Employee and Agent Empowerment Ideabook

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This Ideabook expands on cases in the accompanying CGAP Employee and Agent Empowerment Toolkit, highlighting the resources each organization leveraged and strengthened to achieve its customer-centric goals. The Ideabook's 23 Tips + Templates are practical tools and exercises that provide ideas on how to get closer to your employees and agents – and make customer experience a core competency within your organization.

CGAP Customer-Centric Guide

The CGAP Customer-Centric Guide offers hands-on tools and direction for financial service providers on the journey toward customer centricity. This digital collection of toolkits, case studies, and experiments teaches providers exactly how to deliver products and services designed specifically for low-income customers. Providers will also discover how to transform business challenges into strong opportunities to engage and retain customers – now and in the future.

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Introduction

This **Employee and Agent Empowerment Ideabook** contains a series of eight case studies and 23 detailed Tips + Templates (T+Ts). The case studies expand on cases presented in the accompanying Employee and Agent Empowerment Toolkit.[1] They highlight which of the nine resources (see table below) were leveraged and strengthened, and what results each organization achieved thanks to those efforts. The T+Ts show, step by step, how to implement employee and agent empowerment initiatives to further your customer-centric goals.

	Resource Type	Description
	1. Skills	What people need to be able to do to deliver valuable customer experience
	2. Values and Attitudes	Beliefs, priorities, and other psychological assets that can help or hinder customer experience delivery
	3. Information and Knowledge	What people need to know to be able to commit to customer experience, deliver it, and recognize whether they're delivering it
	4. Dialogue and Support	Interactions with others that facilitate improvement in customer experience delivery
	5. Control and Influence	Opportunities to take decisions, act, or influence others in pursuit of customer experience
	6. Tools and Infrastructure	Things that people can use to make their delivery of customer experience easier or more effective
	7. Rewards and Penalties	"Carrots and sticks" that can guide and motivate customer experience delivery
	8. Time and Energy	The bandwidth available for doing more to deliver customer experience than people do today
	9. Money	Financial resources that can be used to deliver customer experience

1. https://customersguide.cgap.org/sites/default/files/resource/2018/07/CGAP-Employee-Agent-Empowerment-Toolkit.pdf

Overview of Case Studies

ORGANIZATION	BUSINESS CHALLENGE	EMPOWERMENT INITIATIVES	RESULTS
AMK	Low levels of agent transactions, profitability, and retention	New channels of dialogue and support, more actionable information, additional partnerships for income generation, revised incentive model	Agent transactions now represent 62 percent of overall transaction volume, agent attrition has fallen to 3 percent
bank btpn	Low agent and customer activity rates	Agent empowerment platform (AEP) that uses gamification to improve agents' product knowledge and motivate better performance	Platform launched in February 2018; success to be measured by growth in active customers and number of transactions processed
EQUITY Bank • Your Listening, Caring Partner	Expanding and integrating agent banking into existing business operations	Realigned incentives, training, tools and infrastructure for agents, growth trajectory	Sixfold growth in agency transactions from 2012 (more than 62 percent of total retail transactions as of 2017)
FINCA Impact Finance	Instilling customer centricity and empathy in people	Sharing information, providing training and learning support, adjusting talent management processes	Higher "Pulse Check" results from subsidiaries across all five measurement categories

ORGANIZATION	BUSINESS CHALLENGE	EMPOWERMENT INITIATIVES	RESULTS
JUMO	Embedding customer centricity in a rapidly scaling and increasingly distributed business	Customer operating principles, EPS dashboard, channels for regularly contributing to and seeing the impact of customer-focused initiatives	Increased investment in customer intelligence projects and staff, faster response to changes in customer experience, EPS score added to company scorecard – linking accountability and rewards
CARD PIONEER	Systematizing customer centricity in an expanding organization	Co-creation of customer-centric qualities, onboarding program, Defenders of Customer Centricity Challenge, segment-based engagement plans	Consistency in communication around customer centricity, customer satisfaction up from 78.8 percent to 83.8 percent
Quicken Loans	Treating employees in a way that models how they should treat customers	Clarifying, promoting, and supporting a set of core values; institutionalizing feedback loops	In 2016, received nine mortgage industry customer satisfaction awards and was named a top-five place to work nationwide by *Fortune* magazine for the 13th year in a row
ZOONA LET'S MAKE IT REAL	Maintaining a strong agent network in the face of rapid expansion	Improved screening methods, segment- and behavior-focused engagement strategies, redesigned agent portal	Customer satisfaction with teller conduct and agent liquidity rose 11 percentage points in six months, dominant market position maintained

AMK, Cambodia

BUSINESS CHALLENGE	EMPOWERMENT INITIATIVES	RESULTS
Low levels of agent transactions, profitability, and retention	New channels of dialogue and support, more actionable information, additional partnerships for income generation, revised incentive model	Agent transactions now represent 62 percent of overall transaction volume, agent attrition has fallen to 3 percent

BACKGROUND

AMK[2] is one of the leading deposit-taking microfinance institutions in Cambodia, providing services in 98 percent of the country's communes. It aims to help large numbers of poor people improve their livelihood options through the delivery of appropriate and viable financial services. In 2002, AMK was set up as an independent microfinance company and since 2010 has offered a range of tailored microfinance services, including credit, insurance, savings, and money transfers. In 2011, AMK launched its agent banking network pilot in three provinces to allow customers to transact conveniently outside the branch network. At the end of 2016, it had agents across all provinces and served nearly 600,000 customers, predominantly rural women. With its branch and agent network, AMK offers approximately one contact point for every 850 families in Cambodia.

BUSINESS CHALLENGE

Between 2011 and 2016, AMK engaged about 2,300 agents, almost the same amount as its number of employees. By the end of that period, it saw high levels of employee retention and satisfaction (89 percent and 98 percent, respectively), but low levels of agent transactions and profitability. There was evidence that agents weren't keeping up AMK's brand and image in the same way employees did, and agent attrition was on the rise. AMK realized that it had to activate its agent network but had to do so in a way that empowered agents to deliver positive customer experience – not just profitable transactions.

RESOURCE STRATEGY

AMK's concern for customers has been at the heart of its foundation and evolution. Once agents were identified as "internal" customers, AMK was able to leverage its customer-centric leadership and culture to open new channels of dialogue and support for agents, and to provide them with information, infrastructure, and incentives that made it possible for them to earn more and spend less as AMK agents. The more agents understood and believed in their ability to contribute to AMK's mission while benefitting themselves, the more agents became willing to collaborate with AMK and to invest time and energy in making that collaboration successful.

WHAT ALREADY EXISTED AND WAS LEVERAGED	WHAT THE EMPOWERMENT INITIATIVE(S) ADDED OR STRENGTHENED	WHAT CHANGED AS A RESULT

EMPOWERMENT INITIATIVE DESIGN AND IMPLEMENTATION

Preparing

Between 2014 and 2016, AMK invested in employee empowerment, enhancing the voice of staff, decentralizing decision-making, and aligning incentives, among other changes. These initiatives strengthened employee engagement and demonstrated to AMK that when this group of internal customers is treated well, they are more willing and able to treat external customers well.

AMK's relationship with agents during this period was quite different. Agents were not subject to the same rigorous selection and training process as employees; they were not part of AMK's organizational culture or incentive plan; and while they were managed by mobile banking officers (MBOs), accountability was less than in a staff-manager relationship. AMK realized that if it wanted agents to deliver the same quality of service as employees, it needed to treat them more like internal customers, enhance their ability to serve external customers, and give them a more compelling reason to engage with AMK.

Learning

AMK's leadership was anecdotally aware of some of the underlying reasons for the limited success of its agent channel. Lack of agent knowledge, inefficient processes, insufficient agent incentives, and limited integration of agents into the rest of the organization all played a part. What was unclear was the magnitude of each problem, which to prioritize, and how to address them.

In mid-2016, AMK hired a Cambodian design thinking firm, 17 Triggers, to help map the agent journey and identify pain points along the way. Agents were clustered by performance levels (based on the number of money transfer transactions and services they were offering) and classified across rural and urban areas, resulting in eight agent segments. Representatives of these segments, as well as the customers they serve, were interviewed using a human-centered design approach. One advantage of the clustering was that researchers could hone in on positive deviants and learn from those success cases in addition to identifying key pain points of many other agents.

As shown in the image below, the research identified lack of agent motivation as one of the key drivers for low customer traffic. It also found that not all agents had the business skills to attract customers. Agents commonly complained about the slow and confusing agent application interface, their lack of familiarity with AMK's products, poor marketing collateral, and the lack of a support system to make them feel like a part of the AMK family.

Creating

Once agent pain points were identified, the research team ideated solutions and selected three for pilot tests, based on their potential to trigger desired agent behavior and improve customer experience. Actual implementation was shaped by two major challenges: new regulations in March 2017 that imposed an interest rate cap of 18 percent on all loans given by microfinance institutions in Cambodia, and an upgrade to AMK's core banking and switching system. Since then, some projects have been delayed due to AMK's need to prioritize projects related to operational efficiency and productivity of staff due to regulatory changes affecting the business model. The IT upgrade delayed certain projects, such as the introduction of a real-time dashboard, and made others unfeasible in the short term. Despite these constraints, AMK was able to implement several empowerment initiatives in 2017 that have already had an impact on agent engagement and performance.

Agents are not motivated

- Revenues from AMK transactions represent a small percentage of an agent's income
- Agents don't get many customers and so forget how to do transactions
- Agents get very little commission from AMK
- Competitors are faster and have better tools

Existing customers don't know AMK's full product offering

- Consumers think of AMK as "loans"
- Agents are not clear on the full product offering
- Agents don't pitch other AMK products

Not enough customer traffic

- Agents reported getting between 2–5 customers per day and very little commission each month

No clear unique selling point

- AMK used to be "cheaper than WING," now AMK is no different from the rest

Source: 17 Triggers Journey Mapping Project for AMK.

First, in response to the feedback that agents did not feel as if they were a part of the AMK family, senior management decided to hold town hall meetings with agents in each of Cambodia's 25 provinces. They pitched their agent value proposition as well as AMK's 4–5 year plan as a company so agents would realize that they are essential partners on the journey. These meetings opened up a new channel of dialogue between AMK agents and leadership.

Other channels for dialogue and support were also introduced. The one best received by agents is a dedicated helpline at the AMK call center that they can use when they have questions or difficulties. The helpline team conducts agent satisfaction surveys and channels feedback to decision-makers. It also makes follow-up calls to agents three months after they've received training to assess agent understanding of the training provided. MBOs have always been expected to visit each of their agents at least once a month. However, since March 2017, regional channel managers, branch managers, branch sale managers, and sub-branch sales managers have a quota for randomly visiting agents on a monthly basis as well to review agent branding, liquidity, customer service, capacity, and the agent's relationship with AMK.

AMK's second major initiative was to increase the number and quality of opportunities for agents to conduct payment transactions. Agents have always been able to offer bill payment services, but initially those services were limited to a set of two or three billers (typically, water and electricity). In 2017, AMK added 71 new billers, which were selected because they require people to travel from villages to province towns to make a payment. These third party tie-ups allowed AMK and its agents to earn more service income without additional investment and provided agents with instant liquidity (since bill payments are a cash-in business). They also brought agents increased foot traffic, which was an important benefit given that most operate other businesses and could cross-sell additional products or services to bill payment customers. AMK supported agents with below-the-line marketing of these additional bill payment opportunities and has been working to make the bill payment infrastructure faster.

Given the challenges faced at the time, including stiff competition from other payment service providers, AMK's third empowerment initiative – giving agents more actionable information – has been critical. AMK developed an agent pitch tool that it uses to explain its business proposition in a standardized way. This not only sets more realistic expectations but communicates the benefits of working with AMK as a provider of multiple financial services (not just payments). AMK is also improving its agent training and marketing materials, and giving agents feedback that helps them identify helpful and harmful behaviors. For example, because the payment process was so slow, agents used to accept money from customers before their transaction was complete. They would then wait to conduct a batch process, which sometimes resulted in customers missing their payment deadlines and losing the services for which their bills were paid (for example, their electricity would be shut off). Once agents understood how this practice discouraged customers from conducting business with them, they made more of an effort to immediately process payments.

AMK agent, Cambodia. © AMK

Finally, AMK revised its agent selection strategy and incentive model. Now, when agents cross 100 transactions per month they are provided personal accident insurance (which is highly valued); when they cross 150 transactions per month they receive a cash bonus. AMK also committed to a "zero investment at agent for trial" policy, which is designed to reduce the cost of experimentation for new agents as much as possible and make it easier for them to enter into a relationship with AMK.

Testing

One of the things AMK realized during its learning process is that it didn't have a strong enough business case for its agent channel. To build one, AMK has been testing – and continues to test – the value of different empowerment initiatives, both from its own and from its agents' perspective. Senior management practiced several pitches with front line staff until they found one that spoke best to agents, and they're working with agents to analyze the costs and benefits of different types of transactions. They're also experimenting with what agents and AMK each need to invest in order for their relationship to work.

The fact that both AMK and its agents need to keep costs as low as possible has made multiple rounds of iteration necessary. For example, AMK first prototyped a branded booth that responded to the concerns of rural agents about theft, as well as feedback that agents weren't visible and attractive enough relative to the

competition. The booth included a metal grill for security and cost approximately $350 to $400. AMK provided the booth free of charge to agents involved in the pilot and expected that others would buy it at cost or in a cost sharing arrangement with AMK, but neither option proved viable. Agents liked the booth but weren't willing to pay for it. AMK analyzed the cost benefit of the investment and calculated that the break-even point at agent locations increased by almost a year with upfront investment in a branded booth. AMK is looking to reduce its investment to get to break even sooner and reinforce agents' commitment in the process.

Subsequently, AMK created a smaller mobile booth prototype that will cost less than $100. This booth will be tested together with a phased approach to cost-sharing that aligns with the "zero investment at agent to start" policy. AMK will provide the basic booth, which will make it easier for new agents to get started. That booth will be upgraded after the trial period is over and agents commit to a cost- and revenue-sharing arrangement with AMK. By that time, a certain level of transaction volume should have been achieved which will help cover the cost of investment in new infrastructure, and the basic booth will be moved to a new start-up agent location.

Measuring

AMK measures trends in the number and volume of transactions for each of its product lines and saw tremendous growth in 2017, particularly in the area of payments. Agents drove much of this growth, with transactions at agent locations increasing from 39 percent to 62 percent of all AMK transactions by December of that year. The agent network has also grown by 30 percent and agent attrition has fallen to 3 percent.

AMK's agent rating system monitors agent capacity (system and products), customer service, liquidity (cash on-hand and liquidity in account), and agent branding. The system makes it possible for AMK to identify strong and weak performers, reward those who are doing well, and target those who need improvement with additional support and counseling. Random monthly visits to agents by managers and the audit team provide additional avenues for measurement and are expected to improve accountability. At each visit, agents are provided with a grade and feedback is written in an agent monitoring book.

Scaling

Improvements in agent transaction volume and retention indicate that the business case for agency banking at AMK is becoming stronger. But to realize its vision of agents providing a one-stop shop for consistently positive customer experience, AMK knows it has more work to do. It will soon launch Smart Vista, a switch that integrates AMK's core banking system with its agent application for real-time settlement, which will

allow faster service delivery. AMK has scheduled a second round of town hall meetings and hopes to hold semi-annual town halls henceforth. It is also strengthening its mobile call center as a channel for learning and monitoring. Agent complaints are being fed into new IT dashboards where they can then be analyzed and dispatched throughout the organization. The system should give more visibility to information exchange with agents and improve the quality of support provided.

Ultimately, agents won't become a one-stop shop until credit officers, MBOs, and customer relationship officers start working more closely with agents to meet customer needs. The current organizational structure and incentives discourage this. Key performance indicators (KPIs) for credit officers are focused only on credit operations, while KPIs for customer relationship officers and MBOs are focused only on non-credit sales and channel management. AMK is in the process of restructuring itself by customer segment and plans to reengineer incentives to support that structure and the one-stop shop approach. But not everyone is convinced that it's a good idea. Credit officers have deep relationships with credit officers that work in AMK's favor, and cannibalizing those relationships to create an agent business case may have undesirable consequences.

Read more about AMK's agent journey mapping research and listen to the podcast[3]

Read more about AMK's earlier investments in empowering employees: Leadership and Organizational Culture in Customer Centricity: The Journey of AMK Cambodia[4]

Treating Agents as Customers at AMK, a Cambodian Microfinance Institution[5]

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3. http://www.cgap.org/blog/how-transform-agent-banking-agent-centric-approach

4. https://customersguide.cgap.org/sites/default/files/resource/2018/06/CGAP-AMK-Leadership-Case-Study.pdf

5. https://customersguide.cgap.org/sites/default/files/resource/2018/07/CGAP-AMK-Agents-Case-Study.pdf

BTPN, Indonesia

BUSINESS CHALLENGE	EMPOWERMENT INITIATIVES	RESULTS
Low agent and customer activity rates	Agent empowerment platform (AEP) that uses gamification to improve agents' product knowledge and motivate better performance	Platform launched in February 2018; success to be measured by growth in active customers and number of transactions processed

BACKGROUND

[Bank Tabungan Pensiunan Nasional](6) (BTPN) aspires to be Indonesia's best mass market bank, making a difference in the lives of millions in Indonesia. Founded in 1958, BTPN received its banking license in 1960. In 2009, the bank launched microfinance operations and created the Daya program to deliver on the customer promise: providing an integrated value proposition targeting wellness, business, and community growth. In 2015, it launched BTPN Wow!, an "ultra" low-cost mobile savings account which targeted the unbanked and leveraged mobile channels and agents through a branchless banking network. At the end of 2016, BTPN had over 2.9 million wallets registered and more than 170,000 mobile money agents while it maintained a network of around 967 branches across the country.

BUSINESS CHALLENGE

BTPN Wow! grew rapidly in 2016 and its agent network became among the largest in Indonesia. Even though BTPN invested significantly in agent training and a system of Wow! Area Representatives (WARs) to recruit and monitor agents, BTPN Wow! suffered from low activity rates among agents and customers.

RESOURCE STRATEGY

After identifying the reasons for low activity rates, BTPN decided to create an agent empowerment platform (AEP) that uses gamification to motivate stronger performance. By leveraging its infrastructure, partnerships, and financial resources, BTPN intends to provide agents with faster, clearer, and more targeted information, give them more influence over their goals and capacity building, and encourage them to challenge and support each other. The bank believes this would increase the time and energy that agents were willing to invest in their relationships with BTPN customers, as well as their effectiveness as BTPN agents.

6. https://www.btpn.com/en

WHAT ALREADY EXISTED AND WAS LEVERAGED	WHAT THE EMPOWERMENT INITIATIVE(S) ADDED OR STRENGTHENED	WHAT CHANGED AS A RESULT

EMPOWERMENT INITIATIVE DESIGN AND IMPLEMENTATION

Preparing

In late 2016, BTPN Wow! undertook customer and agent research to better understand the reasons for low activity rates. It found that the low level of customer engagement after product adoption was primarily caused by agents' limited product knowledge and lack of motivation to service customers effectively. BTPN's senior management became interested in the potential of gamification to both inform and motivate BTPN Wow! agents. BTPN entered into a partnership with CGAP and Quicksand, an Indian design and strategy consultancy firm with experience in gamification, to explore the possibility.

Learning

To better understand the underlying reasons for agents' lack of motivation, BTPN and Quicksand conducted additional research by following a human-centered design approach. Workshops were held with key BTPN Wow! stakeholders and field immersions were organized to gather insights from agents and customers. The research team analyzed data on agent performance as measured by the number of customers served, the depth of customer relationships (using customer activity levels as a proxy), and commissions. This helped BTPN to divide its agents into segments, to diagnose the situation of each segment, and to identify some of the critical success factors found among the better performing agents.

KEY FINDINGS FROM THE FIELD

1. Agents expect more transparency and data to understand their current progress and achievements. Wow! Area Representatives (WARs) expect visibility into agent performance in order to manage and support them better.

2. Agents express a desire to be part of a peer-to-peer support system.

3. Agents want to see opportunities and a path to growth with BTPN Wow!, outside of the day-to-day duties.

4. Well-performing agents have a healthy competitive spirit.

5. Doing social good is an important motivator for some agents.

6. Servicing customers fits better with the current environment and occupation of agents than acquiring new customers.

7. WARs are able to effectively service only a small set of agents within their total portfolio.

8. Agent relationships with WARs seem to have a direct impact on their effectiveness.

9. Agents see incentives as being low and currently seem indifferent about it.

10. Necessary focus and depth in product training is missing in the current system design.

Creating

Supported by Quicksand, BTPN decided to develop the AEP as the tool through which it would respond to agents' needs. The AEP has three components: an android mobile application, a menu-based USSD resource, and a set of on-the-ground activities that support digital platforms. Although agents are the primary audience, the AEP also extends some features (including unique features) to WARs and Area Sales Managers (ASMs) to boost their ability to monitor and support agents.

The AEP uses principles of gamification and a strong narrative-based design to entice engagement on the part of agents. It focuses on three key themes: building transparency, building community, and building capacity.

1. **Building transparency.** The AEP provides real-time data that not only informs agents (and their support structure), but also allows agents to react to situations and to BTPN promotions and challenges – and to plan their efforts toward achieving goals. It makes agents more visible across the BTPN Wow! ecosystem, increasing the transparency of both targets and performance. Agents can set goals either by themselves or with the assistance of their WARs. The platform then pushes notifications that remind them of their goals and inform them of their performance. Agents can also query the agent database with their USSD feature phones or through an app, and receive a response indicating the progress they're making toward their goals. Principles of gamification are most evident under this theme, especially the use of tools like the points system (tied to the sales promotion program recently introduced by BTPN Wow!), different levels of achievement, goal setting, and tracking progress against it.

2. **Building community.** The AEP is designed to connect agents, first locally within their area (defined by the area under their ASM) and then nationally through a system of healthy competition and knowledge sharing. Borrowing the popular game mechanic of leaderboards, the AEP will show relative ranking of agents based on performance (ranking parameters may include number of customers acquired or number of transactions, for example). To start with, the ranking visible to a particular agent may only pertain to his or her area and as the platform gains traction and adoption over time, expand to country scale. In addition to leaderboards, an important aspect of building community is the ability to organize meetups between agents. Local meetups, which already happen on the back of WARs reaching out to agents in their area through platforms like WhatsApp, require no additional infrastructure except push notifications from the platform that invite agents to meet. Other community-building programs are planned for future versions of the AEP, including local hero meetups and interactions between leaderboard toppers and other agents.

3. **Building capacity**. The AEP aims to slowly build the capacity of BTPN agents so they're not only able to serve customers better but also become more knowledgeable and efficient as financial agents. In its initial avatar the platform has a section that brings tips and tricks to agents, either through a real example shared by another agent or through the collective wisdom of the network (through ASMs and WARs). Stories are shared with agents via USSD messages or apps. In the future, the capacity-building initiative may develop into a full-fledged BTPN Wow! agent education program that enables agents to take learning into their own hands through, for example, short tutorials, guidance on sales, or troubleshooting information.

Quicksand handed over the design concept to mobile app development agency Icehouse for minimum viable product (MVP) design and development. Quicksand also delivered guidelines and briefs pertaining to the AEP brand, visual language for user interface design, user experience principles, and an activation strategy which outlined a set of on-the-ground activities that would need to be done when the AEP launched.

Of the three key themes, transparency is the one addressed most thoroughly in the MVP, which constitutes AEP version 1.0. The MVP seeks to implement the minimum set of features that bring the maximum value to agents in the quickest development cycle possible. Transparency features were quicker to build because the BTPN Wow! ecosystem already had an elaborate set of indicators to monitor agent drive and performance. The indicators easily lend themselves to a gamified, goal-based setup that motivates agents and allows them to customize their experience, e.g., the points-based sales promotion program.

Narrative Ideas

Positioning 1:
Super Agent

A platform that pushes you toward becoming a successful agent and achieving your full potential by aggressively working toward your goals. It seeks to bring you flexibility in setting your own targets, allows you to engage with other agents in the spirit of healthy competition, and builds capacity within you so that you can become the best agent you can be.

Positioning 2:
Trustworthy Companion

A friendly platform that stands by you, supporting you as you seek to build a career as a successful financial agent. The platform reflects the core values of the BTPN — trustworthy and caring. It will be your companion, nudging you to become a better agent and will serve you as a storehouse of information and guidance.

Positioning 3:
Community

A platform that connects you to a community of BTPN Wow! agents seeking to bring transformational change in the lives of your fellow Indonesians. The platform will encourage healthy competition between agents and tie them together through the common thread of bringing cheap and easy banking services to millions.

Source: Quicksand.

Testing

The first phase of AEP implementation included three iterative design "sprints" that helped BTPN move from early abstract game mechanics to key features that respond to agents' needs. Each sprint lasted approximately one and a half months and included two weeks of user testing and participatory workshops with key BTPN teams. The first sprint focused on front end USSD feature development and back end systems development, while the second and third sprints focused on front end development of the smartphone application as well as additional USSD feature development. BTPN found that the most important insights feeding its first phase of implementation came directly from agents and the diverse contexts that they inhabit, so it intends to maintain this iterative approach in future development phases.

