another banking institution.

Collectively from the responses above the following **main finding** is formulated:

**ABSA PFS focus on both acquisition and retention.**

### **(ii) Question 10.2**

The following results were obtained from the interviews that were conducted:

- Retention is very important because it is more profitable if the client is in our books for a long –term. It is also easier to cross-sell to an existing client.

Collectively from the responses above the following **main finding** is formulated:

**Retention is critically important in order to increase the organisation’s profit over the long-term.**

### **(iii) Question 10.3**

The following results were obtained from the interviews that were conducted:

- When you have a good relationship with a client and offer the best service to the client, it is difficult for client to move to another bank. CRM is therefore very important
- Must have a good relationship with client in order to deliver good service and to know what client’s expectations are. If client is satisfied with service and the relationship, client will be retained.
- Relationship management therefore important to manage the relationship and keep client happy.
- If you do not know the client you cannot give good advice. Relationship building is therefore critical. You need to know where the client is in his/her life-cycle stage.

Collectively from the responses above the following **main finding** is formulated:

**Customer relationship management (CRM) is a critical aspect in order to retain clients.**

### 7.2.11

#### (i) Question 11.1

The following results were obtained from the interviews that were conducted:

- Effective CRM will have a positive impact on relationship manager/management. Especially for new people joining the organisation-see what current norm is.
- Due to integrated processes in and between divisions, the best possible service can be delivered to the client.
- Good relationships between departments in the organisation will enhance delivering better service to clients and will assist relationship manager to better fulfil its role in building relationships.
- The better you know your client, the more effective cross-selling Relationship building therefore important.

Collectively from the responses above the following **main finding** is formulated:

**The implementation of a CRM strategy will benefit relationship managers and its role.**



#### (ii) Question 11.2

The following results were obtained from the interviews that were conducted:

- Focus on strategy-will lead to providing good client service-lead to good relationships. In having good relationships with our clients we will retain them and increase the organisation's profit. Existing clients will also refer business that will increase revenue. Cross-sell opportunities exist.
- Good relationship between credit department and the PFS relationship manager is critical. Credit will then know what the skills and knowledge is of the relationship manager and the quality applications that are submitted to them from these relationship managers. Applications will be looked at favourably and the client will benefit from that.

Collectively from the responses above the following **main finding** is formulated:

**The implementation of a CRM strategy will benefit ABSA PFS.**



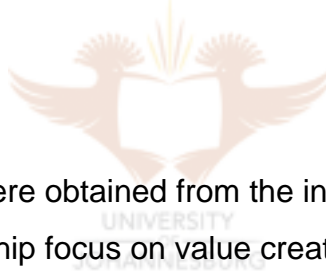
### 7.2.12 Question 12

The following results were obtained from the interviews that were conducted:

- The focus in the past was on products and services only, today we need to look at relationships. Clients will pay more for services if they can have good relationships.
- Relationship managers are the entry level (central point) for clients. Clients want to have one person that they want to deal with. They do not want to run around speaking to a lot of different people in getting something done.
- Relationship managers are the link between bank and the client

Collectively from the responses above the following **main finding** is formulated:

**ABSA PFS relationship managers are the ideal people to maintain the relationship.**



### 7.2.13 Question 13.1

(i) The following results were obtained from the interviews that were conducted:

- New economy leadership focus on value creation.
- CRM also focus on value creation by building relationships. There is therefore an alignment of the two concepts.
- New economy leadership focus on shared values and creating value; doing things differently-therefore adding value and therefore focus on retaining the client.
- New economy leadership behaviour enhances innovation, creativity, to think “out of the box”. These principles and behaviours are implemented and exercised to assist and support the CRM strategy.
- Allows relationship managers to be more responsible and accountable for actions. This makes the job more professional and easier.
- CRM is a process of listening and communicating what clients requires. Analysis of what client needs.

- Also a process where you grow personally, change in how you will service client in future. Adopt your own best practices; making own decisions i.t.o what works for you and for the customer
- Relationship managers create value/added value by using networks. Integrate people and processes to add value to the client. By delivering better service, client relationships are maintained.
- Customers see you as someone that is more positive, that is there to add value.
- Due to diversity, customers' needs are better understood. Relationship managers, manage their client base as if it is their own business.

