

# The Key Skills, Behaviors and Activities that Drive Success for Bank Platform Reps

## 2011 UPDATE

**Jim Rensel, President**



**KEHRER - LIMRA  
Bank Platform Study Group  
Miami, Florida  
April 6, 2011**



# TODAY'S ROAD MAP

---

- **SALES QUALITY RESEARCH GROUP**
- **BREAKING NEWS - NAIC SUITABILITY RULES**
- **BRANCH AND CALL CENTER REFERRAL STUDIES**
- **MYSTERY SHOPPING KEY FINDINGS - LBEs vs FCs**



# SALES QUALITY RESEARCH GROUP

---

## **In-person Mystery Shopping Studies**

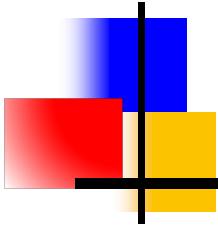
- **FAs and LBEs**
- **Life Insurance Agents**
- **Wealth Management, Private Banking and Trust**
- **Branch Referral Studies**
- **Retail Bank Branches (checking, savings, loans, other)**

## **Telephone Mystery Shopping Studies**

- **FAs and LBEs**
- **Branch and Call Referral Studies**

## **Telephone, Direct Mail and Web-based Customer Surveys**

## **NEW: Online Branch Audit Software**

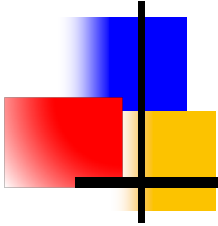


# **BREAKING NEWS**

---

## **NEW NAIC SUITABILITY RULES IMPACT FIXED ANNUITY SALES**

- **On March 6th, the National Conference of Insurance Legislators (NCOIL) officially endorsed the new Annuity Suitability Rules that have been adopted by the National Association of Insurance Commissioners (NAIC)**
- **Over a dozen states, including New York and California have now adopted the new Suitability Rules that apply to both Fixed and Variable Annuities**
- **The new rules are comparable to FINRA's suitability rules for Variable Annuities and other securities products.**



