


| QUESTION | INTERVIEW CONDUCTED WITH: Interview 3: Outcome of interview |
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| 1. 1 Define the concept new economy /new generation leadership organisations | It is about sharing organisation values, creating value, being innovative and enhance personal growth |
| 2. Has ABSA PFS made a leadership transformation | <p>Yes ABSA PFS has made a leadership transformation</p> <ul style="list-style-type: none"> • 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 to make a difference in the organisation and to clients. • Each employee needs to take responsibility for his/her own actions and must be responsible for the whole organisation.-For the growth of the organisation. |
| <p>3.1 Has ABSA PFS made a cultural Transformation in order to entrench new generation/ new economy leaderships principles and mindsets.</p> <p>3.2 ABSA PFS use the Beehive model to entrench change and high performance in order to renew the organisation. The beehive theoretical model consists of Seven sets of critical workplace practices;</p> <ol style="list-style-type: none"> 1) Strategy 2) Structures 3) People capacity 4) Business processes 5) Stakeholder commitment 6) Pay and incentives 7) Change leadership <p>In your opinion does any of these sets of workplace practices impacts on relationship management and on the role of relationship managers.</p> | <p>3.1 Yes and No</p> <ul style="list-style-type: none"> • Yes: ABSA PFS has started with the implementation of diversity management • No: Some mindsets have still not been changed-follow old mindsets. Some people have not "bought" into it as yet. <p>3.2 The following is negative response:</p> <ul style="list-style-type: none"> • Business process: Processes not in place to give great service and to add value • Strategy: <ul style="list-style-type: none"> - Not currently aligned to add value. - Other departments vision Is not aligned <p>The following aspects are positive</p> <p>Pay and incentives:</p> <ul style="list-style-type: none"> • The more the incentive the more motivated the employees will be and will they do the job better. <p>Change leadership:</p> <ul style="list-style-type: none"> • Look at situations differently. Ground staff can also be leaders. • Need to adapt to change easily. <p style="text-align: center;">UNIVERSITY OF JOHANNESBURG</p> |
| 4. Has ABSA PFS abandoned old economy hierarchical power? | <p>Yes and No</p> <ul style="list-style-type: none"> • Yes <ul style="list-style-type: none"> - Most of PFS regional managers and top management are female, compared to only male management as in the past. - More responsibility and accountability given to relationship managers. • No <ul style="list-style-type: none"> - Top management still have an autocratic leadership behaviour |
| 5. Has ABSA PFS entrenched new economy democracy and principles? | <p>Yes</p> <ul style="list-style-type: none"> • The organisation is valuing diversity. The mixture of knowledge from different people and how other people perceive things. • PFS focus on talent creation and management • Working smart not harder. Use the same tools that work in another department. Share knowledge |
| <p>6. How does the implementation of the five drivers of Leading the ABSA way affect the role of relationship managers?</p> <p>The five drivers of "Leading the ABSA way" are as follow:</p> <p>1. Personal mastery</p> | <p>1. Personal mastery:</p> <ul style="list-style-type: none"> • Keep up to date with what is happening in the world (changes), otherwise one will stay behind. <p>2. Self-organising high performance teams:</p> <ul style="list-style-type: none"> • Reliance of each other. Each one a specialist in his/her field. Everyone learns from each other in order to better service the client. |

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| <p>2. Self organising teams</p> <p>3. New economy leadership behaviour</p> <p>4. Change leadership behaviour</p> <p>5. Managing complexity and diversity</p> | <p>3. New economy leadership behaviour:</p> <ul style="list-style-type: none"> • More entrepreneurial thinking; manages your client base as your own business. • Sharing knowledge; to add value to the client • Creating value for client; if value is created for client, client will be retained <p>4. Change leadership development:</p> <ul style="list-style-type: none"> • ABSA PFS has started with the change however people's mindsets needs to be changed and that will take time. <p>5. Managing complexity and diversity</p> <ul style="list-style-type: none"> • The diverse mixture of people and cultures are beneficial to PFS • Some black clients for instance might prefer that a black relationship manager must handle his/her financial affairs instead of a white relationship manager. |
| <p>7. In your opinion what emerging leadership profiles should a relationship manager have in a new economy organisation.</p> | <ul style="list-style-type: none"> • Personal vision that is aligned with the vision of PFS • Being entrepreneurial • Working hard and to be performance driven |
| <p>8.1 Are there any contributing factors of new economy leadership principles that impact the role of relationship managers?</p> <p>8.2 Do you think it is a positive or negative Impact?</p> | <p>8.1 Yes there are contributing factors such as:</p> <ul style="list-style-type: none"> • Relationship manager and other staff are committed to the organisation's performance. • Everyone in PFS is held more responsible and accountable for work and actions • 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 <p>8.2 Positive</p> |
| <p>9. Define Customer relationship management.</p> | <ul style="list-style-type: none"> • Building relationships by interlinking different departments such as marketing and finance in order to function as one organisation. |
| <p>10.1 Does ABSA PFS focus on acquisition or retention?</p> <p>10.2 Is retention important?</p> <p>10.3 Customer relationship management is a critical aspect in order to retain clients – comment on statement</p> | <p>10.1. Focus has been changed from acquisition to retention because acquisition is more expensive than to retain a client</p> <p>10.2 Retention is very important.</p> <p>10.3 Yes it is critical 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.</p> |
| <p>11.1 By implementing a CRM strategy are there any benefits to the relationship manager and its role?</p> <p>11.2 Are there any benefits for ABSA PFS to have a CRM strategy?</p> | <p>11.1 Yes there are benefits</p> <ul style="list-style-type: none"> • 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. <p>11.2. Yes there are benefits for ABSA PFS.</p> <ul style="list-style-type: none"> • Good relationship between credit department and the PFS relationship manager is critical. Credit will know who the relationship manager is 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. • Focus on retention of the client. |
| <p>12. ABSA PFS relationship managers are the ideal people to maintain the relationship-discuss the statement.</p> | <ul style="list-style-type: none"> • Yes - Relationship managers are the entry level 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. |
| <p>13. 1 New economy leadership impacts on customer relationship management/managers-discuss statement.</p> <p>13.2 Is it a positive or negative impact?</p> | <p>13.1 Does impact on CRM and on relationship managers</p> <ul style="list-style-type: none"> • It is a process of listening and communicating what clients requires. Analysis of what client needs. • Integrating processes and technologies and creating value for client. • New economy leadership focus on shared values and creating value; doing things differently-therefore adding value and therefore focus on retaining the client. • Also a process where you grow personally, change in how you will service client |

