

Bonus Thresholds Reduced For SWPM's

Members will recall that when the new targets for the Wealth Planning Service were announced we said "Both salesforce populations are being asked to change their selling behaviours and to develop new relationships, both internally with staff in their new branches and externally with new customers, whilst being asked to achieve exacting targets immediately after they finish their training courses. If the salesforce believe that the targets are unrealistic and unachievable from the outset then they will not strive to achieve them".

Following the announcement of the targets SWPM's reacted with dismay at what they were being asked to achieve and there was also a great deal of apprehension about the new customer offering and the deployment model that was being rolled out across the network. SWPM's were rightly concerned that too much was being asked of them too soon and that they would be financially worse off. Well it seems that their initial apprehension was well placed because overall SWPM performance since the introduction of the Wealth Planning Service has been at the lower end of expectations and it doesn't seem to be getting better.

Following feedback from LTU's Salesforce Negotiating Committee and Area Wealth Managers the Bank has agreed to put in place a number of initiatives to try and kick-start performance and these include:

A 10% reduction in bonus thresholds for September and Q4.

Sales credit to be paid on verified rather than received business for all non-cash IPS products sold.

Re-calculation of July and August bonuses to include pipeline non-cash IPS cases.

Re-start of the cumulative monthly scheme in September.

Replacement of the of the Q3 protection arrangements to make them more simpler to understand.

This new discretionary award will be backdated to July.

Some will no doubt argue that these changes are long overdue and should have been made much earlier. However, given the comprehensive nature of the changes it would be churlish of us not to acknowledge that Wealth Management have been listening and have acted decisively. Will it be enough to get performance back on track? Only time will tell, but we'll be keeping a close eye on performance and if it doesn't improve then we will be insisting that further changes are made to the package. In the meantime, members can complete the attached pro forma telling us what they think of the changes or they can contact the Bedford Office on 01234 262868 or email me at Mark.Brown@ltu.co.uk.

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