



Creativity in the Air – Perspective From the Bank Manager's View

KEYWORDS

Retail Bank, Creativity, Performance Indicator

D. JOSEPH CHARLES TAMILMARAN

 Assistant Professor, Karunya School of Business
 Leadership and Management

F PRINCE ANTONY

 Assistant Professor, Karunya School of Business
 Leadership and Management

INTRODUCTION

A bank manager has around fifty quantitative and qualitative performance indicators. The role of a manager of a retail bank is very challenging. The branch manager is the ultimate authority of a bank branch. He is responsible for the sales, customer service, operations, compliance etc. The growing competition, importance to acquire and retain talents, to have error free transactions, the changing market requirements, newly evolving operational risks, the requirement to retain and deepen existing banking relationships and to acquire fresh quality businesses are herculean tasks for the managers. The changing economic conditions, the uncertain interest rates, the currency fluctuations, the tight regulations, the pressure from the top management for revenues and the share holder's value pressurize a manager.

Having said about the work environment of a manager of a private retail bank, which aspect of a manager play a dominant role to make him a successful manager? Obviously, the acquired knowledge, his experience, his leadership skills, attitude, personality and his capacity to manage are very essential to his success. But, what kind of challenges a manager of a retail bank faces? What is the role of creativity in overcoming those critical challenges so that the manager becomes successful? This paper based on the experience of the author and his informal interviews with some of the deputy managers, managers and senior managers of private retail banks would stress the role and importance of creativity as a major aspect of a manager's success.

OBJECTIVE OF THE STUDY

The following are the objectives of the study:

- i. To find out the roles of a manager of a private retail bank
- ii. To assess the activities performed by a manager of a private retail bank in a regular business day of the bank
- iii. To analyse the key aspect of a manager and the role of creativity in managing the challenges a bank manager faces

RESEARCH METHODOLOGY

An exploratory research by way of personal interviews was conducted with senior managers and managers of leading private banks in the cities of Chennai, Coimbatore and Tirunelveli. Totally 40 senior and managers were interviewed. Out of which 30 were personal interviews, 6 were telephonic interviews and 4 were through e-mail. The interview was done to find out the roles of the manager of a private retail bank, his duties on a business day and the role of creativity in managing the challenges a manager face. Based on the gathered information and the secondary research, the role and importance of creativity in making a bank manager successful is stressed in this paper.

LIMITATIONS OF THE STUDY

The research was conducted among the senior managers and managers in the cities of Chennai, Coimbatore and Tirunelveli due to time constraints and distance constraints

1. Creativity in Banks:

The private banks in India have so far been very creative and innovative in providing various solutions to their customers. For instance, the biggest private bank of India, the ICICI bank Ltd recently launched facebook banking applications called as, "Pockets by ICICI Bank". This was a development of their earlier facebook application called as 'Your Bank App'. The following are some of the features of "Pockets by ICICI Bank" (Pockets Brochure):

- a) Pay a Friend
- b) Split 'N' share
- c) Prepaid Mobile Recharge
- d) Bill Payment
- e) Funds Transfer
- f) Movie Ticket Booking

The second largest private bank of the country, HDFC bank Ltd has also come out with creative solutions. For instance, the most recent creativity is the, "Missed Call Banking" (Hindustan times, February 2014). The main idea behind this is that the customers who do not have a smart phone can also be benefited. The following are some of the non-financial transactions that can be performed through this new channel:

- a) Balance enquiry
- b) Mini Statement request
- c) Statement Request
- d) Cheque Book Request

The other leading private retail bank, the Axis Bank Ltd has also rolled out its creative and innovative solutions to their customers. Axis bank has launched an exclusive debit card targeting ladies. This debit card holder's receive a statement that along with spends tracker (Axis bank Ltd, Product features). The 'Spends Tracker', is a statement that highlights transactions across various categories like, grocery, cosmetics, fuel etc. This tracker helps the card holder to monitor the expense pattern.

2. Creativity at work:

Creativity is defined as the tendency to generate or recognize ideas, alternatives, or possibilities that may be useful in solving problems, communicating with others, and entertaining ourselves and others (Robert E. Franken 1993, P 396). Three reasons why people are motivated to be creative:

1. need for novel, varied, and complex stimulation
2. need to communicate ideas and values
3. need to solve problems

The managers of a private retail bank in India, faces a number of challenges, new situations and problems. A manager needs to be creative in order to face such situations and make apt decisions to solve or overcome the challenges. The conducted primary research and the secondary research have resulted in identifying the key functions of a manager of a retail private bank and his activities in a normal business day. The following sections will explain the various functions and activities of a branch manager. Few instances have also

been highlighted to stress the importance and requirement of creativity for a manager to take right decisions, manage the business effectively and to succeed.