Measuring

The AEP design and development cost, including iterative testing, app, and software costs, came to around $500,000 (including costs of app development). This is a significant investment, but given BTPN's large-scale network of 180,000 agents, translates to less than $3 per agent. BTPN expects the return on this investment to be driven by a more active agent network that delivers four main outcomes: more active customers, more customer acquisitions, more transactions, and better customer engagement. It is measuring performance in each of these areas.

Scaling

The AEP is being implemented in stages. A preliminary version of the MVP, focused only on the transparency component, was launched with 35 agents in Tangerang, a city outside Jakarta, in December 2017 and afterwards shared manually by WARs via Bluetooth. Within the first two months, 5.283 agents had used the AEP. The average time spent on the platform was 2.8 minutes and most login sessions took 31 to 60 seconds. In February 2018 BTPN put the AEP on the Google Play store and, by March, 10,000 agents were accessing it. BTPN extracts app usage analytics using a program called "Countly" and expects to retrieve more detailed information on usage going forward. To complement analytics, BTPN will further qualitative research with agents to test uptake and use. The full version of the AEP, which includes community and capacity building components, will be rolled out in April 2018. Features in the immediate term version will be refined and new ones added as the AEP evolves in the near term and the long term.

RATIONALE

The diagram below presents the core proposition of the phased approach. It tries to capture how the program will progress incrementally to advanced mechanics and an integrated coherent narrative where different components across themes will interact with each other.

	IMMEDIATE TERM	NEAR TERM	LONG TERM
TRANSPARENCY	**MAKING DATA AVAILABLE** Agents get acessibility to their their performance; and visibility into their progress.	**DATA ANALYTICS AND VISUALISATION LAYERS** provide new interactions and capabilities to under performance metrics.	**MORE INTER - CONNECTEDNESS BETWEEN DIFFERENT ASPECTS OF THE SYSTEM :**
COMMUNITY BUILDING	**SIMPLE PHYSICAL INTERACTIONS,** in the form of meetups / gatherings give agents visbility into the larger community.	**REMOTE INTERACTIONS** with other agents, experts etc are possible and viable.	Capacity Building around new business partnerships and opportunities.
CAPACITY BUILDING	**SIMPLE MODULES** that focus on the existing BTPN Wow product, processes and protocols.	**NEW PROGRAMMES** introduced, to transition agents towards building financial expertise rather than just BTPN Wow expertise.	Transparency includes metrics from other products / business lines Community interactions can also be a way to build capacity (through agent coaches/ mentors)
BUSINESS PROFITABILITY	**BUSINESS IMPACT IS INDIRECT** through increased motivation and hence activity.	**ADDITIONAL INCOME OPPORTUNITIES AND PARTNERSHIPS** are introduced through Business in a Box like features.	

Source: BTPN Wow! Agent Empowerment Through Gamification, Final Report and Project

Handover, December 2016.

> [BTPN Wow! Agent Empowerment Through Gamification, Final Report and Project Handover, December 2016](#)[7]

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7. https://customersguide.cgap.org/sites/default/files/resource/2018/05/Agent-Empowerment-Platform_Final-Report.pdf

BTPN agent,
Indonesia

Equity Bank, Kenya

BUSINESS CHALLENGE	EMPOWERMENT INITIATIVES	RESULTS
Expanding and integrating agent banking into existing business operations	Realigned incentives, training, tools and infrastructure for agents, growth trajectory	Sixfold growth in agency transactions (more than 62 percent of total retail transactions as of 2017)

BACKGROUND

Equity Bank[8] is a licensed commercial bank based in Nairobi, Kenya, serving more than 12 million customers as of December 2017 across six African countries – making it Africa's largest bank by customer volume. The tagline, "Your Listening, Caring Partner," highlights the customer focus that has driven Equity's business model since 1993.

BUSINESS CHALLENGE

In 2010, Equity Bank introduced agent banking to expand its customer base, particularly among rural populations who had to travel long distances to reach the nearest bank branch. The move should have provided more convenient access points for clients while reducing the considerable congestion found in Equity's branches, but the new agent channel didn't immediately flourish. Branch managers didn't promote agent banking to customers waiting in line, and the lack of a concrete and compelling value proposition for agents resulted in agent attrition. It seemed that branches and agent outlets were competing rather than complementing each other.

RESOURCE STRATEGY

Equity Bank leveraged its customer-focused culture and strong channels of dialogue and support to design and implement empowerment initiatives that improved employee and agent information and knowledge, increased agents' tools and options for revenue generation, and restructured rewards to align the business interests of the bank with those of its employees and agents. Ultimately, this changed employee attitudes and behavior, made agents more confident about their future with the bank, and enabled both the bank and its agents to operate more efficiently and profitably.

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8. https://www.equitybankgroup.com/

WHAT ALREADY EXISTED AND WAS LEVERAGED	WHAT THE EMPOWERMENT INITIATIVE(S) ADDED OR STRENGTHENED	WHAT CHANGED AS A RESULT

EMPOWERMENT INITIATIVES DESIGN AND IMPLEMENTATION

Preparing

By the end of 2010, Equity Bank had a few thousand agents and an agency banking department with a head of agency who reported directly to the CEO, James Mwangi. The potential for agents to support the bank's outreach efforts was clear, but the agency channel wasn't thriving. Agents conducted mostly cash in/cash out transactions and employees tended to see agency banking as something that didn't involve them and didn't need to involve them. The CEO realized that he needed to drive better integration – agency banking needed to be understood and embraced as one of the multiple channels that would enable Equity to provide clients with a stronger value proposition in the future. He guided this idea through a strategic planning process that involved all departments and levels of the institution and resulted in the launch of "Project Mission Embrace" in 2011. Mwangi's leadership, and his ability to communicate the importance and rationale for change through a participatory strategic planning process, laid the foundation for success.

Learning

Since agency banking was still an emerging channel for financial inclusion in 2010, Equity Bank contracted *MicroSave*, an international financial inclusion consulting firm, to help design and implement Project Mission Embrace over a three-year period. This relationship helped Equity learn from the experience of financial service providers in other countries and contexts.

The project team mapped processes in every department and spoke with employees and agents to better understand what was needed to successfully integrate agency banking. It looked at each product and service offered by the bank and asked what would have to change to make it suitable for delivery through agents. It asked employees what they needed in order to effectively serve agents, and asked agents how they felt about their current relationship with the bank. It also asked agents what they would need to know or have in order to deliver new types of products and services on behalf of the bank.

Creating

Equity Bank found that its agent network could not be empowered without its employees first being empowered to support agency banking. Thus, its first empowerment initiative was a realignment of incentives. Previously, agents were assigned to a controlling branch and were managed by an agent supervisor who reported to the manager of that branch, but the branch manager's success was not linked to agent performance. Equity changed key result areas (KRAs) for branch managers so that their success became dependent, in part, on the success of the agents attached to their branch. It also aligned the KRAs of branch managers, agent supervisors, and head office staff to ensure teamwork and coordination in achieving common goals related to agency operations and network growth.

The second major empowerment initiative provided training for bank staff at every level and for agents. Initially, the training focused on helping bank staff understand who agents were, how their business worked, what challenges they faced, and how the bank, its employees, and its customers would benefit from a stronger agent network that was more integrated with the bank's other operations. Once they understood agents and the agency model better, bank staff was able to reengineer products and processes to involve agents in a more productive manner. Agents were trained in new products and processes, such as client onboarding, liquidity management, the identification of fraudulent documents, and how to photograph documents so they would not be rejected by the bank's systems.

Equity implemented various initiatives aimed at providing tools and infrastructure to make agents' work easier and/or more profitable. For example, agents were given preferential treatment at branches, which reduced the time they spent waiting in line to rebalance their liquidity/float. A dedicated agent helpline was provided. Later, in response to feedback from agents, an agent portal was developed which provides commission details, online transaction statements, real-time float position, and liquidity history on demand. Agents can also raise a complaint using the agent portal and watch the status of complaint resolution. The portal saves agents time,

Equity Bank branch, Kenya. © Payments Africa

money, and frustration while increasing their ability to anticipate client demand and identify float trends.

An additional empowerment initiative was launched later in the project in response to growth in the agency banking channel. Agent supervisors couldn't effectively provide all aspects of support when they were managing approximately 100 agents at a time, so a three-tiered regional reporting structure was introduced in which better performing supervisors were promoted to relationship manager (RM), and a new layer of agent reporting to RMs was added. By 2015, these supervisors (typically three under each RM) were managing a subset of 30 to 40 agents. This not only improved the quality of support received by agents, but also gave supervisors a growth trajectory – if they performed well, they might be rewarded with a promotion.

Testing

Equity involved agents in creating the agent portal platform using a structured feedback approach, as well as repeated usability testing. It also strategically used training-of-trainer (TOT) processes to vet messages, approaches, and new tools. It held frequent and less formal mini-TOTs with internal staff before organizing longer, larger-scale, and more formal TOTs with its 40 agent supervisors. It followed agent supervisors as they used TOT content to train their agents and then worked with them to adjust messages, approaches, and tools in response to the implementation challenges they faced. For example, supervisors were confronted with many questions and issues related to fraudulent identification, so Equity strengthened the "What can go wrong with an ID" section of its training manual to include an extensive set of photos taken in the field and additional guidance on how to prevent fraud.

Measuring

Equity Bank conducts periodic holistic agent and customer surveys that generate an agent and customer satisfaction score. Metrics from these surveys provide critical feedback and input on what's going right and what needs improvement. The surveys have indicated positive trends in most aspects. This, together with strong performance in KRAs such as the number of agents onboarded, the number of accounts opened, cash and e-money positions, agent dormancy, and agent attrition have been used to validate Equity's strategy and interventions.

EMPLOYEE AND AGENT

Scaling

From 2011 to 2017, the number of agents increased from less than 3,000 to over 30,000. By 2016, the number of transactions and the cumulative value of transactions at agents had increased approximately sixfold in five years to represent more than 62 percent of retail banking transactions. Agents now offer multiple products and services, including account opening, loan origination, bank assurance, and Equitel mobile services.

Equity Bank's empowerment initiatives have been institutionalized in several ways. KRAs continue to align bank, branch, and agent interests. Information about agency banking has been incorporated into the onboarding process for all new hires. Refresher trainings on agent-related matters are regularly provided through standard communication channels, namely monthly meetings at the head office and branch levels, and internet-based self-study modules. A training management tool enables agent supervisors and branch managers to track the training completed by each agent and report on training-related KRAs. Regular agent satisfaction surveys identify opportunities to improve the training, tools, and other support being provided.

Source: MicroSave.

Press release, 2016, [9] Equity Group Investor Presentations and Annual Financial Reports

Equity Case by Helix in Designing Successful Distribution Strategies for Digital Money[10]

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9. https://www.equitybankgroup.com/uploads/default/files/2017/18percentgrowth.pdf

10. http://www.helix-institute.com/sites/default/files/Publications/Helix_Designing%20Successful%20Distribution%20Strategies%20for%20Digital%20Money_0.pdf

FINCA Impact Finance, Global

BUSINESS CHALLENGE	EMPOWERMENT INITIATIVES	RESULTS
Instilling customer centricity and empathy in people	Sharing information, providing training and learning support, adjusting talent management processes	Higher Pulse Check results from subsidiaries across all five measurement categories

BACKGROUND

FINCA Impact Finance's[11] network of 20 community-based microfinance institutions and banks – their subsidiaries – offers responsible and impactful financial services to nearly 2 million low-income clients. With over 30 years of experience across Africa, Eurasia, Latin America and the Caribbean, and the Middle East and South Asia, and a mostly local staff of over 10,000, FINCA delivers a double bottom line of social impact and financial sustainability.

BUSINESS CHALLENGE

FINCA recognized that customer experience (CX) across its network was inconsistent and was impacting business results in an increasingly competitive landscape. There was a need to go beyond addressing clients' basic financial needs and empower staff to work with clients on a relational, customer-centric basis rather than a traditional banking transactional basis.

RESOURCE STRATEGY

FINCA leveraged the time, energy, and influence of its existing leadership and CX champions around the network to implement empowerment initiatives that provided employees with CX-focused information and tools, as well as recognition, autonomy, and talent management structure. These additional resources motivated and enabled changes in CX-related behaviors and attitudes.

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11. https://www.fincaimpact.com/

WHAT ALREADY EXISTED AND WAS LEVERAGED	WHAT THE EMPOWERMENT INITIATIVE(S) ADDED OR STRENGTHENED	WHAT CHANGED AS A RESULT

EMPOWERMENT INITIATIVES DESIGN AND IMPLEMENTATION

Preparing and Learning

FINCA realized that it had to build an organizational culture that focused on the customer, and it had to do this from the inside out. In the second half of 2014, FINCA formed a CX steering committee and working group with champions from each region to create a roadmap for realizing the CX vision. Time was also dedicated to getting the buy-in of senior global leadership on the need for a CX transformation and their commitment to champion it.

Creating

In 2015, FINCA designated CX as the leading priority for its global network and formally launched a culture transformation by sharing a charter outlining the business need for focusing on CX and internally defining what CX means. At FINCA, CX is defined as how the internal (staff) and external (clients) customers perceive and feel about their interactions with FINCA. The charter also states a vision to deliver CX that leaves customers convinced that their needs are FINCA's number one priority, that they are understood by FINCA, and that FINCA shares their hopes and aspirations. It was critical that this messaging reached all staff – from those at global headquarters in Washington, D.C. to loan officers in the field of all subsidiaries.

The first year of transformation was focused on staff understanding the meaning of and vision for CX and recognizing each other as internal clients. FINCA initially considered simultaneously working on external and internal CX. However, it realized through staff interviews and a climate survey that if it wanted staff to deliver excellent CX, it needed to get it right internally first and address pain points that had surfaced. Staff needed to feel empowered to drive change.

Once staff started to believe that change was possible, FINCA was able to focus on translating its CX commitment into behavior change in its day-to-day work. It was critical that front line staff understand standards for CX and be empowered to do right by the customer. Subsidiaries were encouraged to come up with unique ways to build a CX mindset. In the Democratic Republic of the Congo, for example, FINCA introduced weekly CX meetings at branches and the head office, appointed three CX brand ambassadors at every branch, and requires managers to work at a customer service desk one day out of every six months.

To instill customer centricity, empathy, and a continuous improvement outlook in its people, FINCA's learning and development function, FINCA Development Academy, designed curricula and facilitated trainings that centered on how to build and maintain a customer-centric culture. It focused on the seven CX behaviors outlined in the table below.

Beyond training, FINCA embedded a CX focus in processes and initiatives network-wide, including recruitment, onboarding, performance management, recognition, and celebration. It introduced an annual CX Day celebration across its entire network and shines a spotlight on staff representing the CX culture through its FINCA Star Award program.

FINCA® | Impact Finance

7 CX BEHAVIORS	WHAT DO THE BEHAVIORS LOOK LIKE IN PRACTICE?
Consistently champion the voice of the customer (VOC)	• Treat your internal customers like valued external customers • Bring the customer perspective into every element of your team's work • Keep a consistent action-oriented focus on delivering FINCA CX through warmth, trust, and responsible banking • Regularly spend time talking to internal and external customers to get to know them and build trust
Show staff how CX drives business results	• Make staff aware of the cost of losing, and the benefit of cultivating, lifetime customers • Treat your internal customers like valued external customers • Create individual and team performance goals that include delivering excellent CX • Make talking about business results and linking them to the delivery of CX a regular responsible banking practice
Manage one's moods and their impact on internal and external customers	• Be aware of your own moods and emotions, and their impact on others • Become conscious of your "triggers" and manage them • Develop strategies to recover balance when you are upset • Cultivate your ability to shift to positive emotional states that enable building warm and trusted relationships
Demonstrate care for internal and external customers (warm, consistent support)	• Invest time in building personal relationships with your staff and customers • Invest as much in conversations to understand and support internal customers as in taking actions to achieve targets • Avoid relying only on policies and take actions and decisions that build trusted relationships • Don't confuse care and warmth with only being nice; be committed to the long-term interest of your customers (*i.e., proactively address performance issues with staff versus ignoring them; in the face of not qualifying for a loan or if a client is in arrears, proactively work with customer to address challenges and achieve goals*)

7 CX BEHAVIORS	WHAT DO THE BEHAVIORS LOOK LIKE IN PRACTICE?
Practice integrity: keep promises and commitments	• Follow through on promises to build trust over time; remember, failure to keep promises quickly diminishes trust • After a conversation, review commitments made by you and others and articulate who will do what and by when • Manage time, allowing for collaboration and follow-up with internal customers/fellow contributors to deliver on commitments by agreed deadlines • If you must break a commitment, communicate this to others involved and explain the reason in advance of the deadline
Listen to and empathize with internal and external customers	• Pay attention to both the content and situation as well as the emotional elements of what customers are saying • When customers are upset, first listen to understand what they are saying before providing explanations • After listening attentively to a customer, summarize and repeat back to them your understanding of what you have heard and what is their need • Acknowledge how a person is feeling (*"You must be very disappointed that you do not qualify for the loan at this time – let's review the steps that will qualify you…" "I can see that you are angry about the delay of this report – I would feel the same way if I were in your shoes…"*)
Resolve customer challenges with positive communication and innovation	• Use positive language and body posture to communicate warmth and willingness to take action and solve problems • Stretch to find solutions that will delight and create long-term relationships with the customer • Avoid saying the word "*no*" and "*but.*" Use "*and*" statements to demonstrate positive action you will take (*"I can see that you really need the project completed by next Tuesday. I can't deliver the recommendations until Wednesday, **and** these are the three steps I am taking to complete my task"* or *"I want to help you obtain this new loan, **and** here are the steps you can take to improve your ability to qualify."*) • Use the FINCA Innovation Model tool to brainstorm innovative solutions to the challenge and identify the best solution

Source: FINCA Development Academy learning material.

Testing and Scaling

Initially, FINCA introduced its CX trainings as face-to-face workshops, but its offering evolved over time to leverage digital technology. Today, it embraces a blended approach of face-to-face workshops and eLearning:

Leadership Workshop (management and supervisors of FINCA's country programs and global headquarters office): Establishes a shared definition and understanding of what CX is and what it means to be a CX leader so that leadership can inspire their staff to meet business goals through delivering excellent CX. The workshop is composed of four parts, all of which focus on changing manager and employee behaviors. Often overlooked during run-of-the-mill employee training courses, this course is centered on building "soft skills" which are critical elements to a customer-centric approach to business. The course asks participants to put themselves in their customers' (internal and external) shoes, teaches them how their moods can impact their customers' experience, and provides various strategies for trust building. Participants practice customer interactions and work on new behaviors learned through the course. FINCA focuses on its brand attributes (warmth, trust, and responsible banking) through a series of activities meant to help participants be more self-aware and develop the capabilities to empathize with and respond to their customers with new eyes.

Frontliner Workshop (front line field staff, including loan officers): Focuses on behavior awareness and change, including soft skills from the leadership workshop; includes practical job aids such as a CX Checklist to guide interactions with clients.

eLearning Course (all staff): Helps employees to refresh and to build knowledge and skills necessary to be owners of CX and to provide excellent CX to all customers – internal and external. Through eLearning, FINCA's aim is to ensure that 100 percent of staff receives CX training through a variety of modalities.

+ "The course helped me to identify my areas of weakness as I carry out my day-to-day activities as a relationship supervisor and I feel it did not leave me the same. I have started changing in the way I handle my internal and external customers." — FINCA relationship supervisor

FINCA's Pulse Check results
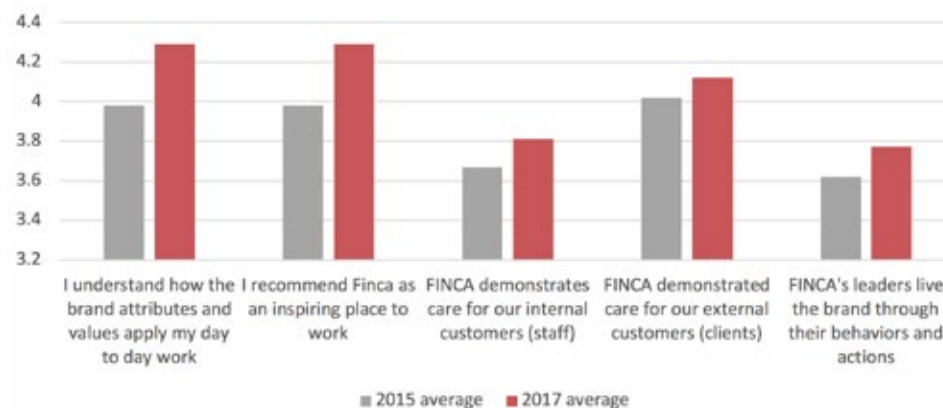
Source: FINCA.

To continue the learning outside of the classroom, staff are encouraged to apply their learnings with a fieldbook program whereby each manager facilitates three activities with her/his team to build awareness and alignment around CX. This empowers participants to become leaders and champions of CX within their teams and to create better CX with each other and their external clients. It also promotes a spirit of collaboration on identifying solutions as a team to address client pain points to enhance CX.

Measuring

On an annual basis, FINCA conducts a global staff CX Pulse Check to measure its progress on being a customer-centric company. The Pulse Check is conducted in the form of a survey (offered to all 10,000+ staff) and consists of five statements that staff assess on a scale of 1 (strongly disagree) to 5 (strongly agree). The five statements are:

1. I understand how the brand attributes and values apply to my day-to-day work
2. I recommend FINCA as an inspiring place to work
3. FINCA demonstrates care for our internal customers (staff)
4. FINCA demonstrates care for our external customers (clients)
5. FINCA's leaders live the brand through their behaviors and actions

FINCA's Pulse Check results for Subsidiaries from 2017 were higher across all five statements than they were when the CX transformation was first launched in 2015, as demonstrated in FINCA'S Pulse Check results graph above.

There is also a client Pulse Check done at branches, which measures satisfaction of clients with service received at the point of service. The results highlight a correlation between good CX and strong financial performance at

> $+$ "I appreciated learning how CX is key in driving business to success. Applying the various tools of CX retains both internal and external clients. It builds harmony among the staff and creates trust and confidence."
> — FINCA manager

the branch level. Because of this, branch managers are now paying attention to the Pulse Check and using it as a performance management tool.

To reinforce the importance of being a learning organization, FINCA includes participation rates in CX learning opportunities and Pulse Check results (with both clients and staff) in its quarterly CX Dashboard that is shared with global staff and network stakeholders.

Importantly, FINCA has experienced culture change in tangible ways. An example of FINCA's efforts to listen to and empower customers was the launch of its first annual Innovation Council in 2017. FINCA issued a call to action for all staff – from management to loan officers – to submit new ideas and game-changing scenarios that would deliver real changes to enable subsidiaries to compete more effectively and to give customers products or mechanisms to ease their lives, finances, and banking interactions. Within a few weeks, over 60 ideas were submitted and finalists were invited to present their ideas to senior leadership. One of the three winning ideas that is being funded was presented by a loan officer from Kyrgyzstan who designed a mobile loan process to automate and speed up the credit process while improving CX.

Another example is that FINCA staff now feels empowered to question the status quo and find ways to improve their day-to-day work. Before the culture change, many staff members believed they had no influence over existing rules and the way things were done. One longstanding internal pain point involved the need for subsidiary management to get approval from subsidiary boards for any expense above a certain threshold (which managers thought was too low and cumbersome). A couple of years into the culture change, the issue was raised by subsidiary management and as a result global leadership doubled the threshold amount. This critical win showed the organization that things could change if the change could be justified as good for the end customer and the business.

Source: [FINCA Impact Finance](https://www.fincaimpact.com/).[12]

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12. https://www.fincaimpact.com/

JUMO, Sub-Saharan Africa

BUSINESS CHALLENGE	EMPOWERMENT INITIATIVES	RESULTS
Embedding customer centricity in a rapidly scaling and increasingly distributed business	Customer operating principles, EPS dashboard, channels for regularly contributing to and seeing the impact of customer-focused initiatives	Increased investment in customer intelligence projects and staff, faster response to changes in customer experience, EPS score added to company scorecard linking accountability and rewards

BACKGROUND

JUMO[13] is a financial services platform that connects low-income individuals and micro, small, and medium enterprises (MSMEs) with real-time mobile financial services. It uses behavioral data from mobile usage to create a financial identity and credit rating (known as a "JUMO score") for its users, who can then access savings, loan, and insurance products from multiple providers through a mobile USSD self-service interface. As of November 2017, JUMO had served more than 5 million people across six African countries and Pakistan. In some markets, for as many as 80 percent of these customers it was the first time they had interacted with a bank.

BUSINESS CHALLENGE

As a financial technology company, JUMO doesn't employ loan officers or tellers or branch managers. It primarily employs data scientists, engineers, and other feature developers (comprising nearly two thirds of its workforce) who have little or no contact with end consumers. It doesn't work through brick and mortar infrastructure but partners with mobile network operators (MNOs) and financial service providers (FSPs) that do, and works to build their capacity to use the JUMO platform in a way that benefits end consumers. By 2016, JUMO had already made a high-level commitment to being customer-centric and had tools and processes in place that gathered customer insights, but had not figured out how to feed customer insights into different areas of the business at speed, especially within a rapidly scaling and increasingly distributed model so that staff and partners would act on them in an impactful manner.

