Evaluating employee performance to improve customers waiting time at a South African Bank

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Abstract

The aim of the study is to identify factors that hinder productivity within the South African Bank (SAB) and to propose solutions to eliminate these factors. The study also aims to develop a system that will reduce customer queuing time. The methods that were used in the study were Interviews, the five steps model to improve productivity and Observations. The most significant problem that SAB bank faced was the queues inside the bank, at a percentage of 38% compared to all other identified problems in the bank. The reason for this was that the Festival Mall branch were the study was conducted, is a small branch and cannot accommodate all of its customers at peak times. The second impactful problem identified was the customer complaint which ranked at 27%. Most of the complaints were based on the waiting time on queues as customers would become frustrated while waiting for service. The manager was recommended to employ two additional employees at the ATM, two at the online banking one at the teller and Three at the queues. These employees would work in shifts to improve employee morale. The manager was further recommended to implement a team building network and the introduction of social events at the bank to motivate the employees. It was found that productivity of the SAB was affected by the staff shortage versus the targets of product sales each month. The waiting time in queues was shortened by the introduction of more employees to assist in customer service.

Key Words

Queueing system, Customer satisfaction, Productivity

1. Introduction

1.1 Background of the South African Bank

The South African Bank (SAB) is the most established bank in South Africa, and can be followed back toward the Eastern Region Bank shaped in Graham's town in 1838. When viewing the bank's history, two things specifically emerge, the first is an account of survival and reputation that gives a solid establishment to future difficulties. The national bank keeps up saving money auxiliaries which it possesses entirely to a limited extent in Botswana, Mozambique, Namibia, Swaziland, Tanzania, Zambia, Ghana, India, Lesotho and Guernsey. SAB is additionally currently seeking after development designs in Angola and Nigeria. Media reports in May 2012 demonstrated that the bank is additionally making arrangements to venture into Kenya, Rwanda and Uganda.

It was identified that the queues at the SAB were long and customers would wait in a queue receive a service from the bank. This was because the bank had one migration officer working on the floor leading to customers waiting a long time at the door for assistants. The problem that SAB experience is that they did not meet employee's satisfaction needs and customer's needs, therefore, both customers and employees were frustrated. The identification of productivity factors that are necessary for banking success will help the SAB managers' to critic the employee's ability to complete a transaction and serve its customer. This study would improve productivity and encourage employees to perform better in their duties.

1.2 Aim and Objectives

The aim of the study is to identify factors that hinder productivity within the bank and to propose solutions to eliminate these factors. The study also aims to develop a system that will reduce customer queuing time.

- To reduce customer queuing time inside and outside the bank
- To improve customer service
- To determine factors that influence the productivity at SAB.
- To develop a framework to improve productivity

1.3 Research Questions

- How can customer queuing time be reduced?
- How can the bank improve customer service?
- What are the factors that influence productivity at the bank?
- How can productivity be improved at SAB?

2. Literature Review

2.1 Introduction

During the past two decades, the service sector has been the quickest growing sector and it represents a big part in today's economy. New and innovating systems serve consumers better and it makes more opportunities for a win-win situation in the service sector (Russell, 2009). One of the biggest issues in the review is "how service productivity can be measured and implemented (Grönroos & Ojasalo, 2006). Based on the study, instead on focusing on manufacture, I will be focusing on service productivity. According to (Den Hartigh, 2011) productivity is defined as a ratio of the outputs of a production unit to its inputs. It is the productivity with which yield is delivered by a given arrangement of sources of info. Profitability is for the most part measured by the proportion of yield to include. An expansion in the proportion shows an increment in profitability (Hartigh, 2011) alternately, an abatement in the yield/input proportion demonstrates a decrease in profitability. For instance, work efficiency is commonly measured as a proportion of yield of work per into account both the financial esteem (cost) of what is created and the cost of information sources utilized, and furthermore particular from measurements of benefit, Profitability is the connection between generation of a yield to at least one or the greater part of the assets inputs utilized as a part of fulfilling the doled out undertaking. It is measured as a proportion of yield for every

unit of contribution after some time. It is a measure of productivity and is time. If not done as such then the target of measuring efficiency is crushed. (biege, et al., 2012)

