

LTU & Bank Agree To Review T&C Scores For Financial Consultants

One of the changes introduced as part of the Salesforce Transformation Project was the introduction of a Training and Competency regime across the Regulated Salesforce.

The EIGP fiasco was a very expensive wake up call for Lloyds TSB, as have similar episodes been for other financial service organisations. The FSA and the Government have sought to ensure that financial service organisations have robust training and competency regimes in place to avoid similar episodes happening again. The current T&C regime in Lloyds TSB is partly a response to pressure from the Regulators.

Background

All FC'99s will have gone through the normal level attainment process in October which has either resulted in them being promoted to a higher level, maintaining their current level or being demoted to a lower level. Achievement of a T&C score below the maximum threshold of 75 is one of the defined "salary gateways" that must be achieved in order to progress to a higher level or maintain your current level.

For SIAs under the new regime, to receive a monthly bonus they will need to achieve a T&C score below the maximum threshold of 75 in the last month of the period their performance is being assessed on. To allow SIAs to adjust to this change, the first measure of T&C for bonus purposes will be December 2004. So to be eligible to receive a bonus in February 2005, SIAs must ensure that their T&C score is equal or below the threshold.

From quarter four 2004, to be eligible to add to their bonus pot BHCs will need to achieve a T&C score below the maximum threshold of 75. If their training and competency score is above the recommended level in this month, neither sales above target nor enhanced commission payments will be added to this pot.

Individual Review Process

So the importance of the T&C score to all Financial Consultants cannot be over estimated. The impact of the achievement of the T&C threshold has been one of the issues raised most often by salesforce members and we have been discussing this with the Bank as part of our pay and targets negotiations

for 2005. The latest data we have seen shows that of the 1,048 regulated Financial Consultants, 99 had a T&C score above the maximum threshold of 75. Whilst that doesn't sound a lot it hides some major geographical differences. For example, in Scotland the number of Financial Consultants with a T&C score above the maximum threshold is 2.96% compared to Outer London and Thames Valley with 19.5%. Moreover, there were 366 Financial Consultants who had a T&C score between 51 and 74 points and that is equally worrying going forward.

Following very constructive discussions between the Regulated Management Team and LTU we have agreed to undertake a joint review of all those Financial Consultants who have a T&C score above the maximum threshold of 75 at the end of 2004. That joint review will be carried out in January 2005 by me and Howard Marsden from LTU's Salesforce Negotiating Team and two members of the Bank's Regulated Management Team. Financial Consultants will be looked at individually and we will be looking to see why their score is at a particular level and what actions they have taken to reduce that score. One of the options available to the Review Panel will be to give those Financial Consultants who have actively attempted to reduce their T&C score more time to achieve the required level.

Members who believe that they will have a T&C score above 75 should contact the Union's Advice Team to register their name. We will then contact them again in the New Year to discuss their case in more detail.

Newsletters by Email

LTU is offering members the opportunity to receive newsletters by Email. We will send all newsletters direct to you on the day they are sent to members by post giving you authoritative, immediate information on the issues that matter.

To join the service all you need do is to email us at Janet.Gilkison@ltu.co.uk or phone on 01234 262868 with your membership number (your file or payroll number) and your email address. We'll do the rest.

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