

Premier Manager Targets

The results of LTU's survey of Premier Managers are currently being analysed and will be published next week. But even a cursory glance at some of the returns confirms that many Premier Managers see the 35% target increase as ludicrously unrealistic and unachievable.

Moreover, given the changes in the role, Premier Managers are also concerned that the role could be downgraded or become unbanded and placed in its own Functional Pay Market like Mortgage Specialists and PAM's. If the role is downgraded to say a Band 5 Lower, which is entirely possible once it's been re-evaluated, staff will see their market indicator drop by some £4k and many Premier Managers would find themselves in or above the 'Market Plus' zone. The effect of that will be many years of salary stagnation for the overwhelming majority of Premier Managers.

In seeking to justify such an unprecedented target increase, the Bank has highlighted a number of key enablers which it believes will help Premier Managers achieve the 35% target increase and those are discussed in more detail below.

35%+ Target Increase for Privilege Managers

For many Premier Managers the increase in targets is actually greater than 35%, given that the target for lending has increased but the points for loan protection have been halved. So those Premier Managers who did a lot of lending business last year, which was pushed heavily by the Bank because of its profitability, will have to produce significantly more than 35% extra this year just to stand still.

Process Re-Engineering

According to the Bank, the new Store Services Department is going to reduce the time spent on the sales process, eradicate unnecessary form filling and other activities and remove the bureaucratic burden placed on Premier Managers and other members of the Salesforce. That all sounds good in theory but the problem is we've heard it all before. For every form they remove another one appears.

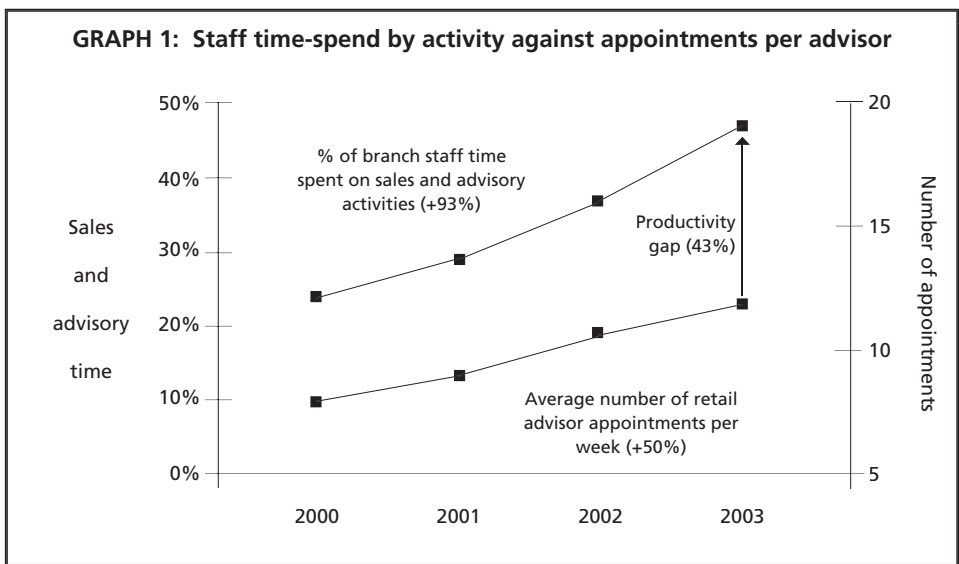
Every change in the sales process they talk about rarely happens on time and when it is introduced it creates more work and takes up more time than the previous process.

The Union's negotiating team can well recall the introduction of the automated PFIR, which was introduced some two years after we first discussed it. At the time the Union suggested that some of the data fields should be prefilled automatically to save time both for the seller and the customer. The Bank accepted that it was a good idea but something that simple, which no doubt HBoS would have dealt with over a weekend, has still not been done and, we are told, will now be ready in Q3 2006. Don't hold your breath.

The evidence from other banks is that simply freeing up time to deal with customers, on its own, does not automatically lead to an increase in revenue from in-branch sales. One large retail bank increased the time spent on sales and advice by 93% over four years but the number of appointments increased from 8% to 12%, an increase of just 50% (see Graph 1). Product sales mirrored the increase in appointments but that was achieved over 3 years rather than the 1 year proposed by Terri Dial.

We have told the Bank that we want to see the so called productivity enhancements introduced and working before they seek a productivity increase from Premier Managers.

Premier Manager targets were increased from the 1st January 2006 but some of these improvements will not be in place until later in the year. What happens in the meantime?



Source: Finalta, Branch Productivity Study 2005

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