Collectively from the responses above the following **main finding** is formulated:

**The research indicates that new economy leadership impacts on customer relationship management/managers .**

#### **(ii) Question 13.2**

Collectively from the responses in question 13.1 above the following **main finding** is formulated:

**New economy leadership impacts positively on customer relationship management and on relationship managers.**

#### **7.2.14 Question 14**

The following results were obtained from the interviews that were conducted:

- By delivering good service, we can build good client relationships and maintain relationships over a long-term in order to create value. When value is added, will keep client for a long-term (life-time client).
- Marketing is about establishing relationships in order to add value to clients.
- To advertise relationship management as a feature.
- Taking it away from the focus of the selling of products to the focus on relationships. It is important to know and understand the individual's needs.

Collectively from the responses above the following **main finding** is formulated:

**ABSA PFS's relationship marketing strategy is about marketing relationships in order to create life time value for clients.**

#### **7.2.15 (i) Question 15.1**

The following results were obtained from the interviews that were conducted:

##### **(a) Transaction marketing:**

- Not assessing clients on an individual basis.
- Service clients as a whole.
- Looking at mass market.
- Focus was on generalisation.

##### **(b) Relationship marketing:**

- Looking at individual's needs.
- Each client being different. Not looking at a batch, but on individual need.

Collectively from the responses above the following **main finding** is formulated:

**Transaction marketing focus on the mass market and relationship marketing is focusing on the individual needs of a client.**

#### **(ii) Question 15.2**

The following result was obtained from the interviews that were conducted:

ABSA PFS takes a relationship marketing approach.

Collectively from the responses above the following **main finding** is formulated:

**ABSA PFS takes a relationship marketing approach.**

#### **Question 15.3**

The following results were obtained from the interviews that were conducted:

- There is integration between the PFS value proposition and vision and the relationship marketing strategy.

- We are selling the relationship management/ manager concept in relationship marketing. We drive the concept of relationship management-therefore the integration.
- Moved away from being products driven. Looking at satisfying client's individual needs. Value proposition and vision is about building client relationships. Must focus on the total service offering to client in order to create a life time value for client.
- Marketing strategy focus thus on relationships/relationship building.
- The focus in future will be to measure the relationship manager on the performance on his/her balance sheet. This means that the focus will move away from products only as the relationship manager will be managed on the growth of his assets. This entails the focus and emphasis on retention. Marketing is taking a new approach that is built on relationships.

Collectively from the responses above the following **main finding** is formulated:

**The research indicates that the relationship marketing approach integrates with ABSA PFS's vision and value proposition.**

#### 7.2.16 Question 16.1

- (i) The following results were obtained from the interviews that were conducted:
- Want to acquire clients and to keep them for life. Clients can be retained if they are satisfied with service delivery and the relationship.
  - Creating a lifetime value for customers.
  - Keeping clients for life. It is important to keep client over the long term as a client is then more profitable for the bank. Focus on retention is therefore critical.
  - Retention is therefore important to relationship marketing.

Collectively from the responses above the following **main finding** is formulated:

**The main goal of relationship marketing is to maximise the lifetime value of a customer.**

## **(ii) Question 16.2**

The following results were obtained from the interviews that were conducted:

- CRM is important for relationship marketing-fit hand in hand.
- CRM is all about building client relationships.
- Marketing has changed to relationships instead of the focus on product and price only.
- Relationship marketing is a new approach that needs a CRM process.
- Need a CRM strategy to successfully implement a relationship marketing strategy.
- The two must be aligned in order to be successful.
- Marketing must promote relationship building. Currently PFS is aligning the two very successfully, i.e. marketing is advertising and promoting relationship building quite aggressively. The latest advertisement on television is a good example;” My bank is my passion, My comfort, My friend “

Collectively from the responses above the following **main finding** is formulated:

**Customer relationship management (CRM) can be seen as an integrated process of relationship marketing.**

## **7.2.17 Question 17**

The following results were obtained from the interviews that were conducted:

### **(i) Organisation culture**

- ABSA has made a huge change in organisational culture over the past five years. PFS has changed its norms and beliefs.
- Employees are more diverse (cultural) - We learn from each other and that also benefits the customers.
- The organisation was perceived as a very “Afrikaans” orientated bank.