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| | <p>in future.</p> <p>13.2 Positive</p> |
| <p>14. Define relationship marketing.</p> | <p>Marketing and establishing relationships in order to add value to clients. Client for example will follow the relationship manager if the relationship manager moves to another banking institution.</p> |
| <p>15.1 What is the difference between transaction and relationship marketing?</p> <p>15.2 Which approach does ABSA PFS takes, a transaction marketing or relationship marketing approach?</p> <p>15.3 Which approach do you think integrates with ABSA PFS vision and value proposition? Give reasons and examples to clarify answer.</p> | <p>15.1 Transaction marketing:</p> <ul style="list-style-type: none"> Looking at mass market <p>Relationship marketing:</p> <ul style="list-style-type: none"> Focus on needs of individuals. PFS has developed a segmentation model to service the specialised needs of individuals. <p>15.2 Relationship marketing</p> <p>15.3 Relationship marketing.</p> <ul style="list-style-type: none"> PFS looks after the affluent market-analyse individual needs. The value proposition is all about building relationships with clients. Relationship marketing focus on the individual requirements of clients. |
| <p>16.1 What is the main goal that ABSA PFS want to achieve with relationship marketing?</p> <p>16.2 Can relationship management (CRM) be seen as an integrated process of relationship marketing?</p> | <p>16.1 Creating a lifetime relationship with clients</p> <p>16.2 Yes</p> <ul style="list-style-type: none"> Relationship marketing is a new approach that needs a CRM process. |
| <p>17.1 Comment on how ABSA PFS aligns the following components in its relationship marketing strategy</p> <ul style="list-style-type: none"> Organisation culture Values and attitudes Leadership Structure People Process | <ul style="list-style-type: none"> Organisation culture: <ul style="list-style-type: none"> 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. Values and attitudes: <ul style="list-style-type: none"> Positive; the organisation does not focus on making profit only; it is now more focused on having the right attitude and valuing the customer more. Negative; more pressure is put onto relationship managers, however the strategies does not benefit the relationship manager or is not in alignment with employees benefits. <p>i.e. ; Relationship managers are not valued enough and working conditions of relationship managers not beneficial to add value.</p> <ul style="list-style-type: none"> Leadership: <ul style="list-style-type: none"> Negative comment; PFS does not focus on getting the right people for the job. Due to BEE compliance and pressures the right people are not employed that negatively influence service to the clients. Structure <ul style="list-style-type: none"> 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. People <ul style="list-style-type: none"> 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. |

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| | <ul style="list-style-type: none"> • Process - Processes between departments to slow, i.e. credit department need to align themselves with the vision of PFS. |
| <p>18. The objective of the new economy leadership organisation is also to create value for the customer. New economy or also called new generation organisations eradicate those activities, processes, procedures and people that do not create value for the customer. This implies that organisations that entrench new economy leadership principles are able to effect major changes in customer relationship management (CRM) and relationship marketing as are required to make it a leader in its field.</p> <p>18.1 Does ABSA PFS integrate new economy leadership principles with its relationship marketing strategies?</p> <p>18.2 What impact does new economy leadership have on relationship marketing?</p> | <p>18.1 Yes</p> <ul style="list-style-type: none"> • There is a positive correlation because new economy leadership is focused on creating value. Relationship marketing is focused on creating a lifetime value with clients. If value is added for a client h e/she will be retained. • Involvement with Barclays, will lead to more innovation, shared knowledge and will create more value for customers. Will be able to offer more products. <p>18.2</p> <ul style="list-style-type: none"> • Positive impact - New economy leadership behaviours such as inspiration, innovation and to entrench that everyone is a leader will give relationship marketing a boost. <div style="text-align: center;">  <p>UNIVERSITY OF JOHANNESBURG</p> </div> |