

## NEW SERVICE MODEL FOR BRANCH NETWORK

In the second half of 2015, Sberbank rolled out ISU 3.0, a core project for the restructuring of retail office operations. This new model has substantially modified the operating principle based on the Intelligent Management System (IMS).

This automated system is based on the consolidation and analysis of Big Data collected from 10 different systems of the Bank. The IMS can identify deviations at all management levels down to every individual office employee, and it makes targeted tasks for managers to fix these deviations. Thus, front-line managers are freed from doing any individual analytical work related to collecting reports and looking for deviations. Currently, IMS has 13,400 active users and makes 1.3 million targeted tasks for ISU managers monthly. The scope of IMS tasks includes deviations on 29 performance indicators, knowledge of bank products, conversion of customer flows into bank products, fraud elimination, and helping new users adapt.

Managers focus on sales management, mentorship duties, and customer relations rather than office administration (ATM and office equipment efficiency and reporting) and dealing with both staff and customers in the remaining time. This model enhanced office operating quality as the appointed deputy ISU managers now have much more of a focus on cash management services, risk prevention, and claim processing.

For the most effective preclaim settlement of customer issues, 700 business offices<sup>1</sup> have appointed service managers; they settle around 80% of issues on the spot at the time of a customer's request. Other issues are referred to Claim Settlement Services.

Sales managers have improved their performance. The number of daily products per manager has increased from 8.5 units to 11.3 units over the year.

ISU advisory services are also growing successfully. For example, comprehensive sales for remote service customers were launched in late 2015. Gross product sales through consultants increased by 21% in December compared with October.

The new model is focused on shifting the perception of the office environment for both employees and customers. This is an integral indicator of the change in Sberbank's corporate climate. For staff members, these changes also mean that they now take on a share of the now open and vacant positions, which increases their workload, overtime, service rates, compliance with performance indicators, and the number of errors that affect employee salaries. For customers, this means changes in the number of reformatted offices, available operating windows, e-lines, and convenient working hours. The level of the atmosphere in business units is also being measured, and tasks are being assigned to remedy deviations.

The personnel turnover rate in branches decreased by 21% in 2015. The personnel engagement rate increased from 68% to 75%. In comparison, the best engagement indicator for global financial companies is 78%.

<sup>1</sup> The largest offices accounting for 60% of all customer requests are registered with the ISU.