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13. https://www.jumo.world/#1

RESOURCE STRATEGY

As a rapidly growing company with a business model driven by technology and data analytics, JUMO had a wealth of resources that it could leverage for empowerment. It had a strong culture and sophisticated infrastructure; its people were passionate and talented; and its partners were willing to financially invest. By adding a set of guiding principles, tools that made it easier to identify and act on friction points, as well as channels that made the impact on customers and the business more visible, JUMO was able to increase the rewards accruing to employees and improve the platform and processes through which its financial services are delivered and supported.

WHAT ALREADY EXISTED AND WAS LEVERAGED	WHAT THE EMPOWERMENT INITIATIVE(S) ADDED OR STRENGTHENED	WHAT CHANGED AS A RESULT

EMPOWERMENT INITIATIVES DESIGN AND IMPLEMENTATION

Preparing

JUMO was founded by individuals and social impact investors to make a positive systemic change to emerging market economies. It was therefore essential to embed customer centricity into the executive committee and the board of directors. This high-level commitment provided a solid foundation for empowerment initiatives that aimed to operationalize customer centricity throughout the rest of the organization. Top level buy-in was critical in creating time and space for "Jumonauts," i.e., JUMO employees, to learn more about customers and to experiment with new approaches for responding to their needs. Social investors helped finance early research and experimentation and connected JUMO with experts who could support the company's learning process.

Learning

The Smart Campaign is one entity JUMO has worked alongside. For more than a decade, the campaign had been supporting FSPs to integrate client protection into their organizational design and processes. JUMO wanted its platform to connect customers to great financial choices, not to products or processes that would cause harm or create friction in the customer journey. Together with the Smart Campaign, JUMO conducted a didactic assessment in early 2016 which helped identify areas to focus on. JUMO hesitated, however, to adopt the campaign's approach to implementation, which at the time tended to frame conversations with compliance-based language that Jumonauts were likely to reject. JUMO's culture thrived on innovation and eschewed control; if conversations about customers weren't framed in a way that resonated with this culture of positive and creative problem solving, people would never get behind it.

By mid-2016, JUMO began to test the theories of change around which its business model had been developed. In a client value and impact study, it interviewed customers and conducted surveys in different markets. As results were analyzed and shared, it found something that resonated with Jumonauts – impact stories framed around these theories of change. Regardless of whether the stories were positive or negative, the impact that their work was having on end consumers caught their attention and made them want to build new and better solutions in response. JUMO had found its frame.

Creating

JUMO realized that if it could put impact-related information into the hands of its data scientists, engineers, and other employees in a language they could understand, Jumonauts had the passion and talent to respond. What they needed were guidelines, channels, and tools for determining which customer insights merited action.

JUMO's customer intelligence unit took the first step by defining a set of customer operating principles (COPs) that were loosely modeled after the Smart Campaign's client protection principles but framed in a uniquely JUMO way. For example, "We ensure a fair exchange of value," "Our platform drives access and inclusion," and "We give customers access to an expanding universe of options, but provide guardrails to protect them in areas like affordability."

The next step was to invite Jumonauts to probe the meaning and implications of the principles. For instance, once it was agreed that the JUMO platform should not discriminate, everyone could ask themselves, "Is there anything about the rules I've put in place that might hinder access or result in discrimination?" People started to suggest

ideas and actions that might be taken. These were screened to identify initiatives with the greatest potential to improve customer experience. Once an initiative had been prioritized, Jumonauts discussed how to carry it through across many partnerships. Sometimes that meant making changes to the platform or product box, but other times it meant adding something to an existing training process, adjusting the terms of a service level agreement (SLA), or changing a metric in a report.

As initiatives began to be implemented, JUMO used existing and new channels of dialogue to share results. "Lunch and learns" were introduced – informal voluntary gatherings which people attend (in person or virtually)

Example of a COPs infographic shared on the JUMO Slack channel during the campaign.

Source: JUMO.

while they eat their lunch and learn about different products and initiatives that have improved customer experience. Each presentation is designed to highlight how different areas of the business contributed to the results achieved. Afterwards, those in attendance can ask questions and comment. Sometimes outstanding challenges are put on the table and attendees help brainstorm possible solutions. At other times they volunteer ways that they themselves or their teams might support or add to work that's already been done. Results were also shared through "stand-ups" – company-wide meetings held weekly to share news and ideas across business areas. Teams take turns making presentations each week; the customer intelligence team, for example, used its floor time to showcase how customer-focused initiatives were benefitting JUMO. Later, when JUMO was trying

JUMO data scientists, engineers, and agile leads playing the COPs 30 Seconds game at the start of their meeting.

Source: JUMO.

to encourage people to refresh and reframe their understanding of COPs in a fun way, it introduced a game called COPs 30 Seconds, where teams of four employees enter to compete in a championship. Some of the funnier rounds were posted on JUMO's internal Slack channel, where they were viewed again and again. The game cards were left in various meeting rooms and are still sometimes used by employees to have a bit of fun while testing their COPs acumen. JUMO also created infographic cards with "fun facts" that celebrated customer-centric successes, such as reducing the company's terms and conditions from seven pages to less than one. These cards

were posted on the Slack channel and on screens around the office – a fintech company's version of an "employee of the month" club, celebrating successful solutions rather than successful individuals.

Finally, JUMO invested in tools that made it easier for its data scientists, engineers, and partners to identify customer friction points. Two of its most powerful tools have been the EPS scorecard and dashboard, which use multiple indicators to track performance in three customer dimensions: effort, persistency and promotion, and satisfaction. For instance, repeat customers are one indicator of persistency, while the number of contact center calls per thousand deposits or thousand loans disbursed is one indicator of effort. The dashboard gives JUMO and its partners a holistic view of customer engagement at a glance, but the rich data behind it can easily be mined to better understand a trend or friction point once it's identified. JUMO even codes the verbatim feedback received when surveying customers. Response rates are very high, in part because customers can reply at no charge via two-way SMS or USSD.

Testing

Being a data analytics company, nearly everyone at JUMO is scientific. People want to do controlled experiments to test hypotheses and they have the ability to do so with accuracy and integrity. With every new partnership or integration, JUMO first does a pilot, followed by a post implementation review survey that uses two-way SMS to mimic the USSD functionality of its platform. This ensures that a good cross section of feedback and high levels of participation are achieved to understand how customer experience is playing out and what needs to be improved. JUMO's culture of experimentation, measurement, and using outcomes to inform action was an asset that enabled it to quickly and clearly see the results of its empowerment initiatives.

When JUMO first introduced its COPs, it did so as a campaign. All Jumonauts were asked to read them, acknowledge that they read them, and complete an online survey so JUMO could analyze how the information was received. When the principles were added to new employee training, feedback was similarly gathered. JUMO learned that the principles provided valuable focus and – in the words of new employees – a distinctive and impressive opportunity to understand JUMO's non-negotiables right from the beginning. In October 2017, JUMO ran another COPs campaign. This time it was ready to start highlighting some of the customer-centric projects that had been undertaken in different areas of the business. The campaign was launched at a company meeting that

highlighted what had been achieved and how feedback from the previous campaign had been taken into account. JUMO also tested the frequency with which it gathered customer insights to find the right balance between staying up to date on changes in the market and gathering information so frequently that money was wasted because nothing much changed or people didn't have time to consume and act on one data set before the next arrived.

Measuring

At JUMO, testing and measurement have always gone hand in hand and the ability to show tangible, commercial results from customer-focused initiatives has been an important part of the empowerment equation. In one early experiment, JUMO decided to focus on customers who made late payments and conducted research to understand why they didn't pay on time. Mapping the customer journey identified a problem in the timing and content of certain messages which were not optimal in helping customers link actions and consequences in specific market contexts. JUMO thought that changing the timing and content should increase on-time payments, so it ran a test and measured the results. It found that on-time payments increased by 8 to 15 percent in the affected markets – a much better outcome than expected.

In less than 12 months, this one change to the in-loan customer journey more than covered the cost of the research that inspired it, even though JUMO had initially perceived that research to be very expensive. It opened the door for more initiatives and more studies – like one on dormancy, for example. As Jumonauts saw the results they became more and more confident in their ability to use customer insights to improve performance, as well as in the value of making such investments.

The EPS dashboard plays a critical role in enabling JUMO and its partners to see how customers interact with and are impacted by their services on an ongoing basis. JUMO conducts qualitative research, agent mystery shopping, and SMS surveys with end customers in each market every trimester. It also analyzes platform usage data across markets and shares customer insights with its MNO and FSP partners each month, which supports their decision-making and allows them to invest less in their own measurement expertise and infrastructure. The EPS score has even been included in JUMO's company scorecard, effectively linking incentives directly to customer-centric performance.

Scaling

By building feedback loops that enabled employees to learn about their end customers and see the impact of their customer-centric design changes, JUMO did more than convince people to listen to customers. It inspired Jumonauts to seek out customer voices in their own projects. Today, channel teams don't want to invest in new products without tapping customer insights; they budget for customer-focused research and data analytics. They're building new solutions, designing refresher trainings, and providing support materials that make it easier for partners to respond to their customers as well.

Source: Interviews with Buhle Goslar, Director of Customer Intelligence and Brand, JUMO, February 2018.

Case study on JUMO in the Deloitte/MasterCard presentation, Leveraging digital to unlock the base of the pyramid market in Africa[14]

CFI blog, Building Trust and Growing Digital Financial Services: A Look at JUMO[15]

CGAP blog, Finding "Win-Win" in Digitally-Delivered Consumer Credit[16]

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Pioneer Microinsurance, the Philippines

BUSINESS CHALLENGE	EMPOWERMENT INITIATIVES	RESULTS
Systematizing customer centricity in an expanding organization	Co-creation of customer-centric qualities, onboarding program, Defenders of Customer Centricity Challenge, segment-based engagement plans	Consistency in communication around customer centricity, customer satisfaction up from 78.8 percent to 83.8 percent

BACKGROUND

Pioneer Microinsurance[17] (PMI) is part of the Pioneer Group, a family-owned commercial insurance provider in the Philippines with a strong vision to make protection affordable for every Filipino in a sustainable manner. As of December 2016, it covered 10 million low-income Filipinos and had 60 percent of the microinsurance market in the country. Its goal was to at least double its premium and outreach numbers in three years. PMI has institutional partners across the Philippines – microfinance institutions, rural banks, and pawnshops – which serve as distribution channels and claims administrators. PMI's key partner is CARD MRI, which owns the largest microfinance bank in the Philippines. At the end of 2017 it had just over 100 staff and was working with 1,600 microinsurance coordinators (agents contracted by CARD) in the field. Its main product, "Sagip Plan" (Save Plan), covers various calamity risks – typhoon, flood, earthquake, and fire – as well as funeral expenses and personal accidents. PMI also cross-sells other small insurance "sachet" products to meet specific customer concerns.

BUSINESS CHALLENGE

PMI is championing the Pioneer Group's transformation from an insurance product focus to a focus on customer segments and their needs. Between 2014 and 2016, PMI's customer-centric approach fueled year-on-year growth of 70 percent and resulted in a major expansion of its workforce. It also resulted in a larger number of customer pain points being heard. PMI wanted to address these pain points, but it knew it couldn't do so and continue to grow if only a few people in one department were chasing after customer problems. It had to make customer centricity systemic.

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17. http://www.pioneer.com.ph/products/microinsurance

RESOURCE STRATEGY

PMI's commitment to customer centricity fueled a learning process that led to the identification of two main drivers for its customer-centric transformation: customer insights data and people. It is now leveraging its autonomy within the Pioneer Group to develop and test empowerment initiatives that engage employees in clarifying and strengthening competencies for success in a customer-centric business model. It is paying particular attention to the motivational requirements of its youthful employee base.

WHAT ALREADY EXISTED AND WAS LEVERAGED	WHAT THE EMPOWERMENT INITIATIVE(S) ADDED OR STRENGTHENED	WHAT CHANGED AS A RESULT

EMPOWERMENT INITIATIVES DESIGN AND IMPLEMENTATION

Preparing

Lorenzo Chan, President and CEO of Pioneer Life and Retail Organization Head of the Pioneer Group, advocates customer centricity and is investing in building a culture and infrastructure that can support transformation from a product focus to a customer focus. The Pioneer Group co-created with staff, for example, a group pledge[18] which invites employees in all business areas to make a personal and passionate commitment to customer-centric values every time they read it.

Pioneer recognized that transformation would take time, particularly in traditional lines of business that have always focused on products, so it established PMI as an autonomous business unit with permission to experiment and innovate to serve the low-income market. PMI deliberately hired young millennials with no insurance expertise who were "untainted" by traditional ways of delivering insurance, and built its expansion strategy around harnessing their energy and talents in fields such as marketing and psychology.

18. https://customersguide.cgap.org/sites/default/files/resource/2018/07/CGAP-Employee-Agent-Empowerment-Toolkit.pdf, page 100

Pioneer Group President Lorenzo Chan engages with a customer, Philippines.

Learning

In 2014, PMI launched an Employee Immersion Program to learn more about its clients through first-hand experience. Everyone from top management to front line staff participated in these visits. The program was revisited in 2017 and relaunched the same year. As part of its customer-centric transformation, in 2016 PMI invested in a customer journey mapping project that not only helped PMI understand its customers' experience but also built internal capacity to design solutions that responded to client pain points and priorities.

In early 2016, PMI won a CGAP Leadership Challenge and its leaders visited South Africa and Zambia to learn from other CGAP partners working on customer centricity. The visit generated many ideas for strengthening PMI's processes, metrics, and culture. It also convinced PMI's leaders that employees were the key to embedding customer centricity in the organization's operations. Climate surveys as well as employee and customer satisfaction surveys helped PMI begin to understand where employee engagement was weak – and why.

Creating

With support from CGAP, Quicksand (an Indian strategy and design firm) and CoCoon (an Indian organizational design and change management consultancy) designed a series of empowerment initiatives along with PMI aimed at building and sustaining a more customer-centric workforce. The first initiative sought to bring the Pioneer Group's pledge to life by identifying specific qualities or behaviors that are key to positive customer experience in the low-income market. The qualities were co-created in mid-2017 by PMI staff and microinsurance coordinators in the field to get buy-in across the organization for an "ideal state" scenario. The six qualities they identified were empathy, problem solving, collaboration, communication, leadership, and business acumen.

Pioneer Microinsurance New Hire Onboarding Program

6 MONTH PLAN | For New Hire

PIONEER®
YOUR INSURANCE

The First Week

The first week is extremely important, it's the foundation to help you succeed. Our objective is to introduce you to the organization, our culture and values, the service we offer, and parts of our strategy (most importantly Customer Centricity). The different sessions are listed below for your reference.

Day 1

Finding Ground | 2 Hours
Your first few hours at Pioneer will involve getting to know the space and some of the people you will interact with during the onboarding and your work.

Pioneer's Mission, Vision & Values | 1 Hour
Learn what inspires and guides us at Pioneer every day. Learn what makes Pioneer one of the biggest organizations in the country and how it is thinking about the future.

Introduction to Pioneer Microinsurance | 2 Hours
Learn about the organization. Who we are and what we do. How we make a difference. We take you through our journey until now and share what our short term and long term goals are.

Our HR Policies | 1 Hour
Learn about the policies that you should be aware of as you join us. These will include aspects of performance management, expectations, remuneration and other queries that you may have.

Day 2

Basics of Insurance | 2 Hours
We realize that insurance can sometimes be difficult to fully appreciate early in the day. In this session, we will look to introduce you to key concepts and steps in the insurance process.

Catch Up with Team | 2 Hours
This shall be an informal opportunity for you to spend time with the team that you are joining at Pioneer Microinsurance.

Introduction to Your Team Processes | 4 Hours
Colleagues from your team will take you through their processes in detail and you will have the opportunity to discuss your role and responsibilities at this stage.

Day 3

CC1 | Serving The Bottom of The Pyramid (BoP) | 2 Hours
Our customers are from some of the lowest income sections of society, and through this session we would like to share with you some insight on how organizations work with such customers.

CC2 | Introduction to Financial Inclusion | 2 Hours
Pioneer Microinsurance belongs to what is known as the financial inclusion sector. Our customers have unique financial behaviors and needs. This session should help you build a basic understanding.

CC 3 | Introduction to Customer Centricity | 2 Hours
Customer Centricity is a core part of Pioneer Microinsurance's strategy. In this module, we introduce you to the concept of customer centricity and how it different from business as usual.

CC 4 | Customer Centricity for Pioneer Microinsurance | 2 Hours
This module will help you understand how we as Pioneer Microinsurance see customer centricity and what we have done until now, and how we see it evolving in the future.

Day 4

CC 5 | Customer Centric Competencies for Pioneer Microinsurance | 2 Hours
This module is focused on sharing attitudes and behaviors that can help Pioneer Microinsurance and its people be more customer-centric.

CC 6 | Introduction to Human Centered Design | 4 Hours
Human Centered Design is a creative, collaborative solutions-based approach to innovation. In this module, we introduce you to the method. There is also an exercise involved as part of the module.

Onboarding Manager
An onboarding manager will be your point of contact through the course of the onboarding program. In case of any doubts or need for assistance, please reach out to your manager. While doing so, please be respectful of their time – avoid last minute requests.

Day 5

CC 7 | Understanding Insurance | 8 Hours
This module is totally exercise based and will involve you heading out of the office to interact with people. The task at hand will be to use interviews as a way to gather insights on customer needs.

Coffee with Leadership | 1 Hour
This will be an informal but crucial session for you. You will have the chance to interact with one or more senior leaders at Pioneer Microinsurance. You may have to share your learnings from the week (over coffee, no presentation). Be prepared.

Important Interactions   Modules on Organization

Sessions with Team   Customer Centricity Modules

Source: Quicksand and CoCoon assignment for Pioneer and CGAP.

PMI's next step was to build a shared foundation of knowledge and competence in these six areas. It wanted everyone in the organization to understand why customer centricity was a core strategy and to start preparing themselves to implement it. It wanted to set people up for success within a customer-centric business model, not push them to become customer-centric. A 12-week onboarding program[20] was developed for new hires that included theory and practice on customer centricity in addition to job-specific training, an introduction to PMI's strategy and business process, sensitization to PMI's core values, and immersion in other teams.

For PMI, the onboarding program is just the beginning. Three other initiatives have been designed to build on this foundation: the Defenders of Customer Centricity Challenge, a revised performance management system, and segment-based employee engagement programs.

The Defenders of Customer Centricity Challenge[21] is designed to refresh customer-centric behaviors and practices beyond onboarding. Teams of employees from multiple disciplines across the organization identify a challenge within a theme selected by management. They diagnose it, ideate for solutions, prototype, and test within a three-week period. The Challenge uses gamification to spark and retain interest and speaks well to the millennial culture in the organization. It is intended to be launched a few times a year, and in each round a subset of employees participate as jurors, mentors, or players to reinforce learning from others. PMI rewards each challenge's winners with support to implement their idea, which will integrate the learning back into the business.

Employee engagement programs are being created for various employee segments on the basis of profiling and assessment that is currently in process. Two types of segmentation are informing the process:

1. **Segmentation based on the employee lifecycle.** The Employee Lifecycle figure on the following page summarizes how PMI has divided its employees into six segments based on the stage of their relationship with the organization. Engagement programs will be designed for each segment based on the resources it requires. Programs for candidates and novices will address character as well as soft and hard skills, but the focus will be

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19. http://customersguide.cgap.org/sites/default/files/resource/2018/05/Pioneer-Onboarding-Intro-to–Customer–Centricity_0.pdf

20. https://customersguide.cgap.org/sites/default/files/resource/2018/07/CGAP-Employee-Agent-Empowerment-Toolkit.pdf (page 26)

21. https://customersguide.cgap.org/sites/default/files/resource/2018/07/CGAP-Employee-Agent-Empowerment-Toolkit.pdf (page 92)

on hard skill development since that is what delivers the most value for both PMI and its employees at the early stages of their relationship. At later stages of the lifecycle the focus shifts to the development of soft skills and character. Eventually, PMI wants to formally track individual growth and introduce customized development plans for each employee relationship.

2. **Segmentation based on readiness and performance.** PMI held one- to two-hour workshops with all team leaders to assess the gap between their expectations and the actual readiness and performance of the employees they supervise. Readiness refers to an employee's capability to take on additional roles or responsibilities while performance refers to their ability to perform current tasks. After the assessment, employees were grouped into four segments (low/high readiness; low/high performance) and employee engagement programs will be designed for each segment. The same tools initially used to profile segments will be used later to assess program impact.

Source: Pioneer Microinsurance (adapted from online resources).

In addition to the above initiatives, PMI is also revising its performance appraisal system to reward customer-centric behaviors and qualities in a systematic manner, but will introduce the new system only after all employees have been equipped with customer-centric skills and knowledge. PMI felt that measuring performance in these areas before equipping employees for success would be unfair and could provoke resistance to its customer-centric transformation.

Testing

PMI is implementing its empowerment initiatives in a sequenced manner. The onboarding modules and Challenge were first tested with staff as part of design sprints in July and August of 2017. Several changes have been made to the onboarding program and the Challenge as a result of testing. Most are designed to make the initiatives more engaging for PMI's youthful workforce, which loves playing games, being social, and having fun. Even though the programs were designed from the start to facilitate learning by doing and incorporate gamification elements, PMI found it needed to do more to make the programs grab and keep employee interest. PMI added a buddy system to its onboarding program, for example, and added internal team immersions. Team immersions help break down job silos

by immersing new employees in the work of another team just four weeks after they start the program so they can understand the impact of their work on others.

Profiling and assessment of existing employees began in November 2017. The onboarding program will be rolled out once the assessment process is completed, and the first Challenge will launch several months later with the first batch of employees to complete the onboarding program.

This sequencing evolved as a result of PMI's internal testing. It realized that current employees were not all on the same page with respect to customer centricity. An important outcome of the piloting was the consistency with which pilot test participants ended up speaking about customer centricity. PMI decided all employees needed to experience the onboarding content if it were to create a solid foundation for customer-centric transformation. Thus, a less intensive four- to six-week program was created that current staff could complete during work hours.

Measuring

PMI uses the balanced scorecard approach to clarify objectives, measures, targets, and initiatives which guide staff to perform in a way that generates value for customers, the organization, and themselves. Employee empowerment metrics are included under the Learning and Innovation quadrant of the scorecard.

In addition to measuring the performance of the organization, PMI sets and tracks metrics in the areas of customer experience, employee experience, and partner experience. These metrics[22] help PMI understand the reasons for its performance and pinpoint opportunities for strengthening internal and external customer experience. T+T 4 (page 83) on Performance Metrics and T+T 14 (page 111) on Co-creating Performance Goals illustrate how PMI develops scorecards for individuals and business functions based on these metrics. Soon PMI will be able to use these scorecards, together with its employee and customer satisfaction surveys and post-engagement program assessments, to see the results of empowerment experiments.

For now, what PMI is able to measure is overall progress toward its business goal of addressing customer pain points. A reputational survey conducted with PMI's largest partner at the end of 2017 suggests that the company is on the right track, with overall customer satisfaction increasing from 78.8 percent to 83.8 percent since 2016.

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22. http://customersguide.cgap.org/sites/default/files/resource/2018/04/Lessons-Learned-Pioneer-Microinsurance.pdf

Scaling

In September 2017, PMI decided to create an Employee Engagement Team, which was staffed during the first quarter of 2018 and will take responsibility for staff assessments, onboarding, and employee engagement programs. This structural change will make it easier for PMI to institutionalize empowerment initiatives and continue innovating in ways that strengthen employee engagement and support its ambitious expansion plans.

PMI is also in a strategic position to influence the empowerment of others. Most of its recent experimentation has been in collaboration with its largest partner, but other partners are keen to learn from its efforts. Some learnings may be adopted by other retail business units of the Pioneer Group. Once PMI implements its new performance appraisal system and is able to make the results of its initiatives more visible, it will be easier to inspire and guide these internal and external partners to make their own investments in employee and agent empowerment, increasing the Pioneer Group's impact as a whole.

[Pioneer Microinsurance: Building a Business Around Positive Customer Experience Pays Off](23)

[ILO's Case Brief on Pioneer Microinsurance](24)

T+T 3 Employee and Agent Surveys (page 80)

T+T 9 Empathy Story Mapping (page 98)

T+T 13 Sharing Feedback and Development Dialogs (page 107)

T+T 14 Co-Creating Performance Goals (page 111)

T+T 16 Service Level Agreements (page 120)

T+T 18 Aligning Rewards to Customer-Centric Strategy (page 128)

23. https://customersguide.cgap.org/sites/default/files/resource/2018/07/CGAP-Pioneer-Case-Study.pdf

24. http://www.impactinsurance.org/sites/default/files/CaseBrief_june2017_web_version.pdf

Quicken Loans, USA

BUSINESS CHALLENGE	EMPOWERMENT INITIATIVES	RESULTS
Treating employees in a way that models how they should treat customers	Clarifying, promoting, and supporting a set of core values; institutionalizing feedback loops	In 2016, Quicken Loans received nine mortgage industry customer satisfaction awards and was named a top-five place to work nationwide by *Fortune* magazine for the 13th year in a row

BACKGROUND

Founded in 1985, Quicken Loans[25] (then Rock Financial) has grown from a small, branch-based lending company to the largest mortgage company in the U.S. and the largest online mortgage lender. The company funded $80 billion in home loan volume in 2015, a Quicken Loans record. Its headquarters and a majority of its 15,000 team members are based in Detroit, Michigan, where most of its top leaders were born and raised.

