

QUESTION	INTERVIEW CONDUCTED WITH: Interview 4: Outcome of interview
1. 1 Define the concept new economy /new generation leadership organisations	<ul style="list-style-type: none"> • Process of sharing organisational values and mission by working together towards the companies goals. • Everyone in PFS is considered to be a leader, where we value diversity and where everyone is given a change.
2. Has ABSA PFS made a leadership transformation	<p>Yes ABSA PFS has made a leadership transformation</p> <ul style="list-style-type: none"> • .Old ABSA was seen as a very “Afrikaans” bank • Very rigid in its approach • It has changed where the organisation is focused to adopt to change and to make a difference. • PFS is also committed for the responsibility for the whole ABSA 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</p> <ul style="list-style-type: none"> • Cultural change has taken place. Rashika previously worked for Nedbank and was hesitant to come and work for ABSA. The support was great and her perception of ABSA in view of old cultural mindsets has changed. • Cultural change is positive as it encourages different people to work together. <p>3.2 The following is negative response:</p> <ul style="list-style-type: none"> • Strategy: <ul style="list-style-type: none"> - Strategy is to a large extend aligned to do our jobs. The group has focused on an incentive program in order to motivate people and therefore encouraging to work toward a common goal. • Structures: <ul style="list-style-type: none"> - 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. • Pay and incentives: <ul style="list-style-type: none"> - If relationship managers are market related or even better than the market paid, the motivation will increase and lead to better client service. - One must enjoy the work, it is not always about the money. One needs to be a people’s person. • People capacity: <ul style="list-style-type: none"> - 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.
4. Has ABSA PFS abandoned old economy hierarchical power?	<ul style="list-style-type: none"> • Yes but not in all aspects <ul style="list-style-type: none"> - Top management not ruling by fear as in the past. One can question top management decisions - I am the boss and my decision is final has changed. - However still too much “red tape “ in ABSA
5. Has ABSA PFS entrenched new economy democracy and principles?	<p>Yes</p> <ul style="list-style-type: none"> • More courses are implemented to encourage to learn and study. • ASBA PFS is involved in charity donations and has a more social responsibility to the community.
<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> <ol style="list-style-type: none"> 1. Personal mastery 	<ol style="list-style-type: none"> 1. Personal mastery: <ul style="list-style-type: none"> • Must align personal goals with the organisation goals 2. Self-organising high performance teams: <ul style="list-style-type: none"> • Team work is encouraged as well as shared knowledge and learning. Help is other. 3. New economy leadership behaviour:

<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>	<ul style="list-style-type: none"> Relationship managers are exposed to various companies and people. By being your own “boss” you can be innovative and add value. <p>4. Change leadership development:</p> <ul style="list-style-type: none"> PFS has introduced leadership forums and courses to entrench changed leadership behaviours. <p>5. Managing complexity and diversity</p> <ul style="list-style-type: none"> Grow as a person. 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.
<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"> Should be positive Align personal vision with the vision of the organisation
<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"> Being accountable and responsible in what we do. Having the support from leaders above will enhance the role of a relationship manager <p>8.2 Positive</p>
<p>9. Define Customer relationship management.</p>	<ul style="list-style-type: none"> Integration of divisions, i.e. Business bank and PFS to be able to deliver the best possible service to the customer. Also about building relationships between divisions and customers.
<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 was originally more on acquisition, however has changed to retention due to the fact it is more expensive to replace an existing client with a new one.</p> <p>10.2 Retention is very important.</p> <p>10.3. When you have a good relationship with a client and offer the best service the client, it is difficult for client to move to another bank. CRM is therefore very important.</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"> The purpose of CRM is to create more value for the customer. Good service can be offered to customer if SBU's and processes are integrated <p>11.2. Yes there are benefits for ABSA PFS.</p> <ul style="list-style-type: none"> CRM will focus on retention of clients and therefore enhances the opportunity to cross-sell to customers.
<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 they are the best people <ul style="list-style-type: none"> In relationship building, the customer's needs and history are known. This is necessary in order to maintain relationships.
<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"> Due to diversity, customers' needs are better understood. Relationship managers, manage their client base as if it is their own business. <p>13.2 Positive</p>
<p>14. Define relationship marketing.</p>	<p>It is about building relationships and to add value. When value is added, will keep client for a long-term.(life-time client)</p>
<p>15. 1What is the difference between transaction and relationship marketing?</p> <p>15.2 Which approach does ABSA</p>	<p>15.1 Transaction marketing:</p> <ul style="list-style-type: none"> Focus was on generalisation <p>Relationship marketing:</p> <ul style="list-style-type: none"> Look at needs of individuals. What client requires.

<p>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>5.2 Relationship marketing</p> <p>15.3 Relationship marketing.</p> <ul style="list-style-type: none"> Is all about building relationships with clients and being the best private bank in South-Africa. Relationship is the key in marketing our strategy.
<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</p> <ul style="list-style-type: none"> Having a longstanding relationship with the customer. Relationship manager will be the first entry point for customer. This will assist to focus on retention-to increase profits. <p>16.2 Yes</p> <ul style="list-style-type: none"> Need a CRM strategy to successfully implement a relationship marketing strategy.
<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"> PFS has changed is norms and beliefs. Employees are more diverse(cultural)- We learn from each other and that also benefits the customers. Values and attitudes: <ul style="list-style-type: none"> PFS value their people and encourage self-development. This increase positive attitudes and the customer can notice this positive attitude. Organisations mission is to build relationships instead of just selling a product or service to customer Leadership: <ul style="list-style-type: none"> 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. Structure <ul style="list-style-type: none"> Must have the right tools for the job. 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. People <ul style="list-style-type: none"> Development of employees is critical. The better the skills the better service that can be provided. Relationship building can then be enhanced Relationship managers have to actually like people to do the job. Training and development of employees are supported by PFS. Process <ul style="list-style-type: none"> Problems with process. i.e. Credit does not have a relationship with client. Processes slow and therefore poor service delivery.
<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</p>	<p>18.1 Yes</p> <ul style="list-style-type: none"> There is a positive correlation. Shared vision is needed to successfully implement the relationship marketing strategy. <p>18.2</p> <ul style="list-style-type: none"> Positive impact 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.

<p>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>	
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