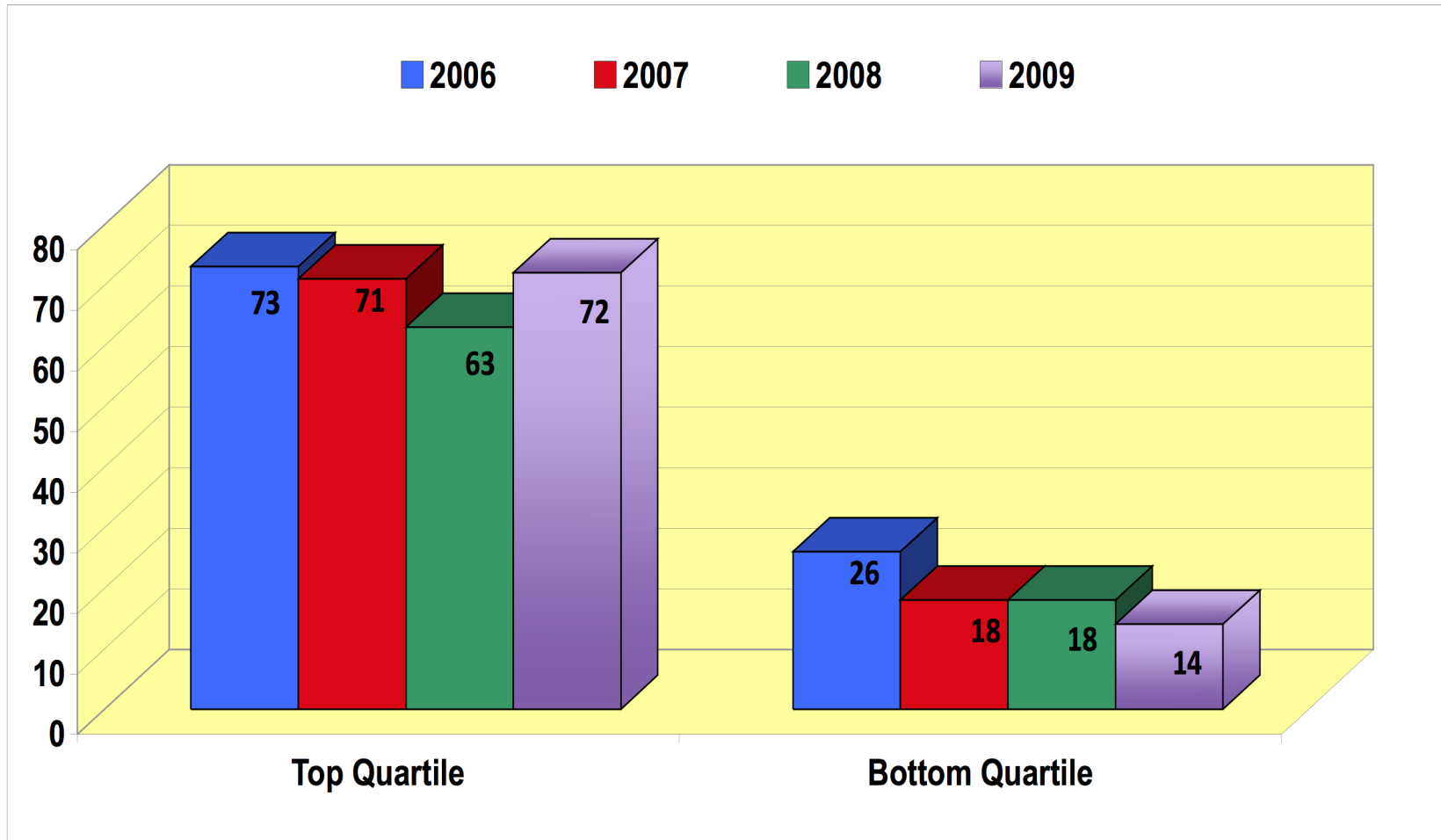
# BREAKING NEWS

---

## AND THERE IS MORE:

- **The new Consumer Financial Protection Bureau (created under the Dodd-Frank Wall Street Reform and Protection Act) offers grants totaling up to \$1.5 million for the implementation and enforcement of the new NAIC suitability rules and related model rules relating to sales by seniors.**
- **What are you doing to address these new regulations and guidelines???**