BUSINESS CHALLENGE

Quicken Loans spent over a decade focused on becoming the best mortgage company in the U.S. and providing the best experience for its customers. Key to its success was its ability to create and sustain a work culture that treats employees as it wants employees to treat its customers.

RESOURCE STRATEGY

Quicken Loans leveraged the values and attitudes of its leadership to increase employee influence and strengthen dialogue and support. This led to initiatives that increased employee information and knowledge, brought company structures and rewards into better alignment with its core values, and gave everyone a channel for tackling pain points. These initiatives both motivated and enabled employees to improve customer experience.

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25. https://www.quickenloans.com/

WHAT ALREADY EXISTED AND WAS LEVERAGED	WHAT THE EMPOWERMENT INITIATIVE(S) ADDED OR STRENGTHENED	WHAT CHANGED AS A RESULT

EMPOWERMENT INITIATIVES DESIGN AND IMPLEMENTATION

Preparing

Quicken Loans didn't intend to pioneer an employee empowerment strategy. Its focus was on the customer experience, but as the company sought to address issues in that area, it realized it needed solutions that benefitted both customers and Quicken Loans team members. The company began its change management process in earnest in the early 2000s. The catalyst for change is difficult to define as it wasn't just one indicator or event that caused the process to begin. Dan Gilbert, founder and Chairman of Quicken Loans, had a gut feeling that something needed to change. He was closely linked to his business and this intimacy allowed him to tie together all the disparate threads and see that something wasn't right.

Learning

During the change management process, Quicken Loans leaders spent time with each and every team member, not just other leaders or star employees. The personal approach to understanding team members helped Quicken Loans executives see the value in getting the perspectives of the people working within their teams. Spending time with team members also helped Quicken Loans realize that it had created a culture in which team members were not incentivized to ask why they were doing what they were doing. If a problem arose, it was resolved without anyone asking why it was a problem in the first place, and this went against the company's core values.

Creating

Quicken Loans responded to this learning with four related empowerment initiatives. First, the company repackaged and reemphasized its core values, known colloquially as *Isms*, that is, an ideology or system (think social*ism* or capital*ism*). *Isms* are rules to live by – lessons and mottos that permeate not only how employees treat customers and each other but also how they view their role in the company. This clear set of rules helps employees understand management expectations and is critical to motivation and cohesion. Importantly, the rules apply to everyone, including top leaders, meaning that no one lives outside these *Isms*. Team members learn about *Isms* during a daylong onboarding meeting that is mandatory for all new hires and is presented by the company's three top leaders: its founder and chairman, the CEO, and the president. These gatherings are an opportunity to reinforce company values and to explain the company's philosophies and the "whys" around them. They do not take place without the three top leaders.

Second, Quicken Loans changed its human resource policies, procedures, and structures to better promote and support its core values. It deconstructed typical mortgage company roles, choosing to hire and place individuals based on personality, skill, and fit with the company's culture rather than by traditional role. It eliminated hierarchical work structures and job titles to promote collaboration and remove teams from silos. In fact, the terms "employee" and "boss" are forbidden at Quicken Loans – everyone is a "team member" or a "leader."

Third, Quicken Loans became more responsive and creative with its rewards and incentives. Team members are regularly surveyed about maternity leave, student loan debt, health insurance, and various other topics, and survey results are used to determine which benefits to prioritize. The company has made significant efforts to make the workplace a fun place to be. Office perks – from pool tables to popcorn machines – are part of a strategy to keep team members engaged and able to focus on their work. Many office perks are designed to support social activities – enabling connections with colleagues who may not work together on a daily basis.

Finally, Quicken Loans created two permanent teams that facilitate dialogue across the company: the Mousetrap team and the Cheese Factory. Mousetrap members are embedded within every team throughout the organization. Their sole job is to address each team's pain points and come up with solutions to problems. The Cheese Factory tests the viability of proposed solutions. New solutions to pain points are celebrated company-wide. Together, the Mousetrap and Cheese Factory teams create a feedback loop that not only identifies what can be improved and enables insights to be acted upon, but also gives everyone the opportunity to engage and to see what works, what doesn't – and why. It isn't just about solving internal pain points. The feedback loop creates behaviors that impact

customer experience. By placing value on collaboration, urgency, creativity in problem solving, empathy, and the power to say yes before saying no, Quicken Loans employees are made part of the decision-making process and are motivated to go beyond their basic checklist.

Testing

When Quicken Loans' founder acted on his gut feeling that something needed to change and invited everyone else in the company to help him identify what it was that needed to change, he tested the value of giving all employees influence. That "test" and Quicken Loans' willingness to learn from it not only led to the institutionalization of feedback loops but, through the Cheese Factory, also made testing a permanent part of work life.

Measuring

Quicken Loans has two goal posts in mind. First, it looks at standard performance metrics: growth rates, customer satisfaction ratings, and workplace awards (based on employee surveys). But metrics don't tell the entire story. During the 2008 economic downturn triggered by the mortgage crisis, the numbers would have told Quicken Loans to lay off staff and cut costs, but it didn't lay off a single person because it believes that human capital is its most important asset.

The company's primary measure of success is the answer to one question: *Are we focused on the customer, living by our Isms, and focused on what we want the result to be [being the best and largest mortgage lender with the best customer experience]?* This is the first question it asks when reviewing any change, project, or idea – not "What's the budget?" or "How long will it take?" Certainly, this philosophy is easier for a large, well-established and profitable company than for a small startup, but Quicken Loans doesn't spend money with abandon. A choice that brings the company closer to its goal, while also aligning with its *Isms*, is deemed worthwhile to pursue.

Scaling

According to Executive Vice President Shawn Krause, Quicken Loans' change process isn't yet complete – because change is now embedded in the company's work culture. For example, there were two areas in which team members recently answered "No" to the question, "Are we focused on the customer, living by our *Isms*, and focused on what we want the result to be?" The company's hiring practices and the way in which the leadership team communicates with the rest of the company were identified for change because what was being said about Quicken Loans and the leadership team didn't align with its values and goals.

Quicken Loans ISMs[26]

QUICKEN LOANS *ISMS*

- ***Every customer. Every time. No exceptions. No excuses.*** Doing everything within an employee's power to answer a customer query is only the beginning of this *Ism*. This is about listening to a customer, considering their universe of needs (not just those related to the current transaction), and finding a way to help them out.

  Clients are at the center of everything Quicken Loans does. Quicken Loans invests in its clients. They find ways to view their services through the eyes of their clients. For example, if a customer experiences a major life event, Quicken Loans may send flowers or a gift card. In the case of a natural disaster, it may put mortgage payments on hold.

- ***Obsessed with finding a better way.*** One of the basic tenets of Quicken Loans' business is not to rest on its laurels. Just because a tool, product, or resource works for the company now doesn't mean there isn't a better one out there. Quicken Loans asks its employees to constantly change their perspective and be open to new ways of doing things. By doing so, the business is constantly refining how business is done.

  For customers, this means team members are continually shifting their perspective to provide the best service possible. Even banal formalities, like filling out a mortgage application, are reassessed to find the least painful platform and process for customers and team members.

- ***Numbers and money follow; they do not lead.*** Of all its Isms, this is the most revolutionary. At Quicken Loans, the pursuit of skills, knowledge, and expertise is believed to make you great. Numbers and money follow passion and accomplishments, and are not what drives the Quicken Loans business.

  When asked about how it justifies some of the costs incurred, like offering each team member the choice of a stand up or sit down desk and popcorn machines in break rooms, Shawn Krause is quick to point out that spending is guided by Isms, while Dan Gilbert loves creating opportunities for people – that's his definition of success. Quicken Loans doesn't have someone whose job it is to look for ways to cut costs. Instead, it invests in ways that align with core values, which has helped the company grow into the business it is today.

Source: Quicken Loans.

Zoona, Zambia

BUSINESS CHALLENGE	EMPOWERMENT INITIATIVES	RESULTS
Maintaining a strong agent network in the face of rapid expansion	Improved screening methods, segment and behavior-focused engagement strategies, redesigned agent portal	Customer satisfaction with teller conduct and agent liquidity rose 11 percentage points in six months; dominant market position maintained

BACKGROUND

Zoona[27] is an African fintech company launched in 2009 that creates employment by offering emerging entrepreneurs (agents) an opportunity to earn commissions through an expanding suite of financial products to low-income consumers. Zoona provides agents with a technology platform, working capital financing, business management tools, and entrepreneurial support focused on helping businesses grow and increasing financial inclusion. Zoona launched its operations in Zambia, where it conducts the highest transaction volumes in the country, and has since expanded into Malawi and Mozambique. Zoona had 2,200 outlets as of November 2017.

BUSINESS CHALLENGE

Zoona's strategy at launch was centered on agents being its primary customers. This allowed it to understand and support agents very well, and gave agents significant control over Zoona's on-the-ground relationships with end customers. As Zoona expanded, it focused more strongly on understanding the needs of the end customers it aimed to serve and on institutionalizing a corporate culture that could drive future performance and impact. This new focus facilitated rapid growth and significant employee empowerment but resulted in less attention being given to agents and a less consistent customer experience being delivered across the agent network. Zoona needed to figure out how to better understand, enable, and motivate agents and their tellers from a distance and at scale.

27. https://ilovezoona.com/

RESOURCE STRATEGY

Zoona leveraged its strong corporate culture (which already recognized agents as the key to ensuring quality service) and strengthened existing tools and infrastructure to provide more targeted support, rewards, and penalties for specific agent segments. This allowed Zoona to more cost-effectively serve its agents, both motivating and enabling them to deliver better, more consistent customer experience.

WHAT ALREADY EXISTED AND WAS LEVERAGED	WHAT THE EMPOWERMENT INITIATIVE(S) ADDED OR STRENGTHENED	WHAT CHANGED AS A RESULT

EMPOWERMENT INITIATIVES DESIGN AND IMPLEMENTATION

Preparing

Zoona decided to renew its focus on agent and teller talent management for two reasons. First, the company wanted to grow, and the more agents it added to its network the more capital and other resources were required to equip the network for action. If Zoona could find ways to be more efficient about the resources it provided or the way they were provided, it would be able to support a larger network.

Second, Zoona's research on consumer priorities (see graph below) indicated that its major opportunity to impact the customer experience was in the area of agent and teller conduct. Inconsistencies in customer experience indicated that the existing agent network was not yet capable of providing (or motivated to provide) the consistently positive experience that Zoona wanted to provide. Before expanding its network further, Zoona needed to find out why and take steps to address the issue. In early 2017 a new position was created, Head of Agent Talent Management, and someone was brought on board to lead the process of learning and action.

Zoona's Research on Customer Priorities that drive satisfaction and importance for CX
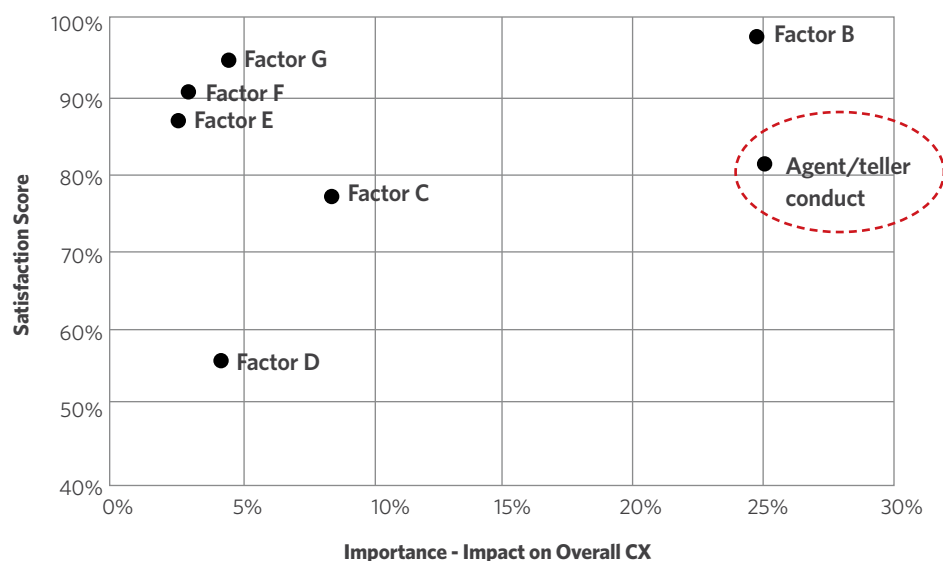
Learning

Zoona conducted research and ran a series of experiments to identify which agent and teller behaviors drove customer experience and revenue growth. The results were distilled into a list of eleven behaviors for agents and ten for tellers. Zoona then ran a competition and conducted mystery shopping to understand which behaviors were being consistently applied at each outlet.

Zoona also examined how agent and teller hiring and training processes were being implemented, and found that these processes had become less stringent and less supportive of quality over time. An anonymous survey with tellers provided information about their perceptions of the training and support they received.

Creating

In February 2017, Zoona updated its agent screening methods to include a focus on the behavioral traits that were found to drive customer experience and revenue growth. The processes for recruiting and selecting new agents, as well as for monitoring and supporting existing agents, were modified to assess the strength of these behaviors and the resources that might be required to further strengthen them. Learning agility was added as a new entry requirement to increase the likelihood that tellers and agents would be able to adopt new behaviors and habits as necessary for success.

Zoona also articulated its agent lifecycle. Building on the results of its research, tellers and agents were divided into segments and Zoona articulated a path through which inexperienced new hires might eventually become super agents. It identified "behavioral gates for growth" – performance standards that had to be met in order for an agent to move from one stage of the lifecycle to another. There were rewards associated with each stage as well as consequences for not complying with the standards associated with each. For example, agents could be "offboarded" if they received a customer experience rating below a certain level for two quarters in a row.

Zoona[28] adjusted its feedback to agents to focus on performance against behavioral standards, and provided support that enabled agents to track and improve their own behavior. Initially, support was provided through agent supervisors on the ground in each province, but this approach was relatively expensive given the value it generated and was difficult to effectively scale. Zoona opted to eliminate the extra layer of supervision and instead provide support through multiple, mostly virtual touchpoints: a redesigned agent portal, a more integrated call center, WhatsApp groups with team leaders, and coaching.

Together, the initiatives discussed above enabled Zoona to tailor its engagement with different agent segments, clarifying expectations and providing more efficient packages of support for each. Starter agents now receive coaching from super agents, for instance, whereas every three months super agents are invited to a forum to share experiences and get training that strengthens their coaching and business skills. Start-up packages are no longer the same for everyone; they are tailored to the needs of specific sub-segments of the starter agent segment. Notifications sent through the agent portal are also targeted, e.g., by geography, age, gender, and performance. This targeting helps ensure that the resources Zoona invests in agent empowerment more closely respond to what individuals need to be successful Zoona agents.

Testing

One of Zoona's Founder*isms*,[29] "Act, learn, repeat," summarizes the extent to which experimentation has been embraced as the path for moving forward. Indeed, its overall approach to agent empowerment was inspired by an experiment. In early 2017, Zoona's growth was driven both by existing agents opening new outlets and by Zoona itself recruiting new agents. When Zoona found that outlets opened by top agents outperformed those the company itself opened, it shifted more resources to supporting expansion by top performers. It tested a new

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28. https://customersguide.cgap.org/sites/default/files/resource/2018/07/CGAP-Employee-Agent-Empowerment-Toolkit.pdf, page 67

29. https://ilovezoona.com/about-us/the-zoona-founderisms/

approach during the second half of 2017 by asking existing agents to help identify attractive locations for new outlets. It expected agents would take a month or more to reply, but some responded within two hours. Zoona built on this level of engagement, giving top agents more influence over expansion while retaining quality control through vetting procedures.

When Zoona later set out to redesign its agent portal, the tool was co-created with agents because the company thought that was the best way to ensure that agents would be able and willing to use it. The old portal contained a lot of information but wasn't very accessible to agents, so Zoona invested in back-end systems that improved speed and functionality, as well as user interfaces that made it easier for agents to interact with the systems. Zoona met with agents in different segments, showing them printouts of wireframes to solicit feedback. It watched how they interacted with the new design, where they hesitated, and what caused problems. Adjustments were made on the basis of this feedback and then Zoona returned to the field to test again. Their efforts paid off. Before the redesign, less than 2 percent of agents used the portal on a weekly basis; by the end of 2017, that figure had grown to between 26 and 33 percent (usage varied by country). In Malawi, 91 percent of top agents are now using the portal.

Yet Zoona continues testing. It monitors and analyzes which pages agents in different segments view and which they ignore, collects feedback on why, and uses the feedback to improve the portal and motivate more productive usage. As Zoona learns how successful agents are using the portal to improve their business, those practices are promoted with other agents. The user interface is continually adjusted to highlight data that is important to specific segments and to remove clutter that makes interpretation difficult.

Zoona co-created many other empowerment initiatives with agents as well, including identification of key habits and behaviors, design of the agent lifecycle, and tailoring start-up kits. Testing, for example, helped Zoona realize that it couldn't set minimum agent fees on the basis of country or rural/urban segmentation. It had to identify what actually drove agent cost of doing business (in Zoona's case, the cost of getting money from a cash wholesaler) and use that driver to segment agents, providing a minimum fee that enabled each segment to cover its costs.

Testing helps Zoona identify what will motivate agents to move, and move faster, from one stage of the agent lifecycle to the next. One current experiment is designed to allow new agents to enter the agent portal as soon as they begin operations so they can track the commissions they earn from "day one." It's hoped that an agent's desire to see how much they are earning will motivate them to use the portal (and build in an early habit of regular portal usage), and the ability to see earnings will motivate them to conduct more transactions.

Measuring

In early 2017, Zoona established benchmarks for measuring changes in behavior that drive customer experience and uses mystery shopping, market surveys, and other tools to track performance against those benchmarks. In December 2017, for example, teller behavior at 100 outlets was assessed against ten targeted habits and Zoona found that average performance had increased to 8.2 (out of 10) from a baseline measurement of 6.8. Zoona enables agents to use the agent portal to track their own performance, and their tellers' performance, against key performance indicators.

Since literacy is a challenge in the markets served, Zoona regularly contacts a sample of customers at each outlet by phone after they complete a transaction to enquire about their experience. A small number of questions are asked that focus on performance aspects that have been prioritized for the period, and Zoona compares its own performance with that of the competition. Surveys conducted from June to December 2017 indicated that customer satisfaction with both agent liquidity and teller conduct had increased by 11 percentage points, making it possible for Zoona to maintain its advantage over the competition. If performance had remained at June levels, the competition would have outperformed Zoona in both areas.

Zoona also gathers feedback through WhatsApp channels and regular agent and teller engagement surveys. It was through these channels, for example, that Zoona learned how much agents now aspire to be part of the top agent segment – not only for the recognition and visibility that comes from belonging to this select group, but also for the value of the training and support provided to this group through quarterly forums.

Scaling

Zoona continues to invest in agent empowerment because it has evidence that doing so is good for agents, for end customers, and for its own bottom line. Recently Zoona promoted one of its top agents to become managing director of Zambia operations. This helps ensure that all customers (agents, tellers, and end consumers) are considered in decision-making, but also sends a powerful message that agents can grow in the organization.

Zoona is investing in empowerment earlier in the agent lifecycle so it can put people on a path from the very beginning that is more likely to result in success. Its virtual support channels are expected to make future expansion easier and less expensive than a geographically-based structure of supervision. The outlet summary page of the agent portal is already the number one view among top agents in Zambia because it enables them

to see what's happening at their outlets without having to physically visit each daily. This makes it possible to effectively manage a larger number of outlets and quickly identify issues that need to be addressed.

Zoona realizes, however, that there is a limit to how much it can invest in the empowerment of agents that choose not to engage or that fail to meet quality standards despite the guidance and support provided. By redefining recruitment and selection processes, it's been able to build a healthy pipeline of existing talent and potential new agents that can be draw from in times of growth, and when non-performing agents need to be replaced with new ones.

Sources: Interview with Zoona staff and the Helix report: New Successful Agent Networks.[30]

+ "The more self-managing agents become the more they can expand without our support, which enables us to scale." — Head of Agent Product, Zoona

Zoona: A Case Study on Third Party Innovation in Digital Finance,[31] FSD Zambia, 2015

Zoona Founderisms[32]

Zoona's Journey to Customer Centricity in Africa[33]

30. http://www.helix-institute.com/sites/default/files/Publications/New%20Successful%20Agent%20Networks%20-%20Final%20-%20Feb.%202017.pdf

31. http://www.fsdzambia.org/wp-content/uploads/2016/04/Zoona-A-Case-Study-on-Third-Party-Innovation-in-Digital-Finance.pdf

32. https://ilovezoona.com/about-us/the-zoona-founderisms/

33. https://customersguide.cgap.org/sites/default/files/resource/2018/07/CGAP-Zoona-Case-Study.pdf

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Tips + Templates (T+Ts)

PUT EMPLOYEE AND AGENT EMPOWERMENT INTO ACTION

The following 23 practical tools and exercises provide ideas on how to get closer to your employees and agents and make customer experience a part of their core competencies. These T+Ts help you diagnose and implement employee and agent empowerment initiatives within your organization – including project planning tools, tracking devices, and exercises you can do with your teams.

Each T+T indicates the amount of effort and investment. Some can be done in as little as one or two hours. They are ideal for managers and project teams who'd like to immerse themselves in the value of empowering employees and agents.

LEGEND: LEVEL OF INTENSITY, T+TS

- *1* = Less than an hour, no additional budget.
- *3* = More than a day (or a series of actions over a relatively long period of time) and/or somewhat complex or difficult-to-access resource requirements.
- *2* = Everything in between.

T+Ts are organized in the order they are referenced in the accompanying CGAP Employee and Agent Empowerment Toolkit.

1. Individual Empowerment Diagnostic

LEVEL OF INTENSITY: 2-3

This individual empowerment diagnostic can help you and those you manage better understand their current situation and identify targeted, cost-effective options for increasing each person's contribution to delivery of valuable customer experience. It follows the same resource-based approach described in the CGAP Employee and Agent Empowerment Toolkit[34] Part 2, Step 1, but takes an individual rather than an organizational or group perspective.

USE IT WHEN:	USE IT TO:
• *As part of your performance appraisal process.* • *Someone you supervise is underperforming* and you're not sure how to productively respond. • *You want to design an empowerment initiative* that focuses on improving customer experience.	• Understand what currently supports and hinders individual employees or agents in contributing to more valuable customer experience. • Assess the resources currently available to individual employees and agents that might be leveraged for greater empowerment. • Encourage conversations between you and your employees about actions that might facilitate greater empowerment.

Time: 15-20 minutes to fill out each template and 30-60 minutes per discussion, plus time to distribute templates and arrange opportunities for discussion
Roles: Manager and employee or agent
Materials: Individual Empowerment Diagnostic Template for Managers (below), Individual Empowerment Diagnostic Template for Employees and Agents (below), Empowerment Diagnostic Scoring Tool *(Excel file).*[35]

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34. https://customersguide.cgap.org/sites/default/files/resource/2018/07/CGAP-Employee-Agent-Empowerment-Toolkit.pdf, page 38

35. https://customersguide.cgap.org/sites/default/files/resource/2018/05/Empowerment-Diagnostic-Scoring-Tool.xlsx

Step 1: Print one copy of the Individual Empowerment Diagnostic Template for Managers (below) for each person whose empowerment you want to diagnose. Print the same number of the Individual Empowerment Diagnostic Template for Employees and Agents (below).

Step 2: Give each employee or agent one copy of the Template for Employees and Agents; ask them to complete it by a specific date. Explain that you will be completing the same diagnostic with them in mind and arrange a time to individually discuss results.

Step 3: Fill out one Template for Managers for each employee or agent whose empowerment you want to diagnose. If you fill it out in the Empowerment Diagnostic Scoring Tool (Excel file),[36] answers will automatically populate the spider diagram in the file's Scoring tab.

Step 4: Meet one-on-one with each employee or agent who completed the template and compare results. You can look at one statement at a time or use the Empowerment Diagnostic Scoring Tool to quickly identify areas of strength and opportunities for improvement. In the areas where you and your employee or agent assessed things differently, avoid labeling the various opinions as "right" or "wrong." Instead, ask follow-up questions that help you both understand why differences of perception exist and what might be done to address weaknesses or barriers.

TIP: You can edit, delete, or add questions to either template; just be sure that if you change one you also change the other so that you and your employees or agents will assess the same statements in the same order. Also, be sure to check formulas in the Excel scoring tool since any changes you make may affect the accuracy of the results.

