


QUESTION	INTERVIEW CONDUCTED WITH: Interview 5: Outcome of interview
1. 1 Define the concept new economy /new generation leadership organisations	<ul style="list-style-type: none"> <li>Change from old industrial mindsets and behaviours from the 1960's and 1970's. Where there should be room for more creativity. Everyone in organisation must run it as if it his/her own business.</li> </ul>
2. Has ABSA PFS made a leadership transformation	<p>ABSA PFS has not made a leadership transformation</p> <ul style="list-style-type: none"> <li>Still to strict guidelines.</li> <li>No time space/opportunity to be innovative or inspirational</li> </ul>
<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"> <li>1) Strategy</li> <li>2) Structures</li> <li>3) People capacity</li> <li>4) Business processes</li> <li>5) Stakeholder commitment</li> <li>6) Pay and incentives</li> <li>7) Change leadership</li> </ol> <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"> <li>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.</li> </ul> <p>3.2 The following is negative response:</p> <ul style="list-style-type: none"> <li><b>Strategy:</b> <ul style="list-style-type: none"> <li>PFS strategy is to pay the sales force better than that of the retail banking employees. Incentive schemes were also introduced that enhanced motivation.</li> </ul> </li> <li><b>Structures:</b> <ul style="list-style-type: none"> <li>Structures are more flat. Everyone is responsible for his own business.</li> </ul> </li> <li><b>People capacity:</b> <ul style="list-style-type: none"> <li>PFS require a high standard of people to do the job. Self development, knowledge and training is needed to successfully fulfil the role.</li> <li>Not enough support from top management to develop people.</li> <li>More coaching is needed for new relationship managers.</li> <li>PFS must invest more in developing-investing/skills courses and programs</li> </ul> </li> <li><b>Business processes:</b> <ul style="list-style-type: none"> <li>Still human interface in processes where people from other divisions delay the process due to the fact that they do not share the same goals.</li> </ul> </li> <li><b>Stakeholder commitment:</b> <ul style="list-style-type: none"> <li>Everyone should share the same goals and vision in order for the relationship manager to successfully do his/her job.</li> </ul> </li> <li><b>Pay and incentives:</b> <ul style="list-style-type: none"> <li>Motivates and leads to increased productivity</li> </ul> </li> <li><b>Change leadership:</b> <ul style="list-style-type: none"> <li>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.</li> </ul> </li> </ul>
4. Has ABSA PFS abandoned old economy hierarchical power?	<ul style="list-style-type: none"> <li>Yes <ul style="list-style-type: none"> <li>Democratic leadership behaviour</li> <li>Reporting structures more flat</li> </ul> </li> </ul>
5. Has ABSA PFS entrenched new economy democracy and principles?	<ul style="list-style-type: none"> <li>Yes <ul style="list-style-type: none"> <li>Structures more flat</li> <li>Focus on talent management</li> <li>Empower people more</li> </ul> </li> </ul>
6. How does the implementation of the five drivers of Leading the ABSA way affect the role of	<p>1. Personal mastery:</p> <ul style="list-style-type: none"> <li>To be more professional.</li> </ul>

<p><b>relationship managers?</b></p> <p>The five drivers of “Leading the ABSA way” are as follow:</p> <p><b>1. Personal mastery</b></p> <p><b>2. Self organising teams</b></p> <p><b>3. New economy leadership behaviour</b></p> <p><b>4. Change leadership behaviour</b></p> <p><b>5. Managing complexity and diversity</b></p>	<ul style="list-style-type: none"> <li>To motivate yourself and share your personal vision with that of the organisation-bring it into alignment.</li> </ul> <p><b>2. Self-organising high performance teams:</b></p> <ul style="list-style-type: none"> <li>A Lot of knowledge is shared that leads to the suite success</li> </ul> <p><b>3. New economy leadership behaviour:</b></p> <ul style="list-style-type: none"> <li>Focus on networking in order to broaden the client contacts.</li> </ul> <p><b>4. Change leadership development:</b></p> <ul style="list-style-type: none"> <li>Leadership forums has been introduced</li> <li>Change consultants that present change management /leadership courses.</li> </ul> <p><b>5. Managing complexity and diversity</b></p> <ul style="list-style-type: none"> <li>Personal mindsets need to be changed. Everyone needs to adapt to the diverse employee and customer base.</li> <li>Can grow personally because you learn from different cultures and their viewpoints.</li> <li>Impacts on customers-customers can see the change in culture of the organisation. Leads to increased business-more profit for organisation</li> </ul>
<p><b>7. In your opinion what emerging leadership profiles should a relationship manager have in a new economy organisation.</b></p>	<ul style="list-style-type: none"> <li>Looking for opportunities</li> <li>Hard worker</li> <li>Someone that is tolerant</li> </ul>
<p><b>8.1 Are there any contributing factors of new economy leadership principles that impact the role of relationship managers?</b></p> <p><b>8.2 Do you think it is a positive or negative impact?</b></p>	<p>8.1 Yes there are contributing factors such as:</p> <ul style="list-style-type: none"> <li>Changed leadership will focus to be more <b>pro-active</b> 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.</li> </ul> <p>8.2 Positive</p> 
<p><b>9. Define Customer relationship management( CRM).</b></p>	<ul style="list-style-type: none"> <li>About giving good client service.</li> <li>Having a good relationship between yourself and the client-keep the client happy</li> </ul>
<p><b>10.1 Does ABSA PFS focus on acquisition or retention?</b></p> <p><b>10.2 Is retention important?</b></p> <p><b>10.3 Customer relationship management is a critical aspect in order to retain clients – comment on statement</b></p>	<p>10.1 Acquisition and retention-sales figure is more based on acquisition. However PFS also focus on retention.</p> <p>10.2 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.</p> <p>10.3. Lack of service or lack of good relationships will lead to a client moving to another banking institution.</p>
<p><b>11.1 By implementing a CRM strategy are there any benefits to the relationship manager and its role?</b></p> <p><b>11.2 Are there any benefits for ABSA PFS to have a CRM strategy?</b></p>	<p>11.1 Yes there are benefits</p> <ul style="list-style-type: none"> <li>CRM put a structure there that helps in creating value and good service for a client.</li> </ul> <p>11.2. Yes there are benefits for ABSA PFS.</p> <ul style="list-style-type: none"> <li>Help in retaining clients that will enhance the profit for the organisation.</li> <li>Cross-sell opportunities exist.</li> </ul>
<p><b>12. ABSA PFS relationship managers are the ideal people to maintain the relationship-discuss the statement.</b></p>	<ul style="list-style-type: none"> <li>Yes they are the best people <ul style="list-style-type: none"> <li>Link between bank and the client. Client wants one person who he can deal with in order to get things resolved.</li> </ul> </li> </ul>
<p><b>13. 1 New economy leadership impacts on customer relationship management/managers-discuss statement.</b></p> <p><b>13.2 Is it a positive or negative impact?</b></p>	<p>13.1 Does impact on CRM and on relationship managers</p> <ul style="list-style-type: none"> <li>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</li> </ul> <p>13.2 Positive</p>