2.2 Productivity

(Hartigh, 2011) Said that productivity can be defined in a million ways, the aim of productivity is to improve the output in either by increasing the work hour but also taking into consideration cost reduction and making sure that the standard of the output or rather the benchmark improves or remains the same. (Hartigh, 2011) It is also an average measure of efficiency of production. It can be expressed as the ratio of output to inputs and inputs are included in the productivity measure which is called total productivity. According to (biege, et al., 2012) Productivity is a very crucial factor in production performance of firms all over the world. Increasing national productivity can raise living standards of not only the government but the citizens as well. People then have the capacity to buy merchandise and ventures, appreciate more relaxation, enhance lodging and training and vitally add to social and additionally natural projects. Efficiency development likewise causes the business to end up noticeably more gainful. (Ayadi, 2014)

According to (Isaksson, 2007) in every organisation they are always factor that will influence productivity and some factor are controllable other uncontrollable. Controllable Factors are:

- **Product.** The cost benefit of a product can be change and improve by increasing the benefit at the same cost or by reducing cost for the same benefit
- **Plant environment**. The increased availability of the plant through proper maintenance and reduction increases the productivity.
- **Technology**. Technology improves productivity to a greater extent. It accomplishes taking care of capacity, correspondence and quality control. Mechanical change, which is a piece of TFP development, can be epitomized or free. While the last term implies that it comes as "sustenance from paradise", exemplified mechanical change implies that the capital stock has been overhauled as far as quality; late vintages of capital are essentially more profitable than more seasoned ones. (Isaksson, 2007)
- **Materials and energy**. Selecting the right material, controlling wastage, and saving employees energy can lead to productivity improvement

Uncontrollable Factor is:

- **Structural Adjustment.** A shift of an employee from agriculture to manufacturing industry. (Fagerberg, 2000). Delivered a paper that examines the connection between the financial structure of a nation and its efficiency development. He takes note of that one may expect nations represent considerable authority in cutting edge generation to encounter high efficiency development, while nations gaining practical experience in low-tech items will linger behind. On the off chance that costs completely acclimate to reflect contrasts in efficiency development (that is, in a globalized world), this may not be such a major issue as far as welfare. Be that as it may, if makers of cutting edge items, for reasons unknown, figure out how to keep the greater part of the prizes from speedier innovative advance, for instance, by controlling costs low-tech makers, they will confront extreme issues (Grönroos & Ojasalo, 2006)
- **Natural Resources.** Productivity variables (manpower, materials, machinery) play a vital part in improving productivity
- **Government and Infrastructure.** Fiscal policies like (interest rates, tax etc.) influence productivity to a greater extent (Calabrese, 2012). Interestingly, the influence of public capital on TFP growth appears to be independent of its effect on factor accumulation.

3. Methodology

The methods that were used in the study were Interviews, the five steps model to improve productivity and Observations. The study started off by learning of the employees' roles and responsibilities. Interviews were then conducted, of which six consultants and two migrations official (Manager and a floor manager) were interviewed.

The researcher also conducted productivity calculations to determine customer satisfaction. The calculated how many customers each consultant and migration official helped in a month helped at in their respective channels

e.g. (Online, Cell Phone banking, ATM and SAB App). This was done to compare the customer waiting time that was allocated on their tickets on arrival versus the actual waiting time.

3.1 Data Collection

The following procedure was used to gather the data.

- Firstly: **Challenging the necessity of the operation.**

At SAB data was collected and recorded about all the customers helped daily, weekly and monthly. Observation assisted in identifying the length of the queues.

- Secondly: **Analyse the work done.**

The data collected was listed accordingly from problems with the least impact on productivity to problems with the most impact on productivity through the use of an analysis sheet and a Camera phone

- Thirdly: **Question every step.**

The next step was to check if training was acquired by the employees. The most problems that were identified were waiting time in the (queue) inside the bank

- Fourthly: **Develop a new method**

Next step is to check the objective of the operation and eliminate unnecessary work, make changes and check against the guides to productivity improvement. After finding ways to improve the company's productivity, then test the new method and adjust if necessary**.**

- Lastly: **Apply the new method**

When the developed methods had been tested and identified to be effective for the company then a proposal would be submitted for approval, then the method would be applied in the bank.