TIP: All employees and agents have "customers." Some employees, e.g., those in the back office, may serve customers within the organization. Keep this in mind when completing the template(s).

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36. https://customersguide.cgap.org/sites/default/files/resource/2018/05/Empowerment-Diagnostic-Scoring-Tool.xlsx

TEMPLATE FOR INDIVIDUAL EMPOWERMENT DIAGNOSTIC FOR MANAGERS

EMPLOYEE OR AGENT NAME:

DATE:

Instructions: Keep in mind the person you named above as you read the statements below. For each statement, answer the following question: "To what extent do you agree with this statement?" Write a number between 0 and 4 in the box next to each statement to indicate your level of agreement. Use the following scale:

Score	0	1	2	3	4
How much you agree	0%	25%	50%	75%	100%

For example, if you think the first statement perfectly describes the employee or agent you are thinking of, write a score of 4 in the box. If you don't agree with the statement at all – in other words, if the situation is completely different from the one described, then give it a score of 0. If you're not sure how to respond to a particular statement, give it the most neutral score: 2.

1. ☐ This person delivers (or supports the delivery of) positive, consistent, and valuable customer experience.

2. ☐ This person's performance always meets or exceeds expectations.

3. ☐ (For use with agents only): This person's business is sufficiently profitable to be sustainable. (For use with employees only): The investments that the organization and I make in this person are justified by the contribution that she or he (further noted as s/he) makes to profitability and sustainability.

4. ☐ I know what's preventing this person from delivering better customer experience.

5. ☐ This person has the time and energy to deliver better customer experience.

6. ☐ This person is proud to work with the organization.

7. ☐ This person knows what s/he needs to know in order to deliver positive, consistent, and valuable customer experience.

8. ☐ This person seeks out insights into customer needs and constraints.

9. ☐ I hold this person accountable for delivering positive, consistent, and valuable customer experience.

10. ☐ This person is a problem solver. S/he takes the initiative to address customer issues as quickly as possible and uses whatever resources are available to find solutions.

11. ☐ This person has the financial resources necessary from the organization to deliver the customer experience that s/he is expected to deliver.

12. ☐ This person knows what customer centricity is and why it's important to his (or her) success.

13. ☐ This person is willing to try new things for better customer experience.

14. ☐ This person has constant access to information about his (or her) own performance, including his (or her) impact on customer experience.

15. ☐ This person regularly provides useful suggestions and feedback for improving customer experience.

16. This person demonstrates empathy. S/he understands the needs, constraints, and anxieties of others without judging them.

17. This person has the freedom to decide how to do his (or her) work.

18. This person is driven by a strong personal desire to deliver the best customer experience possible.

19. When this person makes a suggestion, I make sure that s/he finds out whether his (or her) suggestion was heard, if it was implemented (why or why not), and with what result.

20. This person treats every colleague and customer with respect, fairness, and patience.

21. This person never escalates issues to me that s/he should be able to resolve on his (or her) own.

22. This person collaborates with others to understand and solve problems.

23. I give this person weekly feedback to support his (or her) learning and growth.

24. This person belongs to social and professional networks that provide quality advice, support, and troubleshooting in addition to whatever I provide.

25. This person is an excellent communicator. S/he listens patiently and actively, and shares information in a way that facilitates understanding and action.

26. This person is involved in important decisions that affect him (or her).

27. This person has access to tools that make it easy to deliver better customer experience, e.g., marketing collateral, digital devices, dashboards, databases, apps, liquidity facilities, etc.

28. This person makes effective use of the technology and devices that s/he has been given. S/he has the required level of comfort, understanding, and skills.

29. This person has access to sufficient channels for learning new things when necessary in order to provide better customer experience, e.g., e-learning on demand, troubleshooting or help desk functions, coaching, field exposure, training, etc.

30. The rewards the organization offers effectively motivate, guide, and inspire this person to deliver customer experience that is positive, consistent, and valuable.

TEMPLATE FOR INDIVIDUAL EMPOWERMENT DIAGNOSTIC FOR EMPLOYEES AND AGENTS

YOUR NAME:

YOUR SUPERVISOR'S NAME:

DATE:

Instructions: Read each statement below and answer the following question: "To what extent do you agree with this statement?" Write a number between 0 and 4 in the box next to each statement to indicate your level of agreement. Use the following scale:

Score	0	1	2	3	4
How much you agree	0%	25%	50%	75%	100%

For example, if you think the first statement describes your situation perfectly, write a score of 4 in the box. If you don't agree with the statement at all – if your situation is completely different from the one described, give it a 0. If you're not sure how to respond to a particular statement, give it the most neutral score: 2.

☐	1.	I deliver (or support the delivery of) positive, consistent, and valuable customer experience.
☐	2.	My performance always meets or exceeds expectations.
☐	3.	(For agents only): My business is sufficiently profitable to be sustainable. (For employees only): I make a contribution to the profitability and sustainability of the organization.
☐	4.	My supervisor knows what's preventing me from delivering better customer experience.
☐	5.	I have the time and energy to deliver better customer experience.
☐	6.	I am proud to work with this organization.
☐	7.	I know what I need to know in order to deliver positive, consistent, and valuable customer experience.
☐	8.	I seek out insights into customer needs and constraints.
☐	9.	My supervisor holds me accountable for delivering positive, consistent, and valuable customer experience.
☐	10.	I am a problem solver. I take the initiative to address customer issues as quickly as possible and use whatever resources are available to find solutions.
☐	11.	I have the financial resources I need from the organization to be able to deliver the customer experience that I am expected to deliver.
☐	12.	I know what customer centricity is and why it's important to my success.
☐	13.	I am willing to try new things for better customer experience.
☐	14.	My employees/agents have constant access to information about their own performance, including their impact on customer experience.
☐	15.	I regularly provide useful suggestions and feedback for improving customer experience.
☐	16.	I demonstrate empathy. I understand the needs, constraints, and anxieties of others without judging them.

☐ 17. I have the freedom to decide how to do my work.

☐ 18. I have a strong personal desire to deliver the best customer experience possible.

☐ 19. When I make a suggestion, my supervisor makes sure that I find out whether my suggestion was heard, if it was implemented (why or why not), and with what result.

☐ 20. I treat every colleague and customer with respect, fairness, and patience.

☐ 21. I never escalate issues to my supervisor that I should be able to resolve on my own.

☐ 22. I collaborate with others to understand and solve problems.

☐ 23. My supervisor gives me weekly feedback that supports my learning and growth.

☐ 24. I belong to social and professional networks that provide quality advice, support, and troubleshooting in addition to whatever my supervisor provides.

☐ 25. I am an excellent communicator. I listen patiently and actively, and I share information in a way that facilitates understanding and action.

☐ 26. I am involved in important decisions that affect me.

☐ 27. I have access to tools that make it easy to deliver a better customer experience, e.g., marketing collateral, digital devices, dashboards, databases, apps, liquidity facilities, etc.

☐ 28. I make effective use of the technology and devices that have been given to me. I have the required level of comfort, understanding, and skills.

☐ 29. I have access to sufficient channels for learning new things when I need to learn them in order to provide better customer experience, e.g., e-learning on demand, troubleshooting or help desk functions, coaching, field exposure, training, etc.

☐ 30. The rewards the organization offers effectively motivate, guide, and inspire me to deliver customer experience that is positive, consistent, and valuable.

2. Employee or Agent Persona Profile

LEVEL OF INTENSITY: 2

A Persona Profile is a summary description based on real employees and agents that represents people in a particular segment. It is created by combining various attributes of similar individuals (such as their motivations, needs, assets, or challenges) into a single, holistic description. If your segments have a lot of people in them, it's difficult to keep them all in mind as you try to define a strategy. Personas can make your life easier by giving you a small number of representational characters to focus on. This can also help when communicating within your organization about certain types of employees or agents.

USE IT WHEN:	USE IT TO:
Designing an empowerment strategy. Use this tool after you've collected information on your employees' and agents' ability and engagement to deliver customer experience as a way to synthesize and communicate the findings on which you will base your empowerment strategy. *Revisiting during strategy sessions.* Use this tool during strategy sessions to keep the employee or agent at the center of the discussion.	Understand the main characteristics of your employees and agents that determine their level of empowerment. Communicate about your employee or agent, keeping in mind their salient characteristics that affect the empowerment strategy you will adopt.

Time: 4-5 hours
Roles: Supervisor and team or HR head
Materials: Template for Persona Profile (on page 78) and writing implement

STEP 1:	STEP 2:	STEP 3:	STEP 4:	STEP 5:
Assemble all the data that you have obtained through qualitative and/or quantitative surveys of your employees or agents, including the review of performance data. Each persona will draw on a variety of sources, such as ethnographic research, feedback from employee or agent surveys, quantitative metrics (service delivery points, usage rates), and segmentation models.	Consider which salient characteristics jump out and cluster those that fit to a particular group of people. You can use the template below as a guide to reflect on the data that you have. Also use the template to collaboratively organize and compile information relevant to the persona you're creating. You may need to fill gaps with secondary research or storytelling from contextual research.	Document the persona, completing the template and giving the person a name. It's often handy to create multiple personas so you can focus on the key characteristics of each subgroup of your intended audience. Reflect on your final collection to further define and differentiate key attributes of each individual profile.	Test your persona profiles with some team leads to see if they associate with the personas and/or recognize staff members in them.	Review the personas again as you reconsider your empowerment strategy. Don't assume they stay the same as your company and your people evolve.

TIPS + TEMPLATES IN PRACTICE: PERSONA FOR BTPN AGENT

PERSONA #1
On the Verge
Almost endless energy and possibilities; focused on short-term consumer desires.

"Rafi"

Age: 16

Income: 30,000 - 40,000 / day

Occupation: Employed in a market stall selling pens

Family: Parents and sibling in another city, lives with his boss in Jakarta

Notions of value: Comfortable with money in a bank or with family, but also places importance in visible demonstrations of status like clothes, watch, shoes, phone, etc.

Dreams: Specific dreams of immediate consumer goods, more vague dreams of the future

What a bank is for: Someone who has money, is established, trustworthy, and improving their lot in life

Unbanked

Source: Project Bertumbuh, by frog and Dalberg for BTPN and CGAP.

TEMPLATE FOR PERSONA PROFILE

1. Demographics and Context

NAME:

AGE:

JOB TITLE:

TIME IN THE JOB:

FUNCTIONS:

FULL TIME/PART TIME:

REPORTING TO:

PEOPLE MANAGED, e.g., other managers, front line staff, employees that do not have regular contact with customers, agents:

DREAMS OF: What drives me in life?

PERSONAL AND PROFESSIONAL STYLE: What traits define my personality, the way I approach my work and the management of others?

2. Ability

DECISION-MAKING AUTHORITY. How much decision-making power do I have, e.g., I define what the strategy will be, I have significant influence over how my team implements strategy, I have significant control over how I implement the tasks/responsibilities I have been assigned, I do what I am told?

RESOURCES. What kind of information, tools, understanding, and/or expertise do I possess or already have access to?

INFLUENCE AND VOICE. Who, or what processes, am I in a position to influence? To what extent or in what ways is my voice heard?

3. Engagement

PROFESSIONAL GOALS. What are my short-term and long-term goals?

ATTITUDE TOWARD CHANGE. How comfortable am I with new material and projects? What would influence me to try something new?

PROFESSIONAL ASPIRATIONS. How do I want to influence my organization? How do I want to grow my career?

MOTIVATION. To what extent is my motivation intrinsic or extrinsic? How much do I value financial versus non-financial rewards? Would I choose to empower myself, given the opportunity?

EMPOWERMENT OF OTHERS. What efforts do I currently make to enable and motivate customers? How successful have these efforts been?

4. Assets/Challenges

PROFESSIONAL ASSETS. What assets do I bring to my job?

PAIN POINTS. What challenges do I face in the execution of my job?

5. Customer-Centric Qualities

HOW DO I SCORE ON CUSTOMER-CENTRIC QUALITIES? (0 = LOW, 5 = HIGH)

Empathy	0_____5
Problem-solving	0_____5
Communication	0_____5
Collaboration	0_____5
Service	0_____5

TIP: Once you complete your persona(s) based on the qualitative and quantitative research material you and your organization have, check if the personas resonate with actual employees and agents. Interview a few and see if managers see employee and agent profiles reflected.

3. Employee and Agent Surveys

LEVEL OF INTENSITY: 3

The more committed you are to the empowerment of your employees and agents, the better you'll want to understand their current abilities, engagement, and context. A cost-effective way to do this is through surveys. The surveys may be individual or team-based, public or anonymous, manual or electronic. Three types of surveys that can help you dig deeper to diagnose your current situation are summarized below.

SURVEY TYPE	1	2	3
Measures what:	Ability	Engagement	Context
Examples:	Training needs assessment Competency mapping	Employee or agent satisfaction survey Engagement survey	Organizational climate survey
Use it when:	You know certain behavior needs to change, but you're not sure what skills to strengthen in order to effect that change	You want to inspire people to do more than they do today	You want to prepare people for change, or address misalignment between individual and organizational values
Use it to:	Assess specific gaps between ideal capacity and actual capacity (gap analysis)	Understand what's limiting people's willingness to improve customer experience	Explore how your organization's culture is affecting the resources that people have access to

Time: 30 minutes to 1 hour (for survey)
Roles: Administered by senior management/departmental management; all employees and agents
Materials: Pre-existing survey, survey template, or *sample survey questions*[37]

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37. https://www.custominsight.com/

The process of administering an employee or agent survey is fairly standard, regardless of the specific type of survey you wish to administer.

STEP 1:	STEP 2:	STEP 3:	STEP 4:
Identify the target group you're trying to understand better.	Adapt an existing survey so it's appropriate for your target group, or create a new one to meet your needs. See References below for four different survey ideas.	Gather and analyze survey results; share with those who completed the survey and with others in the organization, as relevant. The more sensitive the results are, the more helpful it may be to anonymize them.	Use results to inform your plans for facilitating employee and agent empowerment.

TIP: The same survey can be used multiple times to measure changes in ability, engagement, or climate over time. It can help you assess whether the investments you've made in employee and agent empowerment have been effective.

TIP: Discussing the results of any survey together with employees and agents can build trust and facilitate collaboration as you co-create goals and commit to shared values and attitudes.

Sample Survey Questions and Questionnaires[38] from HR-Survey

Employee Engagement Survey[39] from Custom Insight

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38. http://www.hr-survey.com/EmployeeSurveyQuestions.htm

39. https://www.custominsight.com/

Sample Agent Job Satisfaction Survey[40] from MetricNet

Gallup Q12[41] Employee Engagement Survey

TIPS + TEMPLATES IN PRACTICE:
PIONEER MICROINSURANCE EMPLOYEE SATISFACTION SURVEY

Pioneer Microinsurance offers a clear example of a satisfaction survey. It uses both quantitative and qualitative questions for a more complete picture of where each employee and agent stands. Including qualitative survey questions allows you to get specific details that are more difficult to capture with a strictly quantitative questionnaire.

40. https://www.metricnet.com/agent-satisfaction-survey/

41. https://q12.gallup.com/public/en-us/Features

4. Performance Metrics

LEVEL OF INTENSITY: 2-3

Performance metrics can help you measure the ability and engagement of your employees and agents. You can also use some of the tips and illustrative metrics to measure the effect of specific empowerment interventions on your people, customers, and organization. Depending on your goals, this can help you determine which of your employees and agents need further interventions and which have responded as you had hoped. Organizations that manage the transition to a customer-centric business need to adapt metrics, monitoring, and appraisal to align with the customer-centric vision. These tips and illustrative examples can inspire you to do so.

USE IT WHEN:

- *Testing an intervention.*
- *Planning performance management.*
- *Reviewing and monitoring performance.*
- *During appraisal of employees or agents.*

USE IT TO:

- Identify metrics to test the effect of empowerment interventions on your people, customers, and organization.
- Get inspiration for metrics that help you measure ability and engagement of employees in diverse parts of the organization.
- Clarify goals and measures for each job and department to be customer-centric and achieve business milestones for the year.

Time: 1-2 hours per employee
Roles: Administered by senior management/departmental management; all employees
Materials: List of organizational goals, and functional and departmental goals

http://www.balancedscorecard.org/BSC-Basics/About-the-Balanced-Scorecard

STEP 1:

Determine the type of metrics you want to focus on. Usually you'll want a combination of metrics that measure effort (e.g., inputs such as actions or activities) and outcomes (indicating change that occurs as a result of actions). Especially in the beginning – as you're putting the basics in place for empowerment – it's ok to focus on input measures, e.g., has everyone passed the onboarding? As you progress, the emphasis may shift more toward output and outcome measures, e.g., employee retention and increased customer satisfaction. Align the metrics to the goal or key results area you choose to focus on. You may have two or three metrics for each goal.

STEP 2:

Choose a number of metrics and a format. This will depend on the size of your intervention and what performance management practice exists in the organization. For smaller interventions and quick tests, just pick a few indicators (not too many) that you want to monitor. For example, if you're trying to improve a feedback loop with your people, measure the number of times an employee or agent reaches out to you for a conversation and the quality of the information exchanged. In more complex interventions you may want to use a more structured format.

If your organization uses a balanced scorecard (BSC), which is typically organized into four categories – Financial, Customer, Processes/ Operations, and Learning/ Development – you can integrate metrics in each category that reflect engagement and ability. Another way to organize may be by the customer segment for which you intend to generate value.

STEP 3:

Decide whether you want to give different weights to key results areas or goals. You can give weights to sets of metrics depending on your priorities and/or the change you would like to emphasize for a specific intervention or in a specific year.

In a classic BSC, weights tend to be equal (25 percent per category) but you can determine this. A rule of thumb is that no one category should weigh less than 10 percent or more than 40 percent.

Illustrative list of metrics for initiatives that empower employees and agents:

FOR EMPLOYEE EMPOWERMENT
- Employee engagement
- Customer feedback
- Attrition/retention
- Working hours of employees – average per week/month
- Number of training hours on customer centricity programs
- Number of all staff meetings held and employees attended
- One-on-ones with manager
- Number of recognition mechanisms used
- Number of hours leaders spent in the field with teams
- Exit interview scores
- Number of leaders trained in managerial effectiveness
- Percent fulfilment of a calendar of communication events

FOR AGENT EMPOWERMENT
- Agent engagement
- Attrition/retention
- Hours open for customers
- Number of customers served, transactions
- Depth of relationship with customers (customer activity as proxy)
- Customer feedback
- Commissions
- Number of training hours on customer centricity
- Number of touchpoints/engagements with peers
- One-on-ones with supervisor
- Number of recognition mechanisms used

TIPS + TEMPLATES IN PRACTICE:
PIONEER MICROINSURANCE BALANCED SCORECARD

This is an illustrative list of metrics for Pioneer Microinsurance using a BSC approach where several employee empowerment metrics are included under Learning and Innovation.

FINANCIAL	• Percent renewals/percent customers dropped off after year one • Revenue by customer segment • Cost to serve customers by segments • Customer lifetime value/customer profitability
CUSTOMER	• Customer engagement score by segment/partner • Net promoter score • Average number of products per customer
PROCESS/ OPERATIONAL	• Service level agreements at customer touchpoints within the journey • Customer complaints (number and time to resolution) • Time to claims/ageing of claims pending (number of days) • Enrollment to proof of cover time
LEARNING AND INNOVATION	• Percent of employees involved in customer centricity projects • Percent of employees who have undergone training in customer-centric skills/behaviors • Number of internal trainers in customer centricity/customer centricity champions certified

Source: CoCoon and Quicksand, Pioneer Microinsurance Customer-Centric Culture Building Project with CGAP.

Below is a sample of metrics for different types of functions within Pioneer Microinsurance and an illustrative list of metrics for sales, organized using the balanced scorecard approach.

SALES	CLAIMS	OPS AND ADMIN

• Number of lives insured
• Penetration – customer/partner
• % growth- as part of the partner's business (volume and value)
• Number of new partners
• Number of active partners
• Number of profitable partners
• % revenue from new products/ partners
• ROI from customer experience projects
• Campaigns/partners or customer segments ROI
• Number of customer facing projects and/or new products per partner
• Portfolio quality/partner
• Review frequency with partner
• % employees who have completed onboarding
• Training days on customer centricity
• 1-1s with employees - completion rate
	• Cost of claims- reduction
	• Turn Around Time – claims, denial letter
	• Accuracy – documentation; Regional office versus claims specialist
	• % settlement online vs manual
	• SLA achievement – internal (with accounts)
	• Automation of processes - % completion
	• Partner migration to online system %
	• Complaints' time for resolution
	• % reduction in complaints
	• Ageing of claims (in buckets)
	• Collaboration projects with partners – numbers + outcomes
	• % employees who have completed onboarding
	• Training days on customer centricity
	• 1-1s with employees - completion rate
		• Productivity metrics for MIC, MIS and PROs
		  • TAT for enrollment and claims forms being entered into the system
		  • Number of productive MICs – customer visits or center meetings per day/week
		  • Number of productive MISs
		• % employees who have complete the onboarding
		• Training days on customer centricity
		• 1-1s with employees- completion rate

Source: CoCoon and Quicksand, Pioneer Microinsurance Customer-Centric Culture Building Project with CGAP.

5. Journey Mapping Tool for Agents and Customer-Facing Staff

LEVEL OF INTENSITY: 2-3

A journey map is a tool that captures and communicates an employee or agent's journey through a process or service experience, such as enrolling a customer or dealing with a customer complaint. Journey maps are typically generated for each user persona you create for your target employees and agents (see T+T 2, Employee or Agent Persona Profile, page 76). Like personas, journey maps are best done as a group activity that captures knowledge from various customer-facing employees within your organization, such as sales agents or call center staff. By creating a journey map, you'll gain clarity on what your employees and agents do, how they think, and what they feel when they interact with your product or service. You'll discover workarounds they've come up with and flaws in your processes.

USE IT WHEN:	USE IT TO:
• Identifying pain points. • Revisiting during strategy sessions. Use this tool to keep the employee or agent at the center of the discussion.	• Illustrate in a visual manner where experiences break down.

Time: 2-8 hours
Roles: 2-4 collaborators
Materials: Template for Employee or Agent Journey Mapping (below), pens, paper, and sticky notes

STEP 1:	STEP 2:	STEP 3:	STEP 4:
Stages	**Touchpoints**	**Qualitative customer data**	**Moments of truth (highs and lows)**
Consider the journey you want to characterize with your journey map, e.g., enrolling a customer, dealing with a customer complaint, and the employee or agent personas you wish to target. The journey should be unique to a specific segment. *Who are your employees/agents and what's the context of their engagement with you? What do you do for them and what can they do for you? What are they trying to achieve?*	Identify employee or agent touchpoints with your organization and the customer along the journey and map them through each stage, as defined in Step 1. Describe what your employee or agent is doing at each touchpoint. Rule of thumb: a good journey map reveals opportunities; too many touchpoints and it may lose focus, too few and you may not have enough data points to work with. *At which points does your employee or agent interact with your organization? Which channels do they come through? What happens each time they interact? Who in your organization delivers the service – and how?*	Describe your employee or agent's thoughts and feelings at each touchpoint along the journey. *What concerns, considerations, and emotional responses does your employee or agent feel at every step? What would you like them to feel?*	Finally, once you've mapped out the journey, identify key interactions that may provide opportunity for intervention. *What are important points along the journey that most affect your relationship with the employee or agent? Are there any significant gaps in their journey? Bright spots? Prioritize those that you consider to have the biggest impact on improving the end customer experience in a sustained way.*

Once you've established the overall journey, define distinct stages of the process. For example:

STAGES OF AN AGENT'S EFFORT TO ENROLL A CUSTOMER MIGHT INCLUDE:

1. Find potential customers and assess their needs
2. Raise customers' awareness of your solution for them
3. Onboard customers, including arranging paperwork
4. Pass information on customer to your organization
5. Provide customer with confirmation of enrollment

STAGES OF A CALL CENTER STAFF MEMBER'S EFFORTS TO DEAL WITH A CUSTOMER PROBLEM MIGHT BE:

1. Listen to the customer
2. Understand the customer's problem and find a solution
3. Consult relevant department(s) to help solve the problem
4. Inform the customer of the solution and the time it may take to resolve
5. Follow up with the customer to see if the issue has been resolved
6. Log the problem for internal process improvements

TEMPLATE FOR EMPLOYEE OR AGENT JOURNEY MAPPING

Employee or Agent Journey Map

1a. CONTEXT:

1b. STAGES What are the stages of the journey?	1.	2.		3.	4.	5.	6.
2. TOUCHPOINTS What is your employee or agent doing at each touchpoint throughout the journey?							
3a. EMPLOYEE OR AGENT THOUGHTS What is your employee or agent thinking at each touchpoint?							
3b. EMPLOYEE OR AGENT FEELINGS How does your employee or agent feel at each touchpoint?							
4. MOMENTS OF TRUTH What positive and negative experiences occur throughout the journey?							