# REFERRALS PER BRANCH RECENT TRENDS - KEHRER-LIMRA



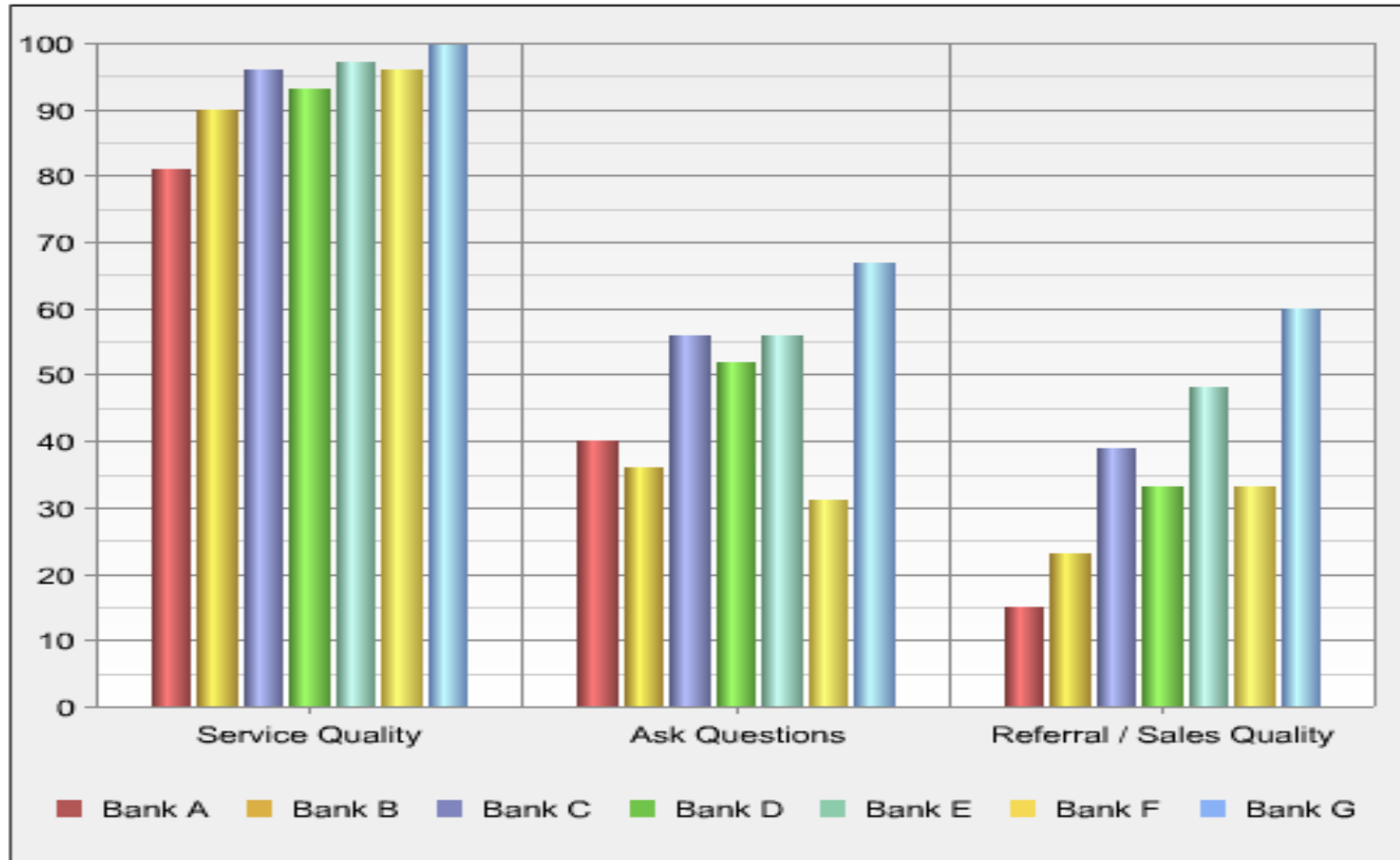


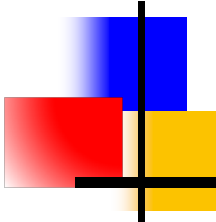
# BRANCH AND CALL CENTER TELEPHONE REFERRAL STUDY

---

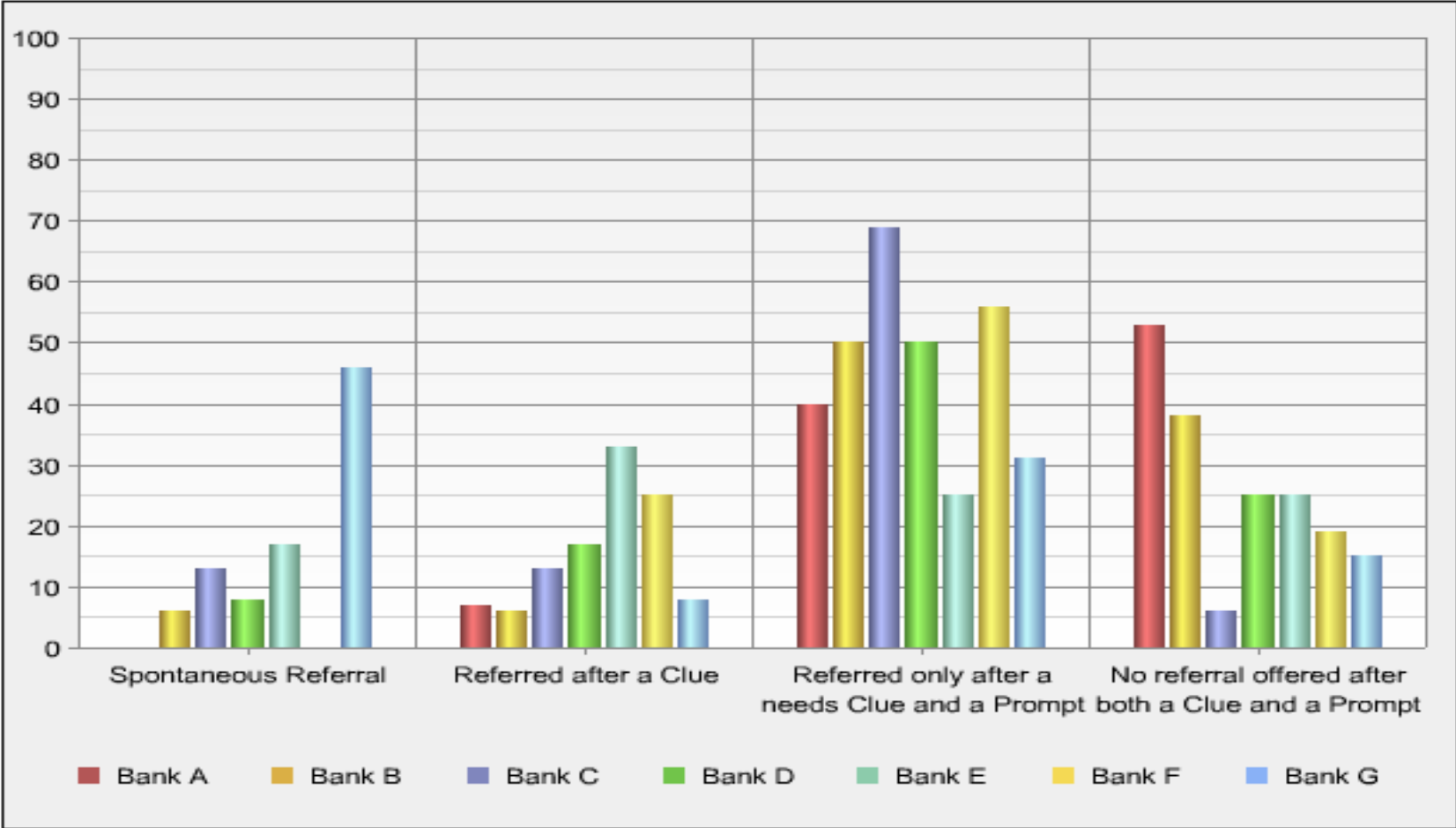
- **In order to avoid detection, Sales Quality Group's shoppers typically rely on branch referrals in order to obtain an appointment with a Financial Consultant.**
- **In the Fall of 2008, our shoppers began finding it considerably more difficult to obtain referrals as branch employees reacted with uncertainty.**
- **While the propensity to refer appears to improved, we believe that overall referrals have not fully recovered to pre-2008 levels**
- **To test this assumption, SQG initiated a nationwide Branch and Call Center Referral Study to measure branch and call center employees' service quality skills, needs assessment skills, propensity to refer and compliance with referral do's and don'ts.**
- **So far, we have tested 7 banks and 3 credit unions and expect to publish our findings during the second quarter.**

# BRANCH AND CALL CENTER TELEPHONE REFERRAL STUDY





# PROPENSITY TO REFER





# MYSTERY SHOPPING STUDIES

## FCs versus LBEs

---

- **74 FC and LBE Studies - 2002 thru 2010**  
.....
- **The evaluation criteria and methodology used in our studies was developed with the assistance of Ken Kehrer and a dozen banks who served as part of our design group**  
.....
- **Includes mystery shop data from several programs here today:**
  - **Union Bank**
  - **First Brokerage America**
  - **FirstMerit Bank**
  - **BankAtlantic**
  - **Capital One - Hibernia (before Katrina)**



# MYSTERY SHOPPING METHODOLOGY

---

- **Sales Quality Group's shoppers report on the specific behavior of an FC or LBE by indicating whether or not a particular:**
  - Question was asked,
  - Statement was made, or
  - Behavior was observed, during the sales interview process.
  
- **The shoppers also capture valuable information on:**
  - The length of interview,
  - The style and technique used by the FC or LBE,
  - The sequence of events,
  - What sales materials and/or notes were given out.