<p><b>14. Define relationship marketing.</b></p>	<ul style="list-style-type: none"> <li>To advertise relationship management as a feature.</li> </ul>
<p><b>15.1 What is the difference between transaction and relationship marketing?</b></p> <p><b>15.2 Which approach does ABSA PFS takes, a transaction marketing or relationship marketing approach?</b></p> <p><b>15.3 Which approach do you think integrates with ABSA PFS vision and value proposition? Give reasons and examples to clarify answer.</b></p>	<p>15.1 Transaction marketing:</p> <ul style="list-style-type: none"> <li>Focus on specific products only</li> </ul> <p>Relationship marketing:</p> <ul style="list-style-type: none"> <li>Individualism-Each one has a different need and requires a different product.</li> </ul> <p>5.2 Relationship marketing</p> <p>15.3 Relationship marketing.</p> <ul style="list-style-type: none"> <li>Value proposition is about building client relationships and to create a life time value for client- the longer the client is with the bank the more profitable it becomes .</li> </ul>
<p><b>16.1 What is the main goal that ABSA PFS want to achieve with relationship marketing?</b></p> <p><b>16.2 Can relationship management (CRM) be seen as an integrated process of relationship marketing?</b></p>	<p>16.1</p> <ul style="list-style-type: none"> <li>Keep the client for a long-term-more profitable for the bank</li> <li>Easier to cross-sell to a client that is happy</li> </ul> <p>16.2 Yes</p> <ul style="list-style-type: none"> <li>PFS market client relationships. Focus is placed on the relationship manager and financial planner that can add value to the client. CRM is thus critical to facilitate the process.</li> </ul>
<p><b>17.1 Comment on how ABSA PFS aligns the following components in its relationship marketing strategy</b></p> <ul style="list-style-type: none"> <li><b>Organisation culture</b></li> <li><b>Values and attitudes</b></li> <li><b>Leadership</b></li> <li><b>Structure</b></li> <li><b>People</b></li> <li><b>Process</b></li> </ul>	<ul style="list-style-type: none"> <li><b>Organisation culture:</b> <ul style="list-style-type: none"> <li>Objective is to set a brand name-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.</li> </ul> </li> <li><b>Values and attitudes:</b> <ul style="list-style-type: none"> <li>Shift from making a quick buck out of the client to a rather long-term relationship with client.</li> <li>Top management need to value the employees in order to create motivated attitudes which will enhance relationship building with clients and between employees.</li> </ul> </li> <li><b>Leadership:</b> <ul style="list-style-type: none"> <li>Involvement from all levels of management is necessary. Everyone needs to co-create value for clients instead of the old "silo" leadership behaviour.</li> </ul> </li> <li><b>Structure</b> <ul style="list-style-type: none"> <li>Processes is in place to make decision making easier</li> <li>Segmentation benefits relationship marketing in the sense that the individual client's needs are properly assessed and looked after.</li> <li>Relationship managers with certain skills and knowledge are allocated to a certain client base. In some client segments the clients are more demanding and their requests are more complex.</li> <li>Current segmentation structure is very beneficial and positive to clients and to relationship managers.</li> </ul> </li> <li><b>People</b> <ul style="list-style-type: none"> <li>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.</li> </ul> </li> <li><b>Process</b> <ul style="list-style-type: none"> <li>Current processes very slow and does not support the marketing strategy 100%. They are working on it, however slow processes negatively influence service and eventually the client relationship.</li> </ul> </li> </ul>
<p><b>18. The objective of the new economy leadership organisation is also to create value for the customer. New economy or also</b></p>	<p>18.1 Yes</p> <ul style="list-style-type: none"> <li>Both new economy leadership and relationship marketing reflects on the new way how the organisation can add value and retain the client.</li> </ul> <p>18.2</p> <ul style="list-style-type: none"> <li>Positive impact</li> </ul>

<p><b>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.</b></p> <p><b>18.1 Does ABSA PFS integrate new economy leadership principles with its relationship marketing strategies?</b></p> <p><b>18.2 What impact does new economy leadership have on relationship marketing?</b></p>	<p>- One of the concepts of the new economy is to be committed / commitment to the whole organisation. If everyone in ABSA is committed to building client relationships, the role of the relationship manager will be made a lot easier.</p>
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