For journey mapping in practice, see the AMK Agent Journey Trigger Map.[42]

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42. http://customersguide.cgap.org/sites/default/files/resource/2018/06/AMK-Agent-Journey-Map.pdf

6. Agent Performance/Float Tracker

LEVEL OF INTENSITY: 2-3

The Agent Performance/Float Tracker helps managers who want to help their agents solve liquidity problems. It captures basic agent data, including cash in/out, number of registrations, and number of times agents had to close per month due to no float. Agents and their managers can use the tracker to analyze trends in float management over time (quarterly, seasonally, before/after major holidays) to equip well-performing agents with sufficient e-float to avoid shortfalls that hamper customer transactions. It may also help low-performing agents overcome issues in liquidity, enabling managers to identify areas of inability or low motivation impacting performance.

USE IT WHEN:	USE IT TO:
• *When an agent begins work.* Use this tool to track performance from the beginning. • *When an agent complains of liquidity trouble.* Use it to understand the source of an agent's liquidity issues. • *When an agent doesn't perform as expected.* Use it to determine if liquidity issues are one of or the main cause of underperformance.	• Uncover issues of chronic low float. • Allow agents to track their own performance and uncover trends in usage/needs. • Allow managers to track agent performance and provide support to agents with liquidity issues. • Troubleshoot liquidity problems in a low-tech, manageable format before making an investment in a more robust, automated system.

TIP: Discuss with your agent how best to use the tracker. The agent can use it on their own or you can use it together. Either way, review the tracker together on a call or in a meeting to clarify each column and make sure you're both using the same sources to capture the same information.

Time: 10 minutes per day (for filling out); 1 hour (for monthly analysis)
Roles: All agents and supervisors
Materials: Template for Agent Performance/Float Tracker (below), pen, and calculator/computer

TEMPLATE: AGENT PERFORMANCE/FLOAT TRACKER (EXCEL FILE)[43]

Source: *MicroSave.*

43. https://customersguide.cgap.org/sites/default/files/resource/2018/05/Agent-Performance-Float-Tracker.xlsx

7. H.E.A.T.: Customer De-escalation Tool

LEVEL OF INTENSITY: 1

This activity is meant to help your employees and agents practice defusing a tense customer interaction. When something goes wrong and a customer has strong emotions, it's important for staff to be able to navigate the interaction without adding to the customer's anxiety. The H.E.A.T. method is a well-known and documented approach to providing excellent customer service. This activity enables your employees and agents to ensure that the angry customer walks away feeling heard and knowing that their problem is being addressed.

USE IT WHEN:

- *During employee and agent training.* This activity can be used in every training and retraining.
- *You see employees and agents struggling with some customer interactions.* This activity can be used to address specific problems.

USE IT TO:

- Build communication skills of employees and agents.
- Help your employees and agents think through how to solve a problem with a customer.
- Address specific instances of customer distress.

Time: 30 minutes to 1 hour
Roles: Supervisor and trainees or team members
Materials: Scenario ideas and a positive attitude

STEP 1:	**STEP 2:**	**STEP 3:**
Provide your employees and agents with a scenario of an angry customer interaction. Alternatively, ask them to provide examples of when they dealt with angry customers – or when they themselves were angry customers.	Use the **H.E.A.T.** method to work through the example of a customer complaint with your employees and agents:	Once you've internally gone through the process and role-played a few times, ask your employees and agents to practice the four H.E.A.T. stages in the field. Have a follow up meeting (in three or four weeks) to see how they got on.

1. HEAR your customers

Allow your customer to share their story without interruption. This can be difficult, but it is very important for the customer. Make eye contact while listening to demonstrate you are engaged with them.

When they have finished, repeat back to them their core complaint. "I hear you say…." Stay unemotional and repeat back using the customer's words; do not paraphrase.

2. EMPATHIZE

Reflect your customer's feelings and do not judge them. Put yourself in their place and imagine how frustrated or angry you might be in the same scenario. Do not dismiss their emotions by telling them they shouldn't feel so angry or frustrated. It is natural to want to defend yourself when you feel you're being accused of something you didn't do or had no control over. However, this will only cause the situation to escalate, and more importantly, misses the point of the interaction. Your customer is telling you something. Try to listen. Stay calm. Tell them: "You must be frustrated/angry. I understand it must be extremely upsetting for you to have….[whatever their issue is]. "

3. ACKNOWLEDGE the problem

This is the most critical step. You must acknowledge the problem and admit fault, if applicable. By telling your customer that you see their problem, you will instantly defuse the situation. Say: "I'm sorry we didn't do what we said we would do [or whatever is applicable to the issue]." If you have heard other customers complain about the same issue or if you are also frustrated, say this, too. "Others have also brought this issue to my attention/I, too, am frustrated by this slow process, etc."

4. TAKE action

Communicate a realistic plan of action. What actually is in your power to do? Commit to following up with the customer. Tell them: "I will contact my supervisor immediately/I will call the help line by the end of today to report this issue/I see my agent supervisor on Thursday, I will discuss it with them then." It is critical that when you promise to follow up with the customer, you do so.

TIPS + TEMPLATES IN PRACTICE: ANGRY CUSTOMER SCENARIOS

Scenario 1:

It is a very busy day at your branch. You, as the branch manager, have been playing catch up all day and you're exhausted. Near the end of the day, a customer comes bursting into your branch. She is clearly angry as she stomps up to your desk. She slams her hands on your desk as she says, "I have been waiting a week to hear about my loan approval. Your loan officer told me I would hear back in two days. What is taking so long? I have been a client for a year! Why am I treated with such disrespect?!"

You: *(Standing up and coming around to the same side of the desk as your customer.)* "Good afternoon, Madam. You sound frustrated. I hear you say that you were told your loan would be approved in two days but it has been a week and you're still waiting on it. Is that right?"

Customer: "Yes! I have been waiting days with no word! I need that money to pay my suppliers. Without it, I cannot buy my inventory to run my business!"

You: *(Making eye contact and nodding your head.)* "I see how aggravated you are. You need that loan to pay your suppliers to run your business. I would be furious, too. You are right that you are a valued customer and do not deserve to be treated this way. I'm so sorry that you were told you would hear back in two days and are still waiting. That is unacceptable. While not a common occurrence, this does happen on occasion. Here's what I can do for you. If you will give me the name of your loan officer, I will call them now to find out the status of your loan. It is nearly close of business, so I might not be able to resolve this issue today. First thing tomorrow I will personally take over your loan process to its completion. I will give you a call by noon to give you an update on your status. Please give me your phone number, just to ensure I have it. How does that plan sound to you? Again, I'm so sorry for the frustration this has caused."

Customer: *(Visibly more at ease.)* "Thank you. That sounds good."

Scenario 2:

Read the scenario below and discuss how it might have played out differently had the loan officer used the H.E.A.T. model.

Imagine one of your customers did not make his payment. The loan officer made a phone call to the customer and asked him to repay. The customer said he had some cash flow issues and couldn't repay. In addition, the customer said his son did not feel well and he needed at least five days before he could come to repay. The loan officer urged him to repay now (because the loan officer would lose a bonus at the end of the month if the customer didn't repay). But the customer once more said he couldn't do it now. The loan officer, angry, decided to call the guarantor and reported that the customer is not making the required repayment and as a guarantor he bears the responsibility to pay. The guarantor called the customer and told him that he is putting him in a bad situation because the bank is calling and bothering him and asking him to make repayment. The customer, furious, borrows money from a relative who owed him money for some time, comes to the office, almost fights with the loan officer, makes repayment, and leaves the institution. The customer is angry, cursing the day he ever entered the microfinance office.

Source: FINCA Development Academy learner's workbook.

8. Managing Your Mood

LEVEL OF INTENSITY: 1

We all know what it's like to interact with someone – a manager or a customer service representative – when they're in a bad mood. At best it's confusing and at worst you walk away, vowing to never return to the establishment. Similarly, this is how your customers (internal and external) may react when you or your employees and agents are feeling bad, uncomfortable, or distracted. Finding ways to stay present and create warm, engaging interactions with customers benefits both your organization and your customers. Following are two techniques you can use, together with your employees and agents, to learn how to reflect on what they are feeling and boost their confidence.

1. **P**ause, **R**eflect, **C**hoose (PRC): a well-known coaching tool aimed at helping individuals shift away from reflexive reactions that are no longer effective to more productive reactions.
2. Power poses: various physical poses that have been shown to alter brain chemistry to boost confidence and calm.

USE IT WHEN:

- *During empathy training.* Use the PRC activity to provide guidance for employees, agents, and managers.
- *You want to change the way you react to your employees and agents.* Use either technique to change your behavior.
- *You want to change the way your employees and agents react to customers.* Use both techniques to help change behavior of your employees and agents.

USE IT TO:

- Learn and practice self-reflection.
- Build empathy skills.
- Build confidence.
- Develop effective communication skills.
- Focus on the behaviors you want your employees and agents to use with customers and each other.

Time: 10-15 minutes
Roles: Supervisor and team
Materials: Questions described above and a rational mind

STEP 1:

Describe PRC and the power poses to your staff. Have them discuss examples of when they lost their temper or when they were intimidated by a situation.

STEP 2:

Practice PRC together. Using an example from your staff, practice using the **P**ause, **R**eflect, and **C**hoose steps. Remind them that these steps should be used as soon as you are aware that you are experiencing a strong emotional reaction. You may notice your heart race, your shoulders tense up, and/or your palms sweat. The following PRC steps interrupt these biological reactions and help you make decisions using your rational mind.

STEP 3:

Check in with your staff to see whether and how they used the tools in the field.

1. PAUSE

Notice your reaction, take a deep breath, and relax your eyes and knees. Ask yourself:

- What just happened?
- What is causing my reaction?
- What is important right now?

2. REFLECT

Reflect on why you're getting upset about what is being said or done.

3. CHOOSE

Choose the best reaction based on your values and your organization's values that you want to embody to move the situation toward resolution.

+ "Using the PRC (Pause, Reflect, Choose) tool, I am now able to manage and control my moods and this has enabled me to become a better person. The course has also helped me to improve relationships with both internal and external customers. I now focus on the CX behaviors and I evaluate myself to ensure that I live up to them." — FINCA manager

TIPS + TEMPLATES IN PRACTICE: MOODY MANAGER SCENARIO

After reading the scenario below, discuss three actions Sam must complete in order to rebuild trust within his branch. The actions can be pulled from T+T 8, *page 95, or be based on customer-centric values and attitudes as found in the* Employee and Agent Empowerment Toolkit Resource 2[44] *and support and dialogue practices as found in* Resource 4.[45]

Sam is a branch manager of a small branch. He is moody and his team never knows how he'll be day by day. Sometimes he seems interested in his staff but other days he is withdrawn, doesn't say hello, or seems upset. He is not transparent with information about business operations or his vision, and his staff has become accustomed to the fact that he sometimes provides misinformation.

His team of ten is anxious and branch operations are disorganized because staff is missing consistent information. The branch's productivity is the lowest in the subsidiary.

Source: FINCA Development Academy.

Dr. Amy Cuddy's TED Talk,[46] TED interview[47] with Dr. Cuddy, and Cleveland Consulting Group.[48]

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44. https://customersguide.cgap.org/sites/default/files/resource/2018/07/CGAP-Employee-Agent-Empowerment-Toolkit.pdf, page 94

45. https://customersguide.cgap.org/sites/default/files/resource/2018/07/CGAP-Employee-Agent-Empowerment-Toolkit.pdf, page 110

46. https://www.ted.com/talks/amy_cuddy_your_body_language_shapes_who_you_are

47. https://ideas.ted.com/inside-the-debate-about-power-posing-a-q-a-with-amy-cuddy/

48. http://www.clevelandconsultinggroup.com/articles/pause-reflect-choose.php

9. Empathy Story Mapping

LEVEL OF INTENSITY: 1

Empathy is the ability to perceive or connect with another person's emotions and experience. An empathy story map is a place to recount a time when the storyteller observed or personally experienced an empathetic interaction. The stories are intended to capture specifics on what made the experience empathetic and how those skills or attitudes can be used again in the future. Stories can be saved and retold during periodic trainings or team meetings.

USE IT WHEN:

- *During the onboarding process.*
- *During periodic refresher trainings.* Just like lifting weights, empathy requires patience and repetition.
- *An employee or agent needs to work on this skill.* Use this tool periodically during regular team meetings or one-on-one with an employee or agent.

USE IT TO:

- Practice empathetic behavior and provide feedback to your employees and agents.
- Provide a social setting in which to learn and practice this new skill.
- Gather stories to be used during trainings.

STEP 1:

Ask your employees and agents to fill out the Empathy Story Map Template (below).

STEP 2:

Pick a few people to share their stories out loud with the team. Facilitate a short discussion around each story to draw out the specific actions that exemplify empathy.

STEP 3:

Save the stories for future use.

Time: 30 minutes to 1 hour
Roles: Supervisor and team, or HR head and new employees and agents
Materials: Empathy Story Map Template (below) and writing implements

EMPATHY STORY MAP TEMPLATE

NAME:	DATE:

Please share a story, in as much detail as possible, of an instance at work in which you felt someone acted with empathy. This can be something you have done yourself or something you observed a colleague doing.

Empathy is the ability to perceive or connect with another person's emotions and experience.

WHO WAS INVOLVED?

WHERE DID IT HAPPEN?

WHAT WAS THE ISSUE?

WHAT WAS THE OUTCOME?

Source: Inspired by Quicksand.

TIPS + TEMPLATES IN PRACTICE:
EXAMPLE FROM PIONEER MICROINSURANCE STAFF

NAME: Melinda Santos

DATE: July 4, 2017

EMPATHY STORY MAP

Please share a story, in as much detail as possible, of an instance at work in which you felt someone acted with empathy. This can be something you have done yourself or something you observed a colleague doing.

WHO WAS INVOLVED?
The case involved a LBF member who filed for a death claim for her husband. The group leader, who happened to be her sister-in-law, was also engaged and insisting on the benefits due her.

WHERE DID IT HAPPEN?
While we were doing prototype testing of LBF marketing collateral, namely Proof of Cover, Poster, Orientation Kit, and Radio Serye on its selective units in Cagayan de Oro, Unit Manager of Jasaan Unite requested a reinforcement since they were summoned by the claimant for not settling its benefits due, so we rushed our way to Upper Jasaan Barangay Hall, Misamis Oriental, to talk to our claimant and understand the situation.

WHAT WAS THE ISSUE?
Communication on program benefits and provisions was the main issue. The member and her sister-in-law thought that there's no difference at all since 2013 up to present. According to LBF unit staff, they were able to explain the provisions highlighting the 6 months contestability for death claim to its new member and its respective dependents. Same term applies for renewing member of more than 30 days from its maturity date. Turned out the member only availed of the loan bundled with insurance because her husband was dying. Unfortunately, her spouse died within the 6 months contestability period. The benefit due her was Cash Assistance Benefit with expectation on the Death Benefit pay-out. However, it was denied due to anti-selection.

WHAT WAS THE OUTCOME?
At the Barangay Hall, the meeting was facilitated with its Barangay Captain. He emphasized the side of our member, based on her experience with LBF Lingap program. While the Barangay Captain was sharing her story, Nanay burst into tears expressing her sentiments about the loss of her husband, where to obtain finances for the funeral, and her future obligation for the children and other expenses for survival. When we internalized everything, it hit me that the amount intended for the death benefit is not enough for its current state of demand, even if we explained the technicality of the program provision that the claim is deniable due to the "6 months contestability period." Admittedly there was clearly a miscommunication in between so we ended our meeting with a call to action for Pioneer, which was to work on something to give as assistance without commitment on the exact amount. The Barangay Captain gladly agreed on it and assured the member that everything is going to be okay for Pioneer will find a way to help her out. Gradually, the member was beginning to smile at the potential assistance, saying a small amount will have a huge impact for me and for my children so we can restart ourselves with the hope of recovering. I immediately elevated the concern to Sir Geric along with Loui's recommendation for approval. After a few days, we paid an ex-gratia 50 percent worth of the death benefit. I called up Nanay just to confirm the receipt of the claim, I felt the tears of joy through her voice. She was truly grateful for the help Pioneer had given her and her family.

Source: Pioneer Microinsurance.

10. Clarity Around Roles

LEVEL OF INTENSITY: 1

This activity is meant to ensure your employees and agents know the roles of everyone within your organization. Clarifying roles of all team members (senior management to janitorial staff) builds trust and understanding as your employees and agents seek to navigate and troubleshoot their work situations. As you strengthen dialogue and support structures and practices, it is critical that your employees and agents know where to turn when they need help.

USE IT WHEN:	USE IT TO:
• *During onboarding and training.* This activity is optimally used with new hires but may also be used as a refresher. • *An issue arises that reflects a knowledge gap.* Use this activity during a team meeting.	• Establish basic understanding of organizational roles, with special emphasis on teams relevant to your employees' and agents' work. • Address knowledge gaps and increase confidence among your team. • Connect people across functions. • Establish a dialogue between your team and others within the organization.

Time: 15-30 minutes
Roles: Supervisor and team members
Materials: A place to sit and good company

STEP 1:	STEP 2:	STEP 3:
Ask your team members to share their thoughts on what they think other departments and teams within your organization do. As you listen, take note of where your team is right and where they might need further information.	Brainstorm why knowledge gaps exist within your team.	Test ways to strengthen these ties.
	Things to consider when facilitating this conversation:	

1. Think in terms of your employees' and agents' daily tasks. When do they need to reach out to tech support, to HR, to their agent representative? Ask them to share examples of when they've reached out to various departments.	2. Does their misinformation/lack of information reflect a lack of experience, confidence, or simply knowledge? Has something prevented them from learning everyone's role?	3. As your team contributes stories, share your own – tell a story about the last time you sought help from HR or your manager and why (keep your story focused on the process and on roles). *You could invite a representative from HR, one of your colleagues, your manager, etc., to your meeting.*	4. As you reflect on ways to strengthen ties across teams, consider a team newsletter/bulletin board feature introducing various colleagues, a WhatsApp group across teams, inviting other team members to present to your employees, or an organization-wide meet-and-greet event.

TIP: You may want to use this T+T in conjunction with <u>T+T 11:</u> Know Your (Internal) Customer (page 103), which aims to help you and your employees think about all your internal customers.

TIPS + TEMPLATES IN PRACTICE:
CLARITY AROUND ROLES AT OK BANK, PHILIPPINES

OK Bank, based in the Philippines, implemented a workflow management system that, among other things, trained staff to perform different tasks (sales, appraisals, approval, disbursement, documentation) and rotate through these jobs within their branches. This exposure greatly increased learning opportunities, helped staff become open to change, and enabled staff to acquire a wide range of skills. It also kept staff motivated, as they became part of the entire process rather than simply doing one piece of it.

Source: MicroSave.

11. Know Your (Internal) Customer

LEVEL OF INTENSITY: 1

The central tenet of customer centricity asks everyone in an organization to focus efforts around the lives and needs of external customers. This critical paradigm shift may cause people to forget the fact that they have customers inside the organization as well. Human resources, IT, accounting, credit processing – every department has internal customers in service of the broader mission of customer centricity. This activity aims to help you and your employees think about all your internal customers and keep top of mind the tasks or functions you should take responsibility for and who needs to receive what from you in order to fulfill their responsibilities.

USE IT WHEN:

- *During onboarding or a refresher training.* Use this activity to help new hires learn about or existing employees remember their internal customers.
- *After any organization-wide change.* Use this when departments or teams internally shift.

USE IT TO:

- Help employees know what role they play in support of your organization's overall goals.
- Help employees understand their role, particularly in relation to the colleagues they serve.
- Help employees avoid duplication of effort and efficiently seek support when they need it.

STEP 1:

Gather your team, department, or entire organization to complete the Who Are Your Customers Template below. Ask people to reflect on and list both the internal and external customers they provide service to and those they receive service from in their position. Write the positions and roles of these customers in the template below (it's not necessary to include names unless you choose to).

STEP 2:

Compare and contrast answers among teams – did some leave internal customers out? Help everyone think through all the people within the organization they serve.

STEP 3:

Using the list, brainstorm ways in which you and your employees can improve service to internal customers. *A possible follow-up step is to seek feedback from the customers themselves to gain concrete ways to improve.*

Time: 2 hours
Roles: Team lead and team members, department members, or entire organization
Materials: Who Are Your Customers Template (below) and a pen

WHO ARE YOUR CUSTOMERS TEMPLATE

Internal customers I/my team provides service to	Link internal customers role to external customer experience	External customers or customer groups I directly service
• *(Example: As a branch manager with employees and agents, I provide service to my area or division manager, accounting, credit risk assessment team, and IT.)*	• *(Example: Credit risk team directly impacts customers through providing loan officers with information on loan approval/denial.* • *IT supports customer experience through the provision and upkeep of all back-end technology and interfaces for customer experience, including games and tools used by customers for learning purposes.)*	• *(Example: As a manager of customer-facing staff, I directly service customer seeking banking services.)*

Source: FINCA Development Academy material.

12. 360-Degree Feedback

LEVEL OF INTENSITY: 3

A 360-degree feedback process is a method that involves many of the people working around you. It is not limited to feedback between you and your supervisor. It focuses on job performance, and, more importantly, on communication and interactions with peers and customers. It enables you to learn things about yourself from a range of people who may not otherwise provide you with feedback. Through these lenses, you'll get a fresh perspective on your strengths and weaknesses and gain a sense of accountability to those around you. This method allows everyone from the CEO to your newest agent to learn something new about how they interact at work, and constructive ways to improve both behavior in the office *and* customer experience.

USE IT WHEN:	USE IT TO:
• *During a performance review period.* • *After a new hire's probationary period is up.* • *The organization is undergoing a culture shift.*	• Provide constructive feedback and support to employees and agents. • Promote culture change and increase institutionalized dialogue and support mechanisms.

Many resources on creating and implementing 360-degree feedback reviews offer excellent ideas and advice. Here are some *Tips from Experts:*

• **Senior management gets a review, too.** Even the top leader has things to learn about his or her behavior. By participating in this process, they demonstrate the kind of attitude they want to see from the rest of the organization.

• **Feedback should be constructive, not personal.** Not only is it not nice to hear from someone that you're a bad dresser – it's not useful, either. Find ways to focus on behaviors and outcomes that the person on the receiving end can immediately use, change, or strengthen.

- **Have a post-review plan in place for everyone.** Everyone has read their reviews – now what? Prior to the 360-degree feedback process, have a plan for what employees and agents are supposed to do once they receive their review. Without follow-up, suggested changes will not occur.

- **Keep it confidential.** Honesty is critical in this process. You will not get it if employees and agents are worried that their reviews will be made public. Find a way to ensure that all feedback is anonymous and reviews are only seen by the reviewed.

- **Focus on strengths, not weaknesses.** Yes, we all have things we need to work on and it's important to visit these areas regularly in order to get better. However, it's a mistake to make this process exclusively about weaknesses. You'll find your employees and agents take to the process more readily (and more constructively) if feedback includes a clear focus on the things they're doing right as well.

Time: 30 minutes per person providing feedback; a few days for entire feedback process
Roles: Administered by senior management/departmental management; all employees and agents
Materials: Online or paper feedback form, pen or computer

Survey Monkey:[49] Tips on creating a 360-degree feedback survey that can also be used as a platform for designing and distributing the survey

Harvard Business Review:[50] Best practices for the 360-degree feedback process

Forbes:[51] Ways in which the 360-degree feedback approach may fail

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49. https://www.surveymonkey.com/curiosity/360-employee-feedback-survey-example/

50. https://hbr.org/2012/09/getting-360-degree-reviews-right

51. https://www.forbes.com/sites/ericjackson/2012/08/17/the-7-reasons-why-360-degree-feedback-programs-fail/ - 18ba2d29279d

13. Sharing Feedback and Development Dialogues

LEVEL OF INTENSITY: 1

Sharing feedback in an effective and helpful manner is critical for dialogue and support to work the way you intend. As you prepare for and deliver feedback, keep in mind the three tips below. Good feedback conversations lead to insights that help people move forward and focus on all dimensions of achievement. These conversations allow for reflection and are, importantly, a two-way dialogue.

USE IT WHEN:

- *Regularly.* Use these tips when you have an opportunity to engage directly with your employees and agents. Providing feedback is not a once-a-year event.
- *At particular intervals or incidents.* Providing feedback during transition periods or when issues occur can be constructive and allow for learning at critical junctures in an employee or agent's career.

USE IT TO:

- Understand your employee or agent's situation and context.
- Provide opportunities for your employees and agents to raise issues, ask questions, and ask for support.
- Identify areas for improvement.
- Establish your expectations for your employees and agents.

Time: Any time you can both set aside
Roles: Supervisor and employee or agent
Materials: A quiet space to talk confidentially

THREE TIPS TO BE MORE EFFECTIVE IN SHARING FEEDBACK

1. Listening is key.

2. Use open-ended questions that lead to reflection and insight. Some examples:

- What was the best part of the quarter, and why?
- What did you find most energizing and satisfying?
- What could have gone better for you in the quarter?
- How often were you stretched – and how did you feel?
- Is there something that you could have done differently?