**Measures  
both  
systemic  
and  
individual  
results**



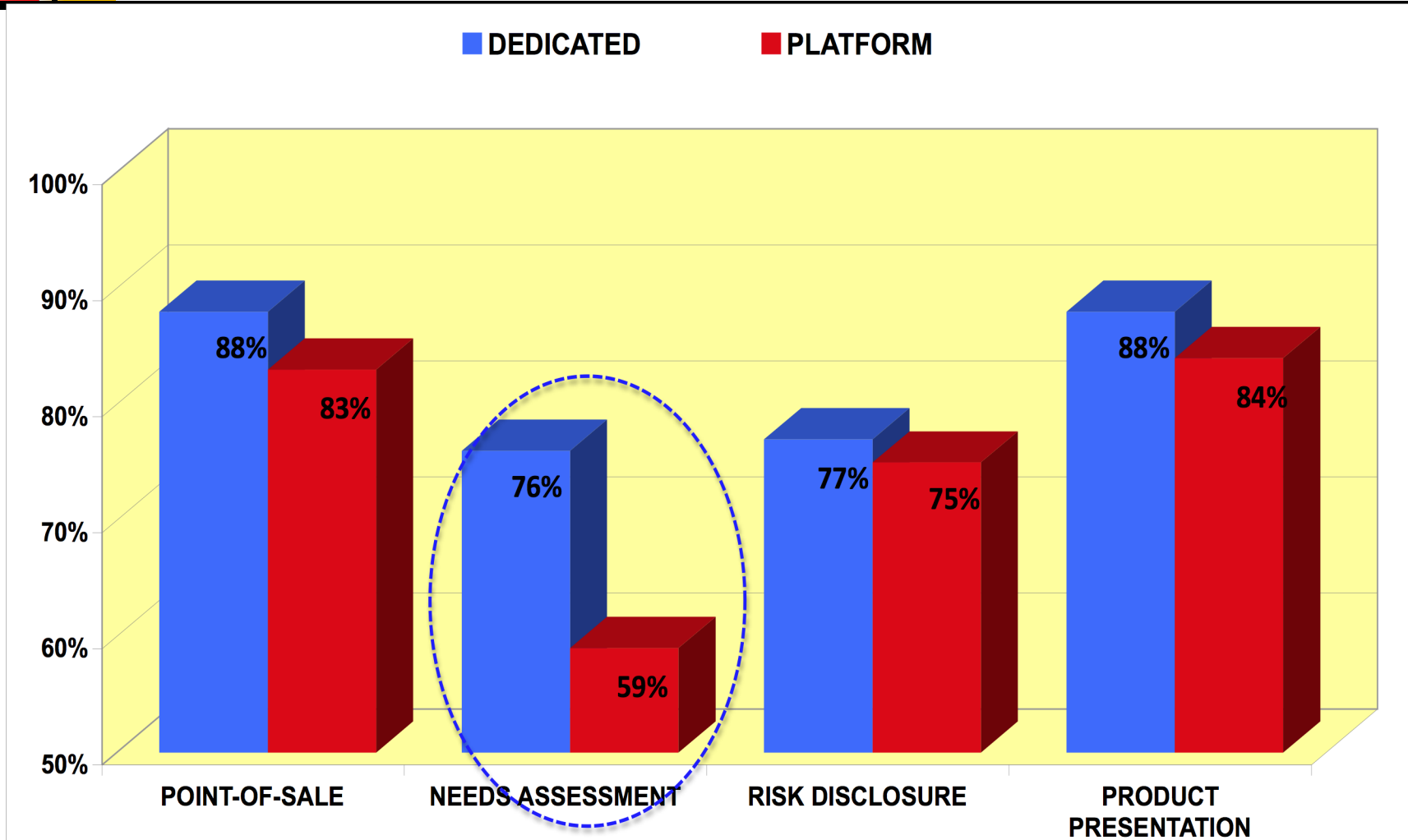
# MYSTERY SHOP EVALUATION CRITERIA

---

<u>SECTION</u>	<u>COMPLIANCE</u>	<u>SALES/SERVICE</u>
Point-of-Sale	04	02
Professionalism (Relating)	00	11
Needs Assessment (Discovery)	09	07
Sales Presentation (Advocating)	00	12
Risk Disclosure	09	00
Product Presentation - Mutual Funds	06	03
Product Presentation - Variable Annuity	06	03
Product Presentation - Fixed Annuity	<u>04</u>	<u>05</u>
<b>TOTAL</b>	<b>38</b>	<b>43</b>

