

C&G Announces New Targets & Incentives For Branch Staff

C&G has announced new target and incentive arrangements for Quarter 4, as it attempts to breath new life into the Branch Network.

The key features of the new arrangements, which have been discussed between C&G and LTU, include:

- Staff will be set targets for Net Allocations, rather than Completions, as the Company attempts to generate a pipeline of new mortgage business. Targets are intended to switch to Completions next year, once a mortgage pipeline has been created.
- The Net Allocations Target that C&G has set for Quarter 4 is £180 million. The Company says it believes this is a realistic target, given that it is just 60% of the level of mortgage business achieved during Quarter 2. Furthermore, a new competitive mortgage is being launched shortly at a 2.99% rate of interest, which the Company says will place it in the upper quartile of mortgages available.
- The incentive Scheme will return to the same format as applied in Quarter 2, with the reintroduction of de-magnifiers to drive whole job performance.
- All C&G Branch Staff will be guaranteed a minimum incentive payment for Q4, so long as they are not on a formal Performance Improvement Plan. Though, the maximum payment staff can be paid will be capped, C&G has said that recognition arrangements for Q4 top performers is under review.

- The targets for Q4, which also drive incentive arrangements for BM's and AM's, are:

CSA's. Targets will be 4 Mains Referrals and 5 further Advance Referrals resulting in sales and 14 new to C&G Savings Accounts (though for incentive purposes the threshold will be 9).

RMA's. 1.1 Mortgage sales per week and indicative cross-sales of 6 Home Insurance policies, 2 PPP policies and 4 Scottish Widows benefits.

LTU Response

Whilst the Mortgage sales targets might be realistic, the number of Referrals seems too high and the potential for new C&G Savings Accounts is undermined by the fact that many customers are still under the impression that the C&G Branch Network is closing.

LTU also believes that there should be a stronger focus upon the retention of existing accounts and increases in the level of savings from existing customers. Furthermore, staff should get credit for all new accounts opened, regardless of the Group relationship.

Though a new Mortgage product is being launched, which the Union has been told will be in the upper quartile of the market, this must be supported by a strong marketing spend if the C&G Branch Network is to be successfully relaunched.

Finally, LTU has insisted that there must be no reversion to the widespread use of Coaching and Performance Plans, which over the past year have all too often to punish staff for failing to meet previously unrealistic and unachievable targets.

GUARANTEED MINIMUM & MAXIMUM C&G BRANCH INCENTIVE PAYMENTS, Q4		
Population	Minimum	Cap
CSA	£100	£600
RMA	£185	£1,850
BMA	£200	£2,000
AM	£300	£3,000