3. Use a simple model to give feedback that is specific, helpful, and easily understood.

WHAT GREAT LISTENERS ACTUALLY DO — HBR
JACK ZENGER, JOSEPH FOLKMAN

1 ASK QUESTIONS THAT PROMOTE DISCOVERY and INSIGHT
TWO WAY DIALOG → CONSTRUCTIVE

2 INTERACTIONS THAT BUILD SELF ESTEEM
CREATE A SAFE ENVIRONMENT TO OPENLY DISCUSS ISSUES/ DIFFERENCES

3 A CO-OPERATIVE CONVERSATION
FEEDBACK FLOWS IN BOTH DIRECTIONS
CHALLENGE/DISAGREE WITHOUT MAKING OTHER PERSON DEFENSIVE

4 MAKE SUGGESTIONS SKILLFULLY
THAT OPEN UP ALTERNATIVE PATHS

GOOD LISTENER IS NOT A SPONGE THAT ABSORBS BUT A TRAMPOLINE TO BOUNCE IDEAS OFF!

LEVELS of LISTENING
1 CREATE A SAFE ENVIRONMENT To DISCUSS
2 CLEAR AWAY DISTRACTIONS AND MAKE EYE CONTACT
3 UNDERSTAND THE SUBSTANCE ASK QUESTIONS, CONFIRM
4 OBSERVE NON-VERBAL CLUES 80% OF COMMUNICATION
5 UNDERSTAND EMOTIONS & FEELINGS ABOUT TOPIC EMPATHIZE
6 HELP OTHER PERSON TO SEE ISSUE IN DIFFERENT LIGHT

Sketchnote by: Tanmay Vora | @tnvora | QAspire.com

Context	Behavior	Outcome
When you're giving feedback, first define the "where and when" of the situation you're referring to. This puts the feedback into context and gives the other person a specific setting for reference. For example: *"At the customer meeting yesterday…"* or *"During the team meeting yesterday…"*	The next step is to describe the specific behaviors you want to address. This is the most challenging part of the process because you must communicate only the behaviors you've directly observed. Do not make assumptions or subjective judgments about those behaviors. For example: *"At the customer meeting yesterday, you ensured that the meeting started on time and that everyone had handouts in advance. All of your research was correct, and each of the client's questions were answered."* or *"During the team meeting yesterday, you were uncertain about two of the slides and your sales report had some incorrect data."*	The last step is to use "I" statements to describe how the other person's action has affected you or others. For example: *"At the client meeting yesterday, you ensured that the meeting started on time and that everyone had handouts in advance. All of your research was correct, and each of the client's questions was answered. I'm proud that you did such an excellent job and put the organization in a good light. I feel confident that we'll get the account, thanks to your hard work."* or *"During the team meeting yesterday, you were uncertain about two of the slides and your sales report had some incorrect data. I felt embarrassed because the sales and finance heads were there. I'm worried that this could affect the reputation of our team."*

After providing feedback in a specific manner, it is equally important to get beyond it to find a solution to improve the behavior/performance of the individual, especially in the case of developmental feedback.

Share	Solution	Support
Once feedback has been given, allow the receiver to share how they feel having received the feedback and allow them to explain their point of view. For example: *"How do you feel about what I've just told you?"* or *"Please share with me your feelings on this matter."*	Ask for a solution from their side and offer suggestions for solutions in case they are unable to come up with any. For example: *"How would you feel about a dry run within our team before the actual presentation?"*	Offer support and guidance for the future and end the conversation on a positive note. For example: *"I would be happy to help you out for the next two meetings and work with you to ensure that you're able to handle this independently thereafter."*

Source: CoCoon and Quicksand, Pioneer Microinsurance Customer-Centric Culture Building Project with CGAP.

14. Co-Creating Performance Goals

LEVEL OF INTENSITY: 1

This individual activity is intended to help you collaborate with your employees and agents on their professional goals. The process helps everyone agree on objectives that help them grow, in ability and engagement, while also meeting organizational targets. It also ensures that employees and agents have a sound understanding of how their actions benefit their customers. Goals and targets are most often cascaded to last-mile employees. In that case, this activity may be more about alignment and helping them accept and commit to goals. Similarly, with agents, while this dialogue focuses on persuading and motivating them to take on stretch goals, it also gets them to participate in the process. Developing goal templates allows agents and employees to indicate the result areas in which they have to take on targets.

USE IT WHEN:

- *During the annual performance review process.* Use this activity when you and your employees and agents are thinking about the upcoming year.
- *During onboarding.*
- *When a person has moved positions or been promoted.*

USE IT TO:

- Provide opportunities for your employees and agents to influence the future or take on more autonomy.
- Understand where your employees and agents see themselves in the future.
- Establish your expectations for your employees and agents.

Time: 1-2 hours preparation, 30 minute conversation
Roles: Supervisor and employee or agent
Materials: Place to capture goals, pen, vision of future

STEP 1:

Establish a list of goals you and your employee or agent want to achieve in the coming year.

Think about each employee or agent with whom you'll meet. Create a list of their accomplishments and the areas you think they need to work on. Keep it handy as you have your conversation.

Have them come prepared with a list of accomplishments from the previous year and personal goals for the next year. Compare their list of personal goals with their list of achievements. Ask: What are you most proud of? Where could you improve and how? How do you see your future goals building off the past year's accomplishments?

Where possible, encourage employees and agents to search for opportunities to assume greater control. During this process, consider sharing your own performance goals as a way to spark ideas and promote freedom of expression.

As you work through accountability mechanisms, include ways in which you both prefer to be held accountable – frequent check-ins, organization-wide presentations, WhatsApp group updates, etc.

STEP 2:

Map out a plan that incorporates achievable metrics as well as parameters of accountability. Be certain that you both walk away with clear roles and expectations. You may want to turn the outcome of the conversation into a clear visual, e.g., a scorecard that connects individual goals with business goals.

Don't wait until the following year to assess whether your employees and agents have met their goals. Ask them to come up with a plan to keep you informed of progress. Find ways to check in. Demonstrate that you are as committed to their personal goals as they are by including their goals into your performance goals for the following year.

STEP 3:

Follow up on your plan throughout the year.

TIPS + TEMPLATES IN PRACTICE:
SAMPLE SCORECARD FOR PIONEER MICROINSURANCE

As you co-create goals with your employees or agents, you can develop a scorecard – such as the one below created by Pioneer Microinsurance – to represent progress toward goals over a period of time. Scorecards provide a view at a glance of performance metrics or KPIs related to certain business goals or processes and are helpful for monitoring over time.

Scorecards - can be used for planning and reviews

| AHEAD OF TARGET | ON TARGET | BEHIND TARGET | MEASUREMENT PENDING |

PERSPECTIVE	ANNUAL GOAL	ANNUAL TARGET (MEASURES)	MILESTONES/ OUTPUT	OUTPUT KEY INITIATIVES FOR THE YEAR	OWNER	KEY INITIATIVES FOR THE QUARTER - THIS PLAN CAN BE RECAST EVERY QUARTER. THE MILESTONES FOR THE 3 MONTHS ARE M1, M2, M3	M1	M2	M3
FINANCIAL / GROWTH	Meeting annual budgeted revenue	Revenue _____	_____ pesos - Q1 _____ pesos - Q2 _____ pesos - Q3 _____ pesos - Q4		Sales				
	Growth in partner network	Number of partners added _____	6 each quarter		Sales				
	New policies sold	Volume of policies sold Policies / new customer Policies / existing customers _____	_____ in Q1 _____ in Q2 _____ in Q3 _____ in Q4		Sales				
	New products launched	Number of new products ___; x percent revenue from them	3 in Q1 1 in Q3		Product and Program Management				

Source: CoCoon.

SAMPLE SCORECARDS FOR INDIVIDUALS

Individual agent and front line employee scorecards will typically be simple and handed down by managers. Key result areas may not change over time, but performance objectives and performance measures may shift each quarter or each year.

KEY RESULT AREAS	PERFORMANCE OBJECTIVES	PERFORMANCE MEASURES AND STANDARDS/DESIRED RESULTS	WEIGHTS
Revenue/Sales Related	e.g., number of new customers, revenue in premiums, etc.		
Customer Service Related	e.g., repeat customers, number of products per customer, number of referrals, etc.		
Procedural Hygiene/Process Related	e.g., completeness of forms and documentation, time to issue proof of claim, etc.		

Weights could be equal for all three elements or skewed toward the thrust area for the business given organizational goals, stage of evolution, and growth.

For a new organization, emphasis would equally be on following processes and acquiring customers and business volumes. A steady-state organization moving toward customer centricity may want to provide a few input-related goals around customer service – apart from outcome-related goals. (Some examples of input-related measures: adherence to visit plan; number of existing customers called/visited; number of renewal calls made; time to resolve customer complaint, etc.)

Source: CoCoon and Quicksand, Pioneer Microinsurance Customer-Centric Culture Building Project with CGAP.

15. Vision of Perfect

LEVEL OF INTENSITY: 2

A Vision of Perfect provides a template for you and your contracted vendor, e.g., a technical service provider, to use to come up with a clear, concrete plan of action prior to any planned project. The Vision of Perfect Statement template (below) walks you through defining the project's theory of change – what you want to accomplish, how the project will get you there, and who you want to impact. The template provides space where both parties (your organization and your vendor) can find agreement on actions and outcomes.

USE IT WHEN:	USE IT TO:
• *At the start of a project.* Use it to get on the same page with your partners. • *When you hire new staff or vendors for a project.* Use it if and when new people join your team.	• Summarize your project goals in a short and easy-to-understand manner. • Ensure all decision-makers, stakeholders, team members, and vendors share the same project vision. • Agree on deliverables. • Document any changes throughout the project.

STEP 1:	STEP 2:	STEP 3:
Complete the template using simple language that is easy to understand. Make sure to involve everyone who matters for the project.	Discuss the completed template with your vendor so you can all get on the same page.	Identify follow-up on the engagement you expect.

Time: 3 hours
Roles: 2 to 5 collaborators, including key decision-makers
Materials: Template for a Vision of Perfect Statement (below) and a pen

TEMPLATE FOR A VISION OF PERFECT STATEMENT

ORGANIZATION NAME:	PROJECT NAME:

1. Identify the Problem

WHAT IS THE MAIN PROBLEM YOU ARE TRYING TO SOLVE?

What is the current situation you are trying to improve? Why are you tackling this problem now?

HOW WILL THIS PROJECT CONTRIBUTE TO SOLVING THE PROBLEM?

WHAT HAVE YOU TRIED PREVIOUSLY TO SOLVE THE PROBLEM?

Are there any efforts underway that you want to mention?

2. Target Persona

WHO ARE YOU TRYING TO TRIGGER?

Who is the target of this project? Share more about your primary target audience(s), including: your internal audience, e.g., your call center team; your external audience, e.g. your customer base or agents. Think of your audience in groups of similar individuals and create a persona with key characteristics. Create a persona for each target you are trying to influence (may only be one).

Fill in answers in table below.

PERSONA #1	
A) If you had to transform your target audience into one person, what would his/her name be?	
B) How old is he/she?	
C) What's his/her family situation?	
D) What's his/her job?	
E) What's his/her house like?	
F) What technology does he/she own?	
G) Is he/she literate?	

PERSONA #2	
A) If you had to transform your target audience into one person, what would his/her name be?	
B) How old is he/she?	
C) What's his/her family situation?	
D) What's his/her job?	
E) What's his/her house like?	
F) What technology does he/she own?	
G) Is he/she literate?	

WHAT IS THE SINGLE MOST IMPORTANT ACTION YOU WANT YOUR TARGET AUDIENCE TO TAKE?

What action do you need your primary target audience to take in order for your project to be successful?

Fill in answers in table below.

PERSONA #1	PERSONA #2
We want _____ to_____	We want _____ to_____

3. Vision of Perfect for working with an external consultant

HOW DO YOU WANT YOUR VENDOR TO HELP YOU SOLVE THE PROBLEM?

How can the vendor help? How do you imagine the vendor helping you trigger your desired behavior?

WHAT IS THE CURRENT AND DESIRED MINDSET YOU WANT TO SEE AMONG YOUR TEAM AS A RESULT OF THIS PROJECT?

Why is it important for your team to shift mindsets now? How can changing mindsets help you achieve your organization's goals?

WHAT ACTIVITIES HAVE YOU COMPLETED TO HELP YOUR TEAM ACHIEVE THE DESIRED MINDSET?

What training, customer immersions/home stays, or other activities have you done? What worked and what didn't?

HOW WILL YOU KNOW IF YOU ARE SUCCESSFUL?

How will you know whether the project has been successful? What are the simple indicators or outcomes you can measure to determine the success of the project?

WHAT WOULD FAILURE LOOK LIKE?

This is a real question. It's good to know what to avoid so please share what a "worst case scenario" might look like.

4. Team and Collaboration

CAN YOU TELL THE VENDOR MORE ABOUT THE TEAM ASSIGNED TO WORK ON THE PROJECT?

What research or project-relevant work have they done in the past? What methods are they familiar with?

CAN YOU DESCRIBE YOUR TEAM'S OVERALL EXPOSURE AND EXPERIENCE THAT'S RELEVANT TO THE PROJECT?

Have you or your team done similar projects? What did you like or not like?

5. Post Project

WHAT'S PLANNED TO HAPPEN WITH THE SOLUTIONS THAT RESULT FROM THE PROJECT AND ENGAGEMENT WITH THE VENDOR?

What's next?

6. Anything else your vendor should know that may affect their work?

PLEASE PROVIDE ANY OTHER DETAILS YOU FEEL ARE IMPORTANT.

Source: Adapted by CGAP from 17 Triggers[52] collaboration with Pioneer Microinsurance.

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52. http://www.17triggers.com/

16. Service Level Agreements

LEVEL OF INTENSITY: 3

For customer experience to be superior, internal and external teams need to be clear about the process, the time, and the quality of output at each stage – to deliver a consistent experience for the customer. A service level agreement (SLA) is a common instrument used between parts of an organization and/or with external partners (i.e., an entity using a service and the one providing it) to confirm aspects of the service, such as quality, availability, and responsiveness.

SLA specifics may include:

- Timeframe – Number of hours/days for a particular activity to be completed or moved to the next link in the chain
- Quality – Completeness or accuracy (error-free) of documents and/or forms submitted for processing
- Responsiveness – Number of hours/days for the service provider to revert on a query from the service user or resolve a problem
- Escalation matrix – Number of days before a matter needs to be escalated, and to whom

USE IT WHEN:	USE IT TO:
• *Across the journey map for a customer,* when many processes come into play. • *Processes are run by multiple teams* within your organization and/or involve external partners.	• Help you and other departments in your organization agree on the parameters of service that one will provide to another. • Get an external provider and/or partners to commit to delivering specific aspects of service that are important to your customer experience. • Avoid disputes among parties.

Time: 1 day split into multiple interactions
Roles: Created by senior management/departmental management of parties involved
Materials: Pen and paper

The process of creating an SLA is as follows:

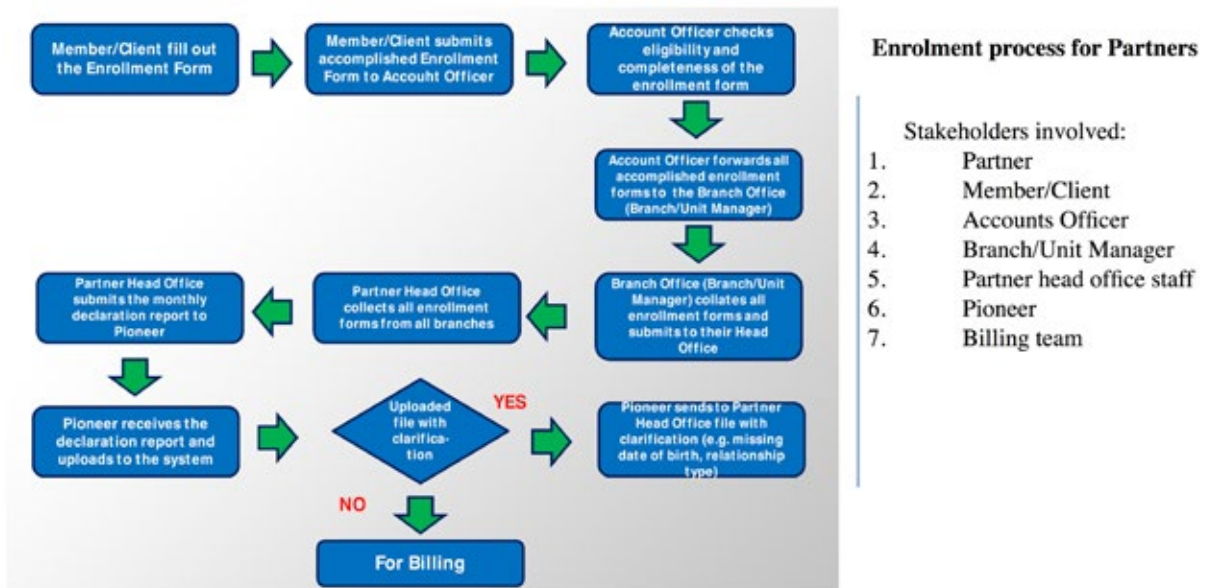| STEP 1:	STEP 2:	STEP 3:	STEP 4:
Map out a process in which multiple parties are involved, showing steps and decision points – including exceptions and escalations. Note the inputs and outputs to be completed at each step, including information, documentation, etc.	Discuss the map with the parties involved and identify clear accountabilities for each step of the process – especially if across departments or organizations.	Mark and agree on the time to be taken for each step, including the time within which escalation and feedback loops need to be closed.	Record the map, accountabilities, and time in a document approved by all parties and easily available for those concerned to reference. For an SLA between two entities developing a legal agreement, clauses that include indemnification, compensation for loss, etc., may be appropriate.

TIP: Internal customer experience is largely dependent on hand-offs between departments and functions operating smoothly, turnaround times (TATs) being met, and information promptly flowing. Once an SLA is in place, use it to objectively monitor how well hand-offs go and where improvements may be needed to meet expectations. This will reduce friction, which often occurs when individuals start "pointing fingers."

TIPS + TEMPLATES IN PRACTICE:
PIONEER MICROINSURANCE, PHILIPPINES

In the case of Pioneer Microinsurance, multiple parts of the organization and partner organizations are involved in the delivery of customer experience. Service level agreements, therefore, help document steps in the process, accountability, and turnaround times. SLAs may exist entirely within Pioneer – such as between accounts and claims or operations and claims. SLAs may also exist between Pioneer Microinsurance and a partner like CARD MRI – the entire enrollment and loan approval process between the two organizations, for example.

The process map below shows the enrollment process for a PMI customer – and others involved in the process. The table matrix that follows identifies possible SLAs within the enrollment process. Pioneer intends to use the approach to improve customer experience along the enrollment journey and to address pain points discovered through customer journey mapping. (See the case study, Pioneer Microinsurance: Building a Business around Positive Customer Experience Pays Off)[53]

Enrolment process for Partners

Stakeholders involved:
1. Partner
2. Member/Client
3. Accounts Officer
4. Branch/Unit Manager
5. Partner head office staff
6. Pioneer
7. Billing team

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53. https://customersguide.cgap.org/sites/default/files/resource/2018/07/CGAP-Pioneer-Case-Study.pdf

Possible SLAs within the Enrollment Process

CLIENT → / Service Provider ↓	PARTNER	MEMBER/ CLIENT	ACCOUNTS OFFICER	BRANCH/ UNIT MANAGER	PARTNER HEAD OFFICE STAFF	PIONEER	BILLING TEAM
Partner			Send all enrollment forms to AO with ___ days				
Member/ Client			Send all enrollment forms to AO with ___ days				
Accounts Officer	AO to revert with ___ days in case the form is incomplete or incorrect	AO to revert with ___ days in case the form is incomplete or incorrect		All forms to be complete and accurate in all respects before sending to BO			
Branch/Unit Manager					Submission of forms to HO within ___ days		
Partner head office staff				HO to collect all forms from BO within ___ days		Monthly declaration report sent by ___ of each month; Error free report	Number of clarifications arisen after forms received; Revert on clarifications within ___ days
Pioneer	Sends forms back for clarifications with __ days of receipt						Upload of all forms within ___ days of receipt
Billing team	Billing completed within __ days	Billing completed within __ days					

Source: CoCoon and Quicksand, Pioneer Microinsurance Customer-Centric Culture Building Project with CGAP.

17. Usability Testing

LEVEL OF INTENSITY: 3

You want your employees and agents to be able to easily pick up and use a tool designed to help them with their job – and to enhance customer experience. One critical way to guarantee that is through usability testing. If you're designing a new tool in-house, test during various stages of development or prior to adoption. This allows you to observe how target employees and agents actually use the tool, which provides insight into what's working or areas that might cause users to abandon it. Testing also makes the process collaborative – you can capture feedback from your employees and agents and make changes early in the development or adoption process.

USE IT WHEN:

- *During all stages of the development process.* Test usability at conceptual, prototype, and pilot stages.
- *Prior to adoption of a new tool.* Use this tool to figure out if an externally created tool is the right fit for your team.

USE IT TO:

- Design an easy, reliable tool.
- Create an environment that supports adoption.
- Avoid unnecessary complexity, making tools easy to adopt and apply.
- Gather ideas on how to make tools more enjoyable to use.

Time: A few days, depending on your process
Roles: Trainer, facilitator, data logger, test observers, target group
Materials: Tool to test (via computer, mobile phone, or other interface), Usability Test Plan Dashboard template (below), pens

STEP 1:	STEP 2:	STEP 3:
Select a target group of employees and agents to test your idea, prototype, or pilot-ready tool.	Capture feedback from the group. (See the Usability Test Plan Dashboard below as an example). Usability testing methodology is relatively standardized. Your team needs a plan, metrics, and pre-determined goals. You want to create a test environment that closely approximates the real-life environment for the product or service. Testing requires four different ongoing roles:	Use participant feedback to inform your next steps. This may include bringing the next prototype version back to the group for further feedback.

- Trainer to provide the test overview
- Facilitator to explain the purpose of the test to participants
- Data logger to record participant's actions and questions
- Test observers: silent observers who assist the data logger in identifying problems and concerns; they also serve as note takers

For more on usability testing methodology, see:

Handbook of Usability Testing: How to Plan, Design, and Conduct Effective Tests[54]

Usability Evaluation Methods[55]

54. http://ccftp.scu.edu.cn:8090/Download/efa2417b-08ba-438a-b814-92db3dde0eb6.pdf

55. https://www.usability.gov/how-to-and-tools/methods/usability-evaluation/index.html

TIPS + TEMPLATES IN PRACTICE: ARTOO USABILITY TESTING

Artoo employs usability testing as a way to customize its app to a client's environment by working out specific needs prior to and during launch. Before the Artoo product goes live on a client platform, the client tests it in real time on a test environment. The exercise lasts approximately one or two weeks, helps gather feedback about the app, helps gain a better understanding of how users have responded, and helps fills in any gaps. Once deployed, at regular intervals Artoo undertakes field visits to understand product adoption and performance in the field. This helps them to improve and diversify product features and accommodate requests for changes or enhancements. To enhance the test process, A/B testing has begun (comparing two versions to see which performs better) on new features to understand how users interact with the product.

Many templates exist for gathering usability testing data. The Usability Test Plan Dashboard from Creative Commons (below) is one example of what you can use to think through and plan your test. For additional resources, see:

Usability.gov's user experience templates and downloads[56]

Nielsen Norman Group's Checklist for Planning Usability Studies[57]

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56. https://www.usability.gov/how-to-and-tools/resources/templates.html

57. https://www.nngroup.com/articles/usability-test-checklist/

USABILITY TEST PLAN DASHBOARD

AUTHOR

CONTACT DETAILS

FINAL DATE FOR COMMENTS

PRODUCT UNDER TEST

What's being tested? What are the business and experience goals of the product?

TEST OBJECTIVES

What are the goals of the usability test? What specific questions will be answered? What hypotheses will be tested?

PARTICIPANTS

How many participants will be recruited? What are their key characteristics?

TEST TASKS

What are the test tasks?

RESPONSIBILITIES

Who is involved in the test and what are their responsibilities?

BUSINESS CASE

Why are we doing this test? What are the benefits? What are the risks of not testing?

EQUIPMENT

What equipment is required? How will you record the data?

LOCATION & DATES

Where and when will the test take place? When and how will the results be shared?

PROCEDURE

What are the main steps in the test procedure?

18. Aligning Rewards to Customer-Centric Strategy

LEVEL OF INTENSITY: 3

This T+T provides a step-by-step approach for aligning rewards with your customer-centric strategy. The focus is on rewards related to employee and agent efforts, and outcomes affecting customer experience – which can come in the form of monetary or non-monetary incentives or bonuses. Rewards need to make high performers feel valued and motivate mid-range performers to strive for better results. Disproportionately greater rewards for high performers is often a concerted strategy that organizations use to drive a high-performance culture.

The steps below highlight some preconditions for introducing such rewards. As your organization makes the transition to a customer-centric business with stronger processes and technology, your rewards program will also evolve.

USE IT WHEN:	USE IT TO:
• *During annual planning and strategy* discussions across the organization where customer-centric goals are agreed upon. • *At times when targets are set at organizational, team, and individual levels* to increase the ability and engagement of employees and agents to deliver valuable customer experience. • *When deciding on allocation of rewards* to stimulate engagement of employees and agents.	• Link rewards to customer experience priorities and customer-centric strategy and goals of the organization. • Be transparent and clarify consequences upfront. • Balance the value accruing to employees, agents, customers, and your organization.