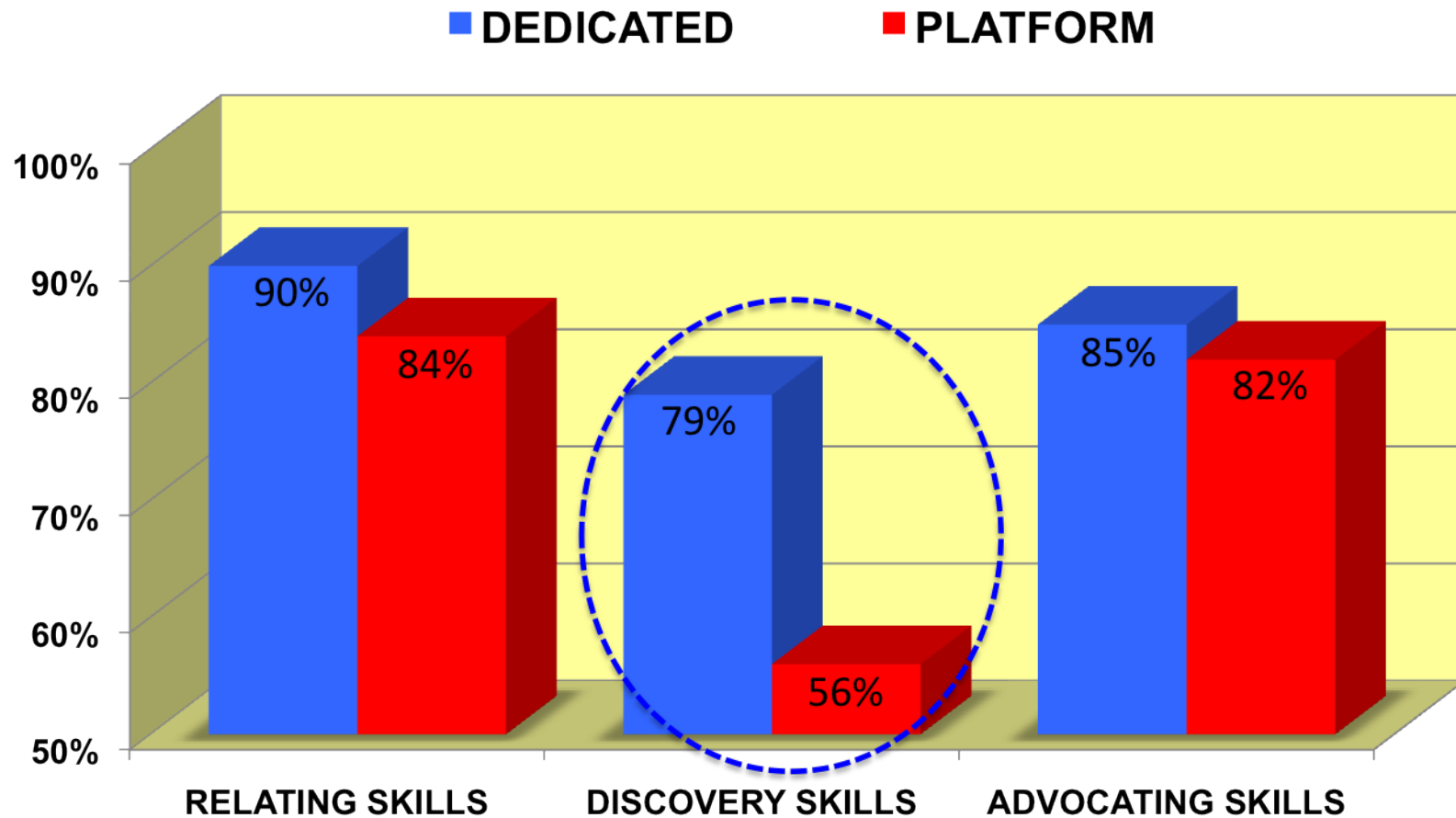
# LBE vs FC COMPLIANCE SCORES

## 68 STUDIES - 2002 THRU 2010



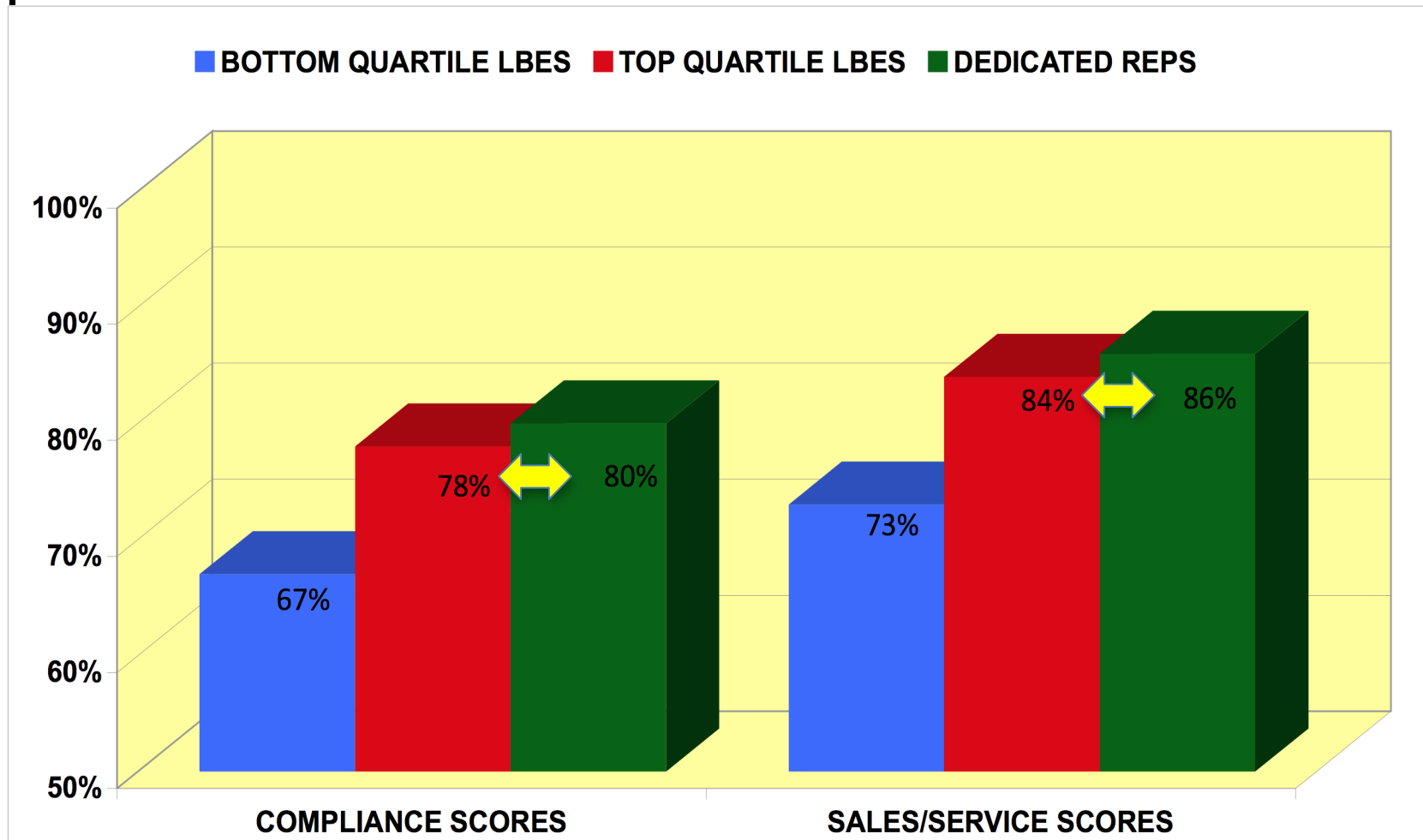
# LBE vs FC SALES & SERVICE SCORES

## 68 STUDIES - 2002 THRU 2010