FUNCTIONS OF MANAGER OF A PRIVATE RETAIL BANK

Being the ultimate authority of the branch, a manager has many functions to oversee. The following are some of the functions of a branch manager of a private retail that are identified through primary research:

- (i) Setting up the branch or ATM
- (ii) Assess the business potential of the proposed location of the branch or ATM
- (iii) Performing competitor mapping
- (iv) Customer Profiling
- (v) Recruitment and HRM
- (vi) Sales Management
- (vii) Bank Operations Management
- (viii) Customer Service Management
- (ix) Customer Relationships Management
- (x) Customer Service Delivery Management

1. The activities of a manager of a retail bank on a regular business day:

These are the various roles and functions a branch manager of retail private bank plays. In a business day, a branch manager of a retail private bank does his duty in three stages as below:

- (i) Before business hours or before opening the branch to customers
- (ii) During the business hours
- (iii) After business hours

1. Before business hours:

a) Report Checking

A branch manager of a retail private bank needs to arrive at the branch atleast an hour before the business hours. The bank with its core banking systems provides various reports to assist the branch manager in knowing the status of the branch ledger, business, cost, quality of transactions etc every business day morning. These reports in general are called as beginning of the day (BOD) report. By checking this report, a manager can identify and assess the present status of the branch in operations, audit compliance etc. He identifies the gaps and takes necessary action against the staff that is responsible for the errors. He may educate, organize a training program, warn, penalise etc based on the severity of the process lapse and violations.

b) Team Meeting

Every day morning a manager conducts meeting with all his staff before the start of the business hours. This is a very good habit. This is the time where he addresses the entire team on various important things like, the management's agenda, process lapses, new processes, new RBI guidelines, businesses expected for the day, assigning targets, motivating, rebuking etc. A branch manager cannot run a bank alone. It is a team effort. A good manager extracts the maximum out of his team. He is responsible for the sales of the branch⁽¹⁾.

2. During business hours:

During the business hours a manager is tightly packed with customers, phone calls, meetings, approvals, appraisals, reporting etc. It is very difficult for the manager to monitor his dash board correctly and act at the right time, if he is not planned and stay on alert. The following is a list of few identified activities the manager of a private retail bank does during the business hours:

- He meets customers
- Identifies new business opportunities, risks⁽²⁾, etc
- Reports the actual figures of various sales and operational parameters thro' mail
- Does bank lobby management
- Breaks down the daily targets given by the regional head and monitors it on hourly basis and also resource vice

- Assists his sub-ordinates where ever required
- He is answerable to any external people like the vendors, out sourced companies, Police, Court, CBI, RBI, building owners, ATM space owners etc
- Solves the conflicts that arise within the team that could hamper its performance⁽²⁾
- Recruits, He appraises, He fires, He Promotes, etc
- Watches the external environment for new business opportunity, competition, new business catchment area, new product etc
- Reviews the credit portfolio of the branch, cost, revenue, growth, team size, optimum utilization of resources, branding⁽²⁾ etc

3. After Business Hours:

The branch shutters will be down after the business hours. Normally the business hours end between 3:30 pm to 5:00 pm (Different banks have different work timings). But, for the branch manager only half of his work is complete. The below is a sample list of activities he does after the business hours:

- He meets customers
- Assists his sub-ordinates where ever required
- Checks various reports that are generated at the end of the day called as End Of Day (EOD) reports
- Reviews the sales performance of the team
- He conducts a closing meeting
- Reports the actual figures of various sales and operational parameters thro' mail (EOD reporting)
- Learns new processes, new RBI guidelines, circulars etc
- Interacts with other branch managers of his bank to learn
- Trains, guides, teaches, shares, reprimands, motivates, coaches, his team⁽²⁾
- Plans for the next day
- Monitors the economy & the happenings in the bank at the top level and proactively plans for the next month, next quarter or next year etc

These are the daily routines a manager of a retail private bank does in a regular business day.

Apart from these daily routines, a manager encounters various critical situations and challenges that need to be overcome creatively. With the falling economic conditions and dwindling profits, the manager of a retail private bank has tremendous pressure on controlling and reducing cost. With the advent of technology a manager has various ways to reduce cost and increase productivity of his employees⁽³⁾. For instance, if the customers of a bank visiting the branch are diverted to alternative banking channels, the cost of a transaction could be reduced, the branch employees would have more productive time and even the customers would be happy for quick, easy and convenience services.