Time: Multiple days – during planning and at the end of the year
Roles: Senior management
Materials: Organizational goals, targets, and financial resources for reward allocation

STEP 1:

To align rewards with strategy and goals, build customer centricity metrics into key results areas (KRAs) for all roles and levels of the organization. See also *T+T 14* (page 111) on co-creating goals and *T+T 4* (page 83) on performance metrics.

Make sure each role has clearly defined metrics that can be measured in an objective and accurate manner. The link between actions and results must be strong, performance predictable, and results clearly attributed to a particular team or individual. For instance:

For the leadership team, enhance the linkage of organizational customer-centric performance to rewards and build a clear stake in the game for supporting transformation. Leadership plays a key role in empowering employees and agents through leading by example, identifying strengths and weaknesses in ability and engagement of their teams, and securing the necessary resources to empower them. At this level there can be a higher differentiation based on individual performance and intrinsic motivation than at lower levels of the hierarchy.

To drive goals of improved customer experience and other metrics for operational teams such as administration, IT, or sales, link rewards more to team performance and less to individual performance.

For front line roles, link rewards more strongly to productivity and quality metrics and consider incentives that specifically tie to efforts to improve ability, commitment to delivering valuable customer experience, and customer metrics such as volume of sales/portfolio quality (retention, renewals, customer life cycle value), turnaround time, accuracy, customer connect, branch audit score, etc.

PERFORMANCE CRITERIA	JUNIOR LEVEL	MID-LEVEL	SENIOR LEVEL	TOP LEVEL
Overall Organizational Performance			X	X
Functional/Departmental Performance		X	X	
Individual Performance	X	X		

STEP 2:	STEP 3:	STEP 4:	STEP 5:
Clearly communicate criteria for rewards decisions to build a culture of fairness and meritocracy, eliminating the perceptions of bias or favoritism. This should again become your first step for the next cycle: announce the rewards formula at the beginning of the year along with goal setting. This ensures a clear line of sight for employees on how performance is linked with rewards.	Build systems to effectively and accurately track performance at the individual and team level. Reliability and transparency are key. If you do not yet have the processes or technology in place to manage differentiation, e.g., performance based rewards, work on your systems first and introduce rewards later.	Track performance on metrics by team/individual. Frequency of tracking may be higher, e.g., once a month or once a quarter for customer-facing roles, while performance vis-a-vis the metric for customer-impacting roles in the remainder of the organization could be done annually.	Reward based on performance according to metrics. Define a certain threshold of performance above which incentives become applicable and determine the overall budget for incentives. Then allocate that to individuals and teams based on their performance.

Start off with a moderate level of rewards so people can "go up." In the beginning of your customer-centric journey rewards tend to be based more on business results and the success that the team has achieved in building the organization (scale-up and growth milestones); therefore, some weight may be given to effort. As you progress along the journey, rewards will be based more on business performance related to market share, and top line and bottom line growth.

Payout of rewards is based on individual and team performance against business targets for those that met or exceeded targets (see Tips + Templates in Practice: Example of Rewards Payout, below). Part of your budget could be earmarked for rewarding employees or teams who deliver exceptionally against certain customer-centric parameters or deliver high impact projects.

TIP: Be aware of your competition as you set rewards. Compensation benchmarking can help ensure that your variable pay component is aligned to market and industry norms, ensuring pay parity, retention of employees, and the ability to attract new talent.

> **TIP:** Customer centricity often requires a shift in culture and new ways of approaching things, including rewards and recognitions. Think outside the box and do not stick to business as usual – come up with rewards that truly delight your employees or agents! T+T 19, Non-monetary Rewards (page 132), may inspire you.

TIPS + TEMPLATES IN PRACTICE:
EXAMPLE OF REWARDS PAYOUT DEPENDING ON PERFORMANCE

In the example below, the column on the left notes three employee categories and how they performed against targets in key results areas. The column on the right simulates how a rewards payout could be determined for each.

SCENARIO	PAYOUT
Top line or bottom line met; 90 percent met in other areas Goals related to customers and employees* met	Payout 10 to 14 percent Market correction to those relevant One-time bonus to those who exceeded expectations
Top line and bottom line met Goals related to customers and employees* met	15 percent Market correction to those relevant One-time bonus to those who met and exceeded expectations
Top line and bottom line not met	Market correction factor applied but no additional rewards

*For instance: goals linked to score on customer satisfaction/delight index (excellent, good, poor); progress on customer service levels (a mix of relevant sub-metrics such as customer complaints, resolution time, pending queries/complaints, waiting time in queues, call center performance, customer facing system uptime, etc.).

Source: Adapted by CGAP from an experiment at Pioneer Microinsurance with CoCoon and Quicksand.

Renumeration and Rewards Process Flow (Excel file)[58]

58. https://customersguide.cgap.org/sites/default/files/resource/2018/05/Renumeration_Rewards_Process_Flow.xlsx

19. Non-Monetary Rewards

Employees and agents want to feel that you're invested in them and in their future. This can be especially important for employees and agents who work in isolation or separated from the main office, like in a call center. There are a number of activities, actions, and accolades you can give employees and agents that provide a sense of unity and appreciation. These types of rewards build engagement and pave the way for co-creating targets with employees who want to advance their career in your organization.

Below is a list of non-monetary rewards you can use to build engagement and reward ability among your employees and agents.

NON-MONETARY REWARDS AND RECOGNITION MECHANISMS

REWARDS, CERTIFICATES, AND WORKPLACE PERKS	ACCOLADES, MENTIONS, AND CELEBRATIONS
Certificates	E-newsletter and website mentions to highlight employee of the month, best practices, etc.
Thank you cards at successful year-end	Verbal recognition at staff meetings
Letters of congratulations	Job enrichment: rotating jobs or new and interesting special projects
Employee of the month awards	Access to training/educational platforms
Small gifts (mug, t-shirt, cap) with logo	Time off in addition to vacation
On-the-spot rewards	Team building events
Workplace improvements (nice lunch room, decorations, air conditioning)	Friendly competitions between staff members, with status and winners publicly posted

REWARDS, CERTIFICATES, AND WORKPLACE PERKS	ACCOLADES, MENTIONS, AND CELEBRATIONS
Access to and usage of technology	Awards ceremonies
Treats at staff meetings or buying staff lunch	Internal job training system that allows employees to see new positions and shadow people currently in those jobs to learn skill
Awards for years of service	Promotions/progression with greater responsibility
Dinners on special occasions (holidays, fiscal year end)	Flexible hours or tuition support/scholarships for professional development opportunities
Whole or partial funding for training/staff development	

TIP: Incentives can be used to align employees or agents around certain customer-centric behaviors that support delivery of valuable customer experience. However, most organizations assess such behaviors first as part of dialogue, feedback, and development processes. Linkage to incentives and variable pay may come only as a second step.

20. Process Map

LEVEL OF INTENSITY: 3

A process map is a tool that helps you clearly articulate processes that may not be well documented. Some processes come about out of necessity and develop over time without clear definitions or plans. Others that are no longer effective may need a new approach. A process map helps make processes clear by bringing to light things that mostly go unseen. It also shows when things should be done, what inputs are required, what outcome should result, and how risks should be managed at each step. They can be used to communicate clearly what is supposed to be done, set standards, and facilitate accountability. One of the benefits of a process map is finding solutions to challenges that sap a large amount of employees' and agents' time and energy. Mapping can be complex, but it's an excellent way to provide tools that make tasks easier for employees and agents.

USE IT WHEN:	USE IT TO:
• *Current processes become inefficient* or time consuming. Use it when your employees and agents take more time than they should to complete a task. • *Designing a new process or procedure.* Use it to ensure the new process is visible and you have all the required inputs. • *Establishing service level agreements (see T+T 16, page 120).*	• Communicate processes clearly. • Set standards. • Facilitate accountability. • Transfer tasks to other teams or people who are better suited for them. • Gather feedback on a process from other teams and senior management.

STEP 1:	STEP 2:	STEP 3:
Choose a process to map.	Describe the process as if you're experiencing it for the first time. Write down all the steps in the process. To get the most accurate map, be sure to include all collaborators who participate in the process.	Share the map with a larger group within your organization. Come up with a plan for changing the process.

Time: 3-5 hours
Roles: 2-5 collaborators, including managers
Materials: White board or large writing surface, pen

For more on creating process maps, see MicroSave's Process Mapping in Practice.[59]

59. https://www.microfinancegateway.org/sites/default/files/mfg-en-toolkit-microsave-toolkit-process-mapping-and-risk-analysis-2004.pdf

TIPS + TEMPLATES IN PRACTICE:
SAMPLE PROCESS MAPS

Figure 1

Source: https://tightops.com/business-process/
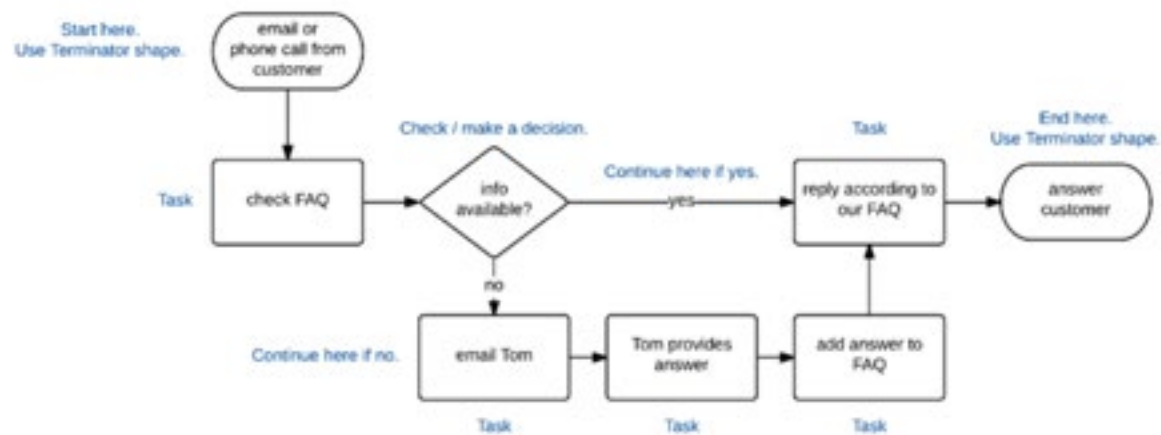
Figure 2

Source: Engineering Faculty of the University of Porto, Portugal; website in Spanish: paginas.fe.up.pt

21. Agent Selection Tool

LEVEL OF INTENSITY: 3

Selecting a good agent is key to providing customers with consistent service. In order to scale up an agent network, organizations often focus on having more agents rather than having the "right" agents. The Agent Selection Tool can help you select the right agents for financial services distribution – yet still allow you to expand fast. It should be customized based on your local context and on the process and roles involved. The tool also ensures that a process is followed and responsibilities are stated for designated roles.

USE IT WHEN:	USE IT TO:
• *Establishing or expanding your agent network.* • *Selecting individual agents for financial services distribution.* • *Auditing the agent selection process.*	• Identify the right agents based on desired attributes. • Empower field staff to select agents based on the criterion given by your organization. • Record observations of different people involved in the acquisition process. • Clarify various roles in the process.

STEP 1:

Determine the type of required attributes your organization wants to focus on. It can be derived from feedback from agency staff, branches, field staff, and potential customers. Usually it's a combination of different attributes such as personal attributes, type of business, business establishment suitability in terms of security and services, business aptitude and skills, willingness and availability of documents as per the relevant regulations, etc. Required attributes might evolve based on feedback, once staff uses this Agent Selection Tool after the first six months. A list of attributes that can be considered are listed below:

1) PERSONAL ATTRIBUTES/DEMOGRAPHICS

a. Age

b. Gender

c. Education level

2) AREA/LOCATION SUITABILITY

a. Type of location (urban/rural)

b. Type of population in target market (migrant, salaried, small businesses, daily earners, farmers, agri-based businesses)

c. Connectivity to main road/nearest branch

d. Number of banks in the area

e. Number of ATMs in the area

3) TYPE OF CURRENT BUSINESS

a. Services offered (airtime, daily use items, fast moving consumer goods, competitors/similar products/services, medicines, restaurant, other)

b. Type of customer serviced (if the target customer is included)

c. Size of transaction (usually those agents already doing small transactions can be better, depending on services offered by the organization)

4) TYPE OF BUSINESS ESTABLISHMENT

a. Area of shop

b. Suitability for marketing material installation

c. Age of shop within the area

d. Number of employees

e. Security of the location

f. Operational hours (opening and closing times)

5) BUSINESS APTITUDE

a. Daily sales

b. Customer footfall

c. Business management skills

d. Stock management

e. Monthly income

6) REGULATORY REQUIREMENTS

a. Documents required as per relevant market regulations are available (business license, tax ID, personal ID – depending on regulations)

b. Type of establishment as per regulatory requirements (some markets require agents to have a permanent shop/business establishment)

7) WILLINGNESS

a. Willingness to be an agent and provide services

b. Willingness to provide required documents

c. Willingness to display marketing materials (some providers require agents to paint their walls; in these cases it's important that agents first agree)

d. Willingness to provide initial deposit (in case providers require agents to invest an initial amount)

STEP 2:

Once required attributes are listed, the agent selection team should list potential responses and respective scores based on what's most desirable. It's important to make the tool objective by allowing field staff to choose from responses rather than put in their own responses. There are two type of responses:

a. Absolute (Yes/No)
b. Ranges*

*For attributes like customer footfall, for example, possible ranges may be:
a. 0-50
b. 50-150
c. 150-300
d. >300

Shops with very high footfall would not be suitable as agents would not have time to conduct transactions. Thus, footfall in the range of 50-150 or 150-300 would be more suitable for an organization.

The team might decide to change scores and potential responses based on initial experience from the field – and also change them for different markets and products.

STEP 3:

Once potential responses and scores are listed, the team assigns weightages to each attribute since some may be more important than others. For example, attributes related to business aptitude might be more important than those related to type of business. Weightages can also change based on initial experience from field implementation.

STEP 4:

Once the scoring criterion is finalized with attributes, potential responses, weightages, and scores, the team includes additions to the tools based on designated roles in the agent recruitment process. For example, a section should be included to record observations by different roles and also the decision about an agent.

STEP 5:

The final tool should be tested and approved by the agency team before implementation.

Time for developing the tool: 1-2 months
Time taken to use the tool: 25-30 minutes per agent by field staff, followed by 10-15 minutes by supervisors. This does not include time taken for a field visit to the agent.
Roles: The tool will be used by field staff and approved by supervisors. Both should provide qualitative recommendations on agents. Field supervisors make the decision to select/reject an agent based on the tool. Operations/back office keep completed agent selection forms for audit.

TIPS + TEMPLATES IN PRACTICE:
AGENT SELECTION AT LETSHEGO FINANCIAL SERVICES, MOZAMBIQUE

Letshego[60] is a licensed microbank in Mozambique that started offering services at agents in March 2017. In the first six months Letshego was only able to open 50 agents since the agent selection process was taking too much time (30 to 45 days) and too many rejections occurred at different stages of the process. Only 10 percent of agents were being approved and a lot of field team effort was being lost.

As part of a technical assistance partnership with GIZ,[61] Letshego decided to review and refine the agent selection process. The review involved discussions with different stakeholders and mapping the process to understand delay points and challenges. Based on this review, the team refined the agent selection process. This tool is part of the revised agent selection process.

Letshego started implementing the tool in January 2018 and activated 172 new agents in less than three months. Process rejections have reduced to 20 percent (from 90 percent) and the agent selection process, which previously took 30 to 45 days, now takes only three or four.

Agent Selection Tool used by Letshego

Source: Nitin Garg for GIZ Desenvolvimento do Sistema Financeiro project in Mozambique.

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60. https://www.letshego.com/mozambique

61. https://www.giz.de/en/worldwide/320.html

22. Agent Pitch

LEVEL OF INTENSITY: 3

An agent pitch can help your organization explain your business proposition to agents. It's extremely important that all potential agents receive the business proposition in detail – and in a standard format. Many institutions and providers do not have a standard pitch, which can lead to inconsistency of messaging from field staff to potential agents. A pitch also ensures that agents have realistic expectations of providers. Inconsistencies can affect the relationship later, as agents may have expectations which may not be fulfilled.

USE IT WHEN:

- *Establishing or expanding an agent network.*
- *Recruiting agents for financial services distribution, especially in new markets.*
- *Using a third party for agent selection.*

USE IT TO:

- Explain the business proposition to potential agents.
- Clarify the organization's expectations for each type of agent.
- Train field staff on pitching agents.
- Ensure standards and consistency in communication on roles and expectations of agents.

Time for developing the tool: 10-15 days
Time taken to present the tool: 15-20 minutes
Roles: The marketing team develops the pitch with field supervisors. Field staff uses it to explain your proposition to potential agents. Operations/back office keep completed agent selection forms for audit.

STEP 1:

Preparing the pitch

Have your marketing team prepare a sales pitch along with field supervisors (the team managing agent recruitment on the ground). The field team will be aware of questions potential agents generally ask when they hear a proposal. It's also important to understand how the field team is currently explaining the proposition to potential agents. Your team should also gain feedback from existing agents on what's optimal to include. Ideally a pitch document contains:

1) Business model
2) Why he/she can be a good agent
3) Role of the agent
4) Benefits of being an agent (monetary and other)
5) Products and services that will be offered by the agent
6) Commission structures
7) Success stories of other agents in the area

Once the pitch draft is ready, the field team can test it with field staff and a few existing agents. Once finalized based on feedback from testing, the marketing team can create a formal pitch document with institutional branding.

It can be a physical document, a presentation, or a video to be shared across electronic channels. A list of frequently asked questions (FAQs) by potential agents with desired responses should also be prepared with the pitch.

STEP 2:

Train field staff on using the agent pitch

When the pitch is finalized and printed, your marketing team should train the field team on using the pitch and fielding questions about it. Training can be done during weekly or monthly field team meetings. Marketing can also prepare a training video which can be shared with field staff via mobile device.

STEP 3:

Use the agent pitch document

Once field staff is trained, they can start using the pitch to explain your proposition to potential agents. The marketing team should regularly refine the pitch based on feedback from the field team. If agent recruitment has been outsourced to a third party, your field supervisors should train the third-party staff on using the pitch.

TIPS + TEMPLATES IN PRACTICE:
AGENT SELECTION AT LETSHEGO FINANCIAL SERVICES, MOZAMBIQUE

As Letshego was conducting a review of the agent recruitment process with its technical partner, GIZ, it became apparent that field staff was not presenting potential agents with a consistent message about the Letshego proposition. There was confusion in the market among existing and potential agents about the offering. Some agents were expecting credit as a part of the relationship; some were not clear about their roles and the services; some didn't know about commissions; and a lot of agents were not clear about the business opportunity. A lack of accurate information led to rejection when field staff approached potential agents, while some existing agents were also not performing well.

To address the issue, Letshego and its technical partner, GIZ, decided to design a formal agent pitch document. The team held discussions with field staff and existing agents on key questions asked by potential agents. The team worked with the agency team to prepare a formal pitch document, which was tested with the field team for two months. Next, it was handed over to the marketing team to be formalized as a branded sales pitch. Implementation began in spring of 2018.

Even during the testing phase the pitch document proved to be extremely helpful since the field team used it to explain the proposition to potential agents. Many felt a significant reduction in agent rejection at initial stages, and Letshego added close to 120 agents in just two months, including the new provinces.

SAMPLE AGENT PITCH

Source: MicroSave.

23. Agent Business Case Calculator

LEVEL OF INTENSITY: 3

The Agent Business Case Calculator[62] (Excel file) can help your organization evaluate the business case for potential agents based on the number of transactions they expect to perform. It also helps calculate the number of months required to break even on select agents, based on agent type and expected number of transactions. This tool can be extremely useful for field staff in recruiting agents for financial services distribution, as they can use it to calculate and explain to agents expected income based on number of transactions performed. You'll need to customize the tool based on:

- Type of transactions agents are expected to perform
- Commission structure for agents
- Other costs for agents
- Costs to customer for each type of transaction
- Revenue/cost for each type of transaction for your organization

The tips and illustrative examples below can inspire you to do so.

USE IT WHEN:	USE IT TO:
• *Expanding your agent network.* • *Selecting agents for financial services distribution.* • *Using a third party for agent selection.*	Use it to: • Explain and work out the business case with a potential agent based on number of transactions. • Set the right expectations on potential agent income. • Clarify the business case for the organization on each type of agent. • Compare expected organizational investment against expected income.

Time for developing the tool: 10-15 days
Time taken to present the tool: 5-10 minutes
Roles: Agency team does analysis, then hands tool over to field staff that manages agents

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62. https://customersguide.cgap.org/sites/default/files/resource/2018/05/Business-Case-Analysis-Tool.xlsx

STEP 1:

List all the transactions agents are expected to perform, excluding transactions that are not happening at the agents, e.g., bill payments on mobile apps or other channels.

STEP 2:

For each transaction listed, write down the per transaction commission for agent, cost to customer (if any), and any other revenue or cost directly attributable to the transaction.
For example:

TYPE OF TRANSACTION	COST TO CUSTOMER FOR TRANSACTION	ANY OTHER REVENUE DIRECTLY ATTRIBUTABLE TO TRANSACTION	COMMISSION TO AGENT PER TRANSACTION	ANY OTHER COST DIRECTLY ATTRIBUTABLE TO TRANSACTION
Deposit	$0	$0	$2	$0.1 (SMS cost)
Withdrawal	$4	$0	$2	$0.1
Bill payment	$1.50	$1 (from biller)	$2	$0.1

STEP 3:

List your organization's per-agent cost for each type of agent, i.e., what's the per-agent investment by agent type.
An example is illustrated below:

TYPE OF AGENT	BASIC	BRANDED	MASTER BRANDED
Type of Cost			
Inside shop branding	$25	$50	$100
Outside shop branding	$25	$50	$100
Stationery	$5	$10	$15
POS terminal	$0	$100	$100
Device maintenance (per month)	$5	$5	$5

Costs may differ for various organizations.

STEP 4:

List the costs per agent, which are directly attributable to the financial services business. Examples of these costs include:

- Opportunity costs for funds (for investment needed)
- Employee costs
- Internet cost (if not provided by the organization)

STEP 5:

After populating all cost and revenue items above in the tool, field staff then has to estimate number of transactions for each type of transaction. On entering the number of transactions, the tool will calculate monthly income expected and months required for breakeven for the agent and for the institution.

STEP 6:

Based on income and transactions, your organization can create a profile for agents, for example: a good agent does 250 transactions per month and takes two months to break even; an excellent agent does 400 transactions every month and breaks even in one month.

TIPS + TEMPLATES IN PRACTICE:
AMK, CAMBODIA

AMK[63] already has a network of more than 2,000 agents, but many are not active. AMK invests a lot of time activating different type of agents, and, based on this investment, wanted to understand at what volume of transaction each agent would break even for the organization. There's also a start-up cost for agents, and for them it's important to understand at what volume of transactions they'll start earning from AMK.

Using this tool, AMK was able to define excellent, good, average, and not performing for various types of agents, based on initial investment.

The tool also helped field staff refine their agent pitch, and now they can inform agents how many transactions are needed to break even and how much income they can make every month. AMK is currently implementing the tool.

	EXCELLENT	GOOD	AVERAGE	NOT PERFORMING	EXCELLENT	GOOD	AVERAGE	NOT PERFORMING
Total Income earned by agent per month	446.50	225.75	137.00	80.00	249.00	136.00	89.90	37.70
Monthly recurring cost+one time investment	906.88	906.88	906.88	906.88	456.88	456.88	456.88	456.88
Total investment with deposit	13056.88	13056.88	13056.88	13056.88	4606.88	4606.88	4606.88	4606.88
Months for breakeven without deposit	2.03	4.02	6.62	11.34	1.83	3.36	5.08	12.12
Months for breakeven with deposit	29.24	57.84	95.31	163.21	18.50	33.87	51.24	122.20
Return on investment for agent	41%	21%	13%	7%	65%	35%	23%	10%
Total set up cost	1350.00	1350.00	1350.00	1350.00	550.00	550.00	550.00	550.00
Months for breakeven for AMK	3.02	5.98	9.85	16.88	2.21	4.04	6.12	14.59

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63. https://www.amkcambodia.com/

Agent profiles based on income generation.

GOOD

THRESHOLD TRANSACTION VOLUME/ MONTH
250 TRANSACTIONS

AMK BREAKEVEN
2 MONTHS

EXCELLENT

THRESHOLD TRANSACTION VOLUME/ MONTH
400 TRANSACTIONS

AMK BREAKEVEN
1 MONTH

AVERAGE

THRESHOLD TRANSACTION VOLUME/ MONTH
150 TRANSACTIONS

AMK BREAKEVEN
3 MONTHS

Source: Agent Business Case project for AMK and CGAP by Nitin Garg.

This Employee and Agent Empowerment Ideabook
was written by Antonique Koning of CGAP, Cheryl Frankiewicz,
and Julia Arnold.

⌀CGAP