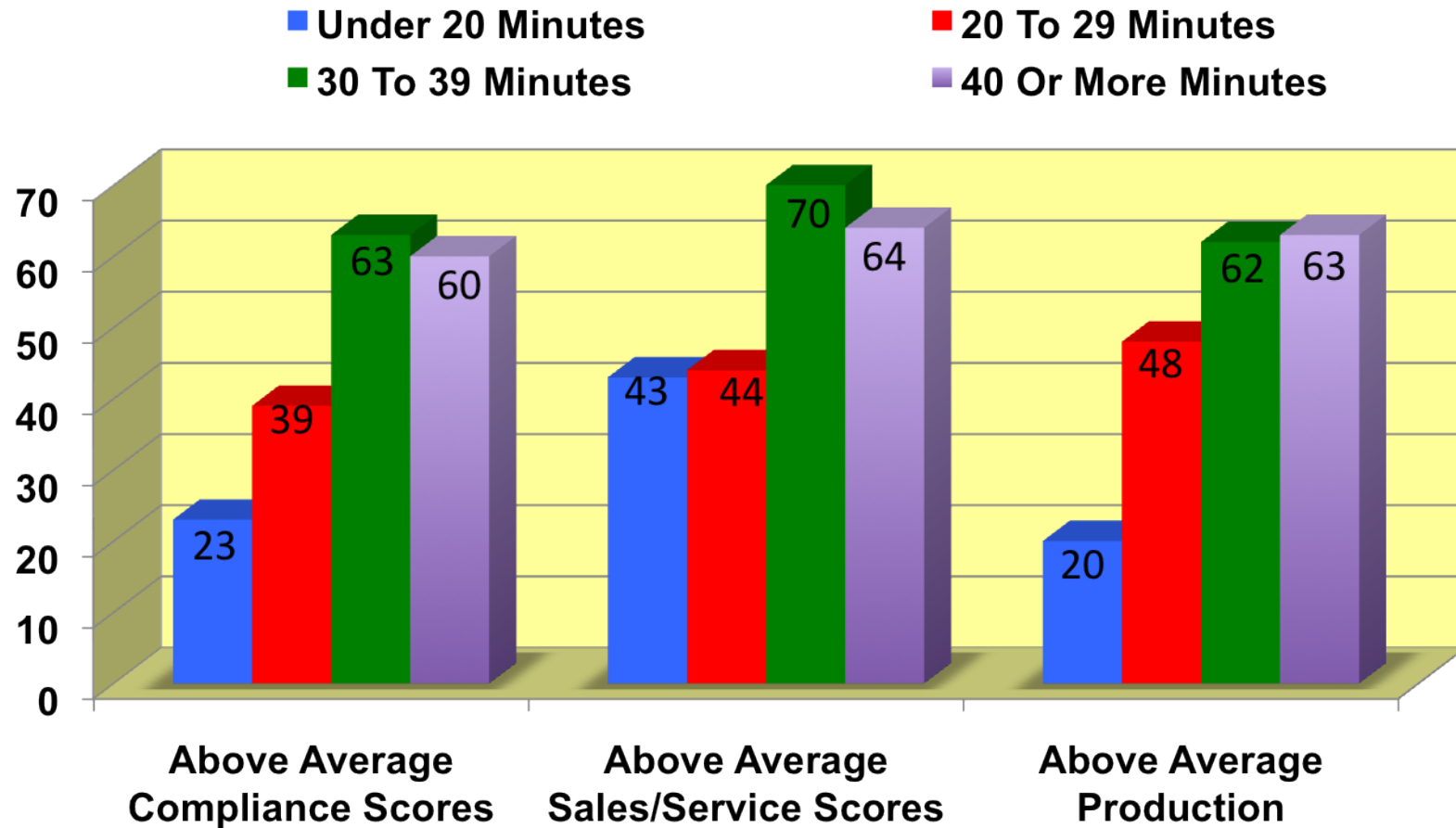


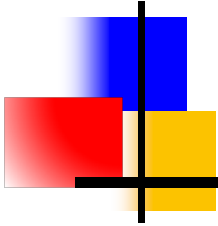
# LBE vs FC SCORES BY PRODUCTION LEVEL

## 68 STUDIES - 2002 THRU 2008



# % OF LBEs ACHIEVING ABOVE-AVERAGE OVERALL SCORES BY LENGTH OF INTERVIEW





---

**REMEMBER:**

***“YOU CAN’T MANAGE  
WHAT YOU CAN’T MEASURE”***

*Sales Quality*  
RESEARCH GROUP

**Sales Quality Research Group**

**4801 South Lakeshore Drive #104**

**Tempe, Arizona 85282**

**(480) 967-7500**