- ABSA has changed this perception. We see it in our acquisition of new black affluent clients.
- Our cultural diverse employees are also proof of the success of this change.
- The organisation culture is considered to be aligned quite good i.e. The (BEE) Black employment drive by ABSA, benefits relationship managers and clients, as some black clients prefer to be services by black relationship managers. Different culture groups i.e. Indian community and black clients view the organisation differently than in the past.
- Everyone learn from the diverse culture groups.
- Objective is to set a brand name-to create a perception in the clients mind that PFS is doing things differently, by diversifying its staff and clients and by valuing it and to interlink this with building client relationships and to build relationships between employees.

Collectively from the responses above the following **main finding** is formulated:  
**ABSA PFS has changed its organisational culture to align the organisation with the relationship marketing strategy.**

#### (ii) Values and attitudes

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The following results were obtained from the interviews that were conducted:

- PFS value their people and encourage self-development. This increase positive attitudes and the customer can notice this positive attitude.
- The organisation's vision is to build relationships instead of just selling a product or service to customer.
- Shift from making a "quick buck" out of the client to a rather long-term relationship with client and valuing the client.
- Top management need to value the employees in order to create motivated attitudes which will enhance relationship building with clients and between employees.
- ABSA PFS focus on personal growth of employees. This will have a positive impact on attitudes-increase motivation. Self-motivation is critical important and is

needed to align yourself with the organisation's value proposition, vision and mission.

The following negative results were obtained:

- More pressure is put onto relationship managers and current strategies are not aligned to benefit the relationship manager and other employees.
- Relationship managers are not valued enough.

Collectively from the responses above the following **main finding** is formulated:

**Values and attitude impacts on relationship marketing. ABSA PFS has aligned these components quite well in its relationship marketing strategy.**

### **(iii) Leadership**

The following results were obtained from the interviews that were conducted:

- Individual leaders' vision must be aligned with the vision of the organisation. Everyone must entrench the behaviour that everyone is a leader in the organisation. This will enhance responsibility and self-motivation.
- Involvement from all levels of management is necessary. Everyone needs to co-create value for clients instead of the old "silo" leadership behaviour.
- Non-hierarchical structures allow room for more personal responsibility to add value to the whole organisation.

The following negative results were obtained:

- PFS does not focus on getting the right people for the job. Due to BEE compliance and pressures the right people are not employed and that negatively influence service to the clients

### **Main finding:**

Collectively from the responses above the following **main finding** is formulated:

**Leadership impacts on relationship marketing. ABSA PFS has aligned this component quite well in its relationship marketing strategy.**

#### (iv) Structure

The following results were obtained from the interviews that were conducted:

- Segmentation is very important as individual needs are different. i.e. a medical segment relationship manager understand the requirement of medical doctors better than a relationship manager that has not dealt with medical doctors in the past. Relationship managers allocated to the medical segment understands the business/ profession of medical doctors.
- Current segmentation in PFS is good as the client's needs in each segment differ. Relationship managers with certain skills and knowledge are allocated to. In some client segments the clients are more demanding and their requests are more complex.
- Current segmentation structure is very beneficial and positive to clients and to relationship managers.

The following negative results were obtained:

- Can improve structures as the support structures are not good. The support and vision of other departments, i.e. credit is not aligned and geared and therefore PFS cannot add and create value for customers.
- Need more back-up from top management in order to assist with problems and service from other divisions in the organisation.

Collectively from the responses above the following **main finding** is formulated:

**Structure impacts on relationship marketing. ABSA PFS has aligned this component quite well in its relationship marketing strategy.**

#### (v) People

The following results were obtained from the interviews that were conducted:



- Realise that people is the back bone of the organisation, and is the most important people in organisation.
- Client want from their point of view someone that they can talk to.
- ABSA PFS is starting realise that they need to up skill their relationship managers and to value their people as they are the key between the organisation and the customer.
- Development of employees is critical. The better the skills the better service that can be provided. Relationship building can then be enhanced
- Training and development of employees are supported by PFS.
- Everyone needs to share the same goals. The support staff needs to entrench shared vision in order for the relationship manager to better fulfil its role.
- Motivated employees have a positive impact on clients.
- Having relationship managers with the necessary skills and knowledge will create value for the client and will enhance the relationship.