But the challenge here is, "how to educate and encourage the customers of a bank to shift to cost effective banking channels?" Here, the manager needs to be creative in educating the customers of the advancements that has transformed banking easier and convenient for their customers. In south Indian context, it is very difficult to educate the customers as most of the customers feel that they are knowledgeable. One initiative by HDFC bank ltd that was a great success was to educate and encourage customers to use online banking service was the introduction of online banking kiosks at their branches. But, it is really a challenging task to get the customers at the kiosk and involve the customers to spend five minutes at the kiosk to educate them with online banking.

But based on their experience, some of the managers said that customers are finding these educational campaign very useful as it has benefited them by saving time and cost. The bank is also getting benefited as the cost of executing a transaction online is much cheaper than executing the same transaction over the branch counter. The following is a table mentioning a list of regular transactions that were once been done over the counter can be done through alternate chan-

nels more conveniently:

Traditionally OTC transactions	On-line Banking	Phone Banking	ATM	Mobile Banking	SMS Banking	Missed Call Banking
Account Opening	Yes	No	No	No	No	No
Cheque Book Request	Yes	Yes	Yes	Yes	Yes	Yes
Debit card Request	Yes	Yes	No	No	No	No
Statement Request	Yes	Yes	Yes	Yes	Yes	Yes
Balance Enquiry	Yes	Yes	Yes	Yes	Yes	Yes
Product Enquiry	Yes	Yes	Yes	Yes	Yes	No
Process Enquiry	Yes	Yes	No	No	No	No
Funds Transfer	Yes	Yes	Yes	Yes	No	No
Cash Withdrawal	No	No	Yes	No	No	No
Cash Deposits	No	No	Yes	No	No	No
Tax Payments	Yes	No	No	No	No	No

By migrating the regular customers to the alternate channels, the branch cost can be reduced and even the employees will be left with good amount of time to do some productive work. The challenge is to educate and encourage the customers to use the alternate channels. Apart from the regular advertisements and communications through the ATM Screens, branch notice boards, back side of printed statements, website, sending sms etc, the author suggests involvement of creativity by the manager.

The messages that are being communicated should be creatively exhibited in the banking hall by way of colourful pictures, plastic or clay models, dangles etc. Everyday should have a theme to be communicated to the customers and the branch should be decorated suitably to educate and encourage customers. One of the happy customers who have got benefitted from the activity must be called to initiate the day, opening the transaction with a speech by him. The speech needs to be recorded and displayed on the branch television or by displaying his photograph or by broadcasting in Television channels. The entire branch needs to have a creative and differentiated look. The atmosphere in the branch, the air everyone breathes should be creative. Employees would feel motivated in such activities if they are also included to showcase their creativity. HDFC bank, encouraged their staff to wear a smiley badge when they are at work. Creativity should be in the air.

Apart from this a branch manager faces various challenges while multi tasking and engaging in dynamic activities. The research has identified that 82% of the managers interviewed have agreed that the creativity is the need of the hour for the managers to bring out new solutions to the challenges and the problems their customers face. This also ensures that the manager have a delighted customer base, happy employees and a pleased superiors.

REFERENCE

1. Careers page of HDFC bank Ltd. <http://www.hdfcbank.com/htdocs/aboutus/careers/career.htm> | 2. Career page of ICICI bank Ltd, | 3. https://www.icicicareers.com/icici_career/RequirementDescription.aspx?RID=TJv2/ghIGJgCk0ND5IMcn3TalZM6a6CuF14f02mxy4sG+fGbf4tFVifXN-3qY227EaNEmTDi8jR4MxHGgKrvGLNM8SNleemZLWoA9AiiitUxYrnFZp6ifHlGor1vzGmsMse1ZL4vXw/RTQWYT3l8Hn7SDC0D2rGruy2gH7Na4mc= | 4. Career page of Kotak bank. http://www.kotak.com/bank/careers/pdf/bm_comm_bank.pdf | 5. Robert E. Franken, 1993, Human Motivation pp. 396 | 6. Pockets by ICICI bank brochure available from: <http://www.icicibank.com/aboutus/pdf/icici-pockets-brochure.pdf> | 7. Hindustan Times February 2014 available from: <http://www.hindustan-times.com/business-news/hdfc-bank-sets-stage-for-missed-call-banking/article-1-1181352.aspx> | 8. Axis bank Ltd product features available from: <http://www.axisbank.com/personal/cards/debit-cards/our-cards/ladies-first-card/features-and-benefits.aspx> |