Collectively from the responses above the following **main finding** is formulated:

**People impacts on relationship marketing. ABSA PFS has aligned this component quite well in its relationship marketing strategy.**

#### • **Processes**

The following results were obtained from the interviews that were conducted:

- The research conducted indicates that current processes to some extend support the relations marketing strategy. Processes have been changed to adapt to the marketing strategy. Processes are not as fast as it should be however changes to processes will be made as and how products are developed.
- The general perception and feeling from participants is that the current processes do not support the relationship marketing strategy. The following findings were conducted:
- Processes are not “flexible” enough. When we deal with the affluent market clients, one should “think out of the box”. Cannot stick to a fixed set of rules.

- More research is required to streamline processes, for an example the credit process. It is not always easy to think out of the box due to the risk policies and procedures of the bank.
- Processes between departments to slow, i.e. credit department need to align themselves with the vision of PFS. Slow processes create poor service delivery and negatively influence the client relationship.

Collectively from the responses above the following **main finding** is formulated:

**Processes impact on relationship marketing. ABSA PFS has not aligned this component successfully in its relationship marketing strategy.**

#### 7.2.18 Question 18.1

(i) The following results were obtained from the interviews that were conducted:

- New economy leadership focus on creating value and the relationship marketing strategy is also focused to create a life time value for the client. There is therefore a positive correlation. If value is added for a client, the client will be retained.
- Shared knowledge, innovation and shared vision is needed to achieve the goal of relationship marketing.
- Both new economy leadership and relationship marketing reflects on the new way how the organisation can add value and retain the client.
- New economy leadership principles must be combined with relationship marketing to add value for the client. We need the new economy principles to assist in how we are going to do things differently. The focus on relationship marketing is therefore the promoting of relationship building instead of the old way of marketing i.e. products, price.

Collectively from the responses above the following **main finding** is formulated:

**ABSA PFS does integrate new economy leadership principles with its relationship marketing strategies.**

## Question 18.2

(ii) The following results were obtained from the interviews that were conducted:

- There is a correlation between the two as new economy leadership is about being innovative, inspirational, shared knowledge, having a shared vision and where everyone is considered to be a leader.
- Relationship marketing: is about building good relationships with customers and to create value by offering a total quality service offering.
- An organisation therefore needs these new economy leadership behaviours such as innovation and commitment to the whole organisation to successfully implement the relationship marketing strategy.
- In creating and sharing the same vision and teamwork, good relationships can be build and can the customers be retained over a long- term period.

Collectively from the responses above the following **main finding** is formulated:

**New economy leadership has a positive impact on relationship marketing.**

## 7.3 RESEARCH PROPOSITIONS

The research propositions as formulated in chapter one will be evaluated against literature in the literature review, research results and main research findings.

### 7.3.1 Proposition 1

**New economy leadership has an impact on customer relationship management (CRM)**

The theoretical assumptions by Gordon (1998:16-58), Grönroos (2000:38), Zeithaml and Bitner (2003:49-50) and Nasser et al. (1993:135) consisted of new economy leadership principles and behaviours and the impact on customer relationship management (CRM) reflected in question 13.

- **Results on question 13:**

New economy leadership impacts positively on customer relationship management and on relationship managers, which to a large extent are similar to the theories,

provided by Gordon, Grönroos, Zeithaml and Bitner and Nasser et al. **[Major findings 13.1 and 13.2, p.103]**.

It can be concluded that this finding can **support** proposition 1.

### **7.3.2 Proposition 2**

#### **New economy leadership has an impact on relationship marketing**

The theoretical assumptions by Gordon (1998:16-58), Grönroos (2000:38), Zeithaml and Bitner (2003:49-50), Nasser et al. (1993:135) and Senge (1990:8) consisted of new economy leadership principles and behaviours and the impact on relationship marketing reflected in question 18.1 and question 18.2.

- **Results on question 18:**

New economy leadership has a positive impact on relationship marketing.

which to a large extent are similar to the theories, provided by Gordon, Grönroos, Zeithaml and Bitner, Nasser et al. and Senge (1990:8) **[Major findings 18.1 and 18.2, p.111-112]**.

It can be concluded that this finding can **support** proposition 2.

### **7.4 CONCLUSION**

This chapter provided results on the interviews that were conducted. The research results for all the questions asked as in the discussion guide were analysed and main findings were generated.

Chapter eight will provide conclusions and recommendations based on the literature study and results from the empirical study.