4. Results

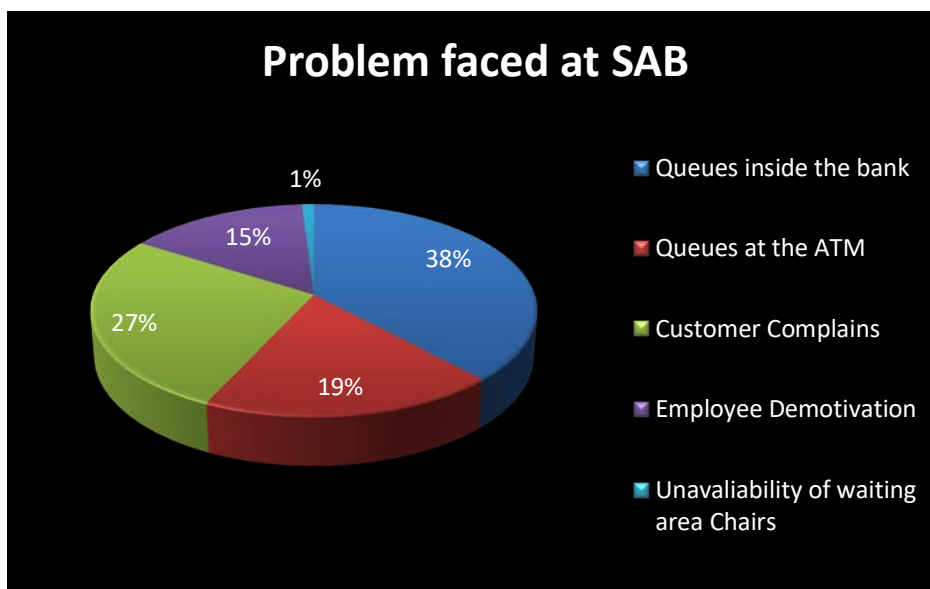### 4.1 Analysis of Problem Identified at the Bank

Figure 4.1 percentage of problems faced at SAB

Figure 4.1 shows that the most significant problem that SAB bank faced was the queues inside the bank, at a percentage of 38% compared to all other identified problems in the bank. The reason for this was that the Festival Mall branch were the study was conducted, is a small branch and cannot accommodate all of its customers at peak times. The second impactful problem identified was the customer complaint which ranked at 27%. Most of the complaints were based on the waiting time on queues as customers would become frustrated while waiting for service. Queues at the ATM and employee demotivation ranked at 19% and 15% respectively.

4.2 Queues at the Bank

I was identified that the causes for queues inside the bank was that the employees would take long breaks, the bank had a shortage of stuff and the working hours were short. Information was gathered in Table 1 and Table 2, indicating how many customers received service, how many customers complained about the queues, and the customer waiting time on the queues.

July/August

Column1	Column2	Column3	Column4	Column5
Days	Customer helped	Customers waiting time to be Assisted	Customers complained	Complained Customers Assisted
27th	295	40min	10	2
28th	197	1hr 30min	3	0
29th	486	1hr 10min	18	7
30th	492	1hr	13	1
31st	567	50min	11	6
3rd	345	30min	0	0
4th	337	30min	1	0

Table 4.1: Analysis sheet of problems about the queue inside the bank and solve problems in July/August

August/September

Column1	Column2	Column3	Column4	Column5
Days	Customers helped	Customers waiting time to be Assisted	Customer Complained	Complained customers assisted
24th	178	45min	0	0
25th	286	35min	2	2
26th	324	1hr	0	0
31st	657	30min	12	12
1st	365	50min	10	10
2nd	209	45min	4	4
3rd	197	30min	0	0

Table 4.2: Analysis sheet of problems about the queue inside the bank and solve problems in August/September

In both Table 4.1 and Table 4.2, the first column shows the days of observations, which were the peak days of the month. The second column shows how many customers were helped by the migration official and consultants. As shown on the table there are more customers coming to the bank towards end of the month. On the third column it shows the Average time each day a customer would wait to be assisted by the consultants. Customers would come in the bank, get a ticket (which would say other services, get new or collection) which would indicate waiting time. On the fourth column it shows the numbers of customers that complained and the last column shows the number of customers assisted based on the complains. The tables show that not all the customers that complained were assisted. They must be able to help all their customers.

4.3 Interview

The results of the interview with the bank employees are as follows, these are indicated in figure 4.2 below.
- 87.5% of employees said yes to knowing the overall object of their job

- 25% of the employees work in teams

- 100% employees said they have not experience change in their own area of work

- 50% of employees said the manager does ask for ideas from them to improve the job productivity

  100% of employees said they communicate with other employees

- 62.5% of employees do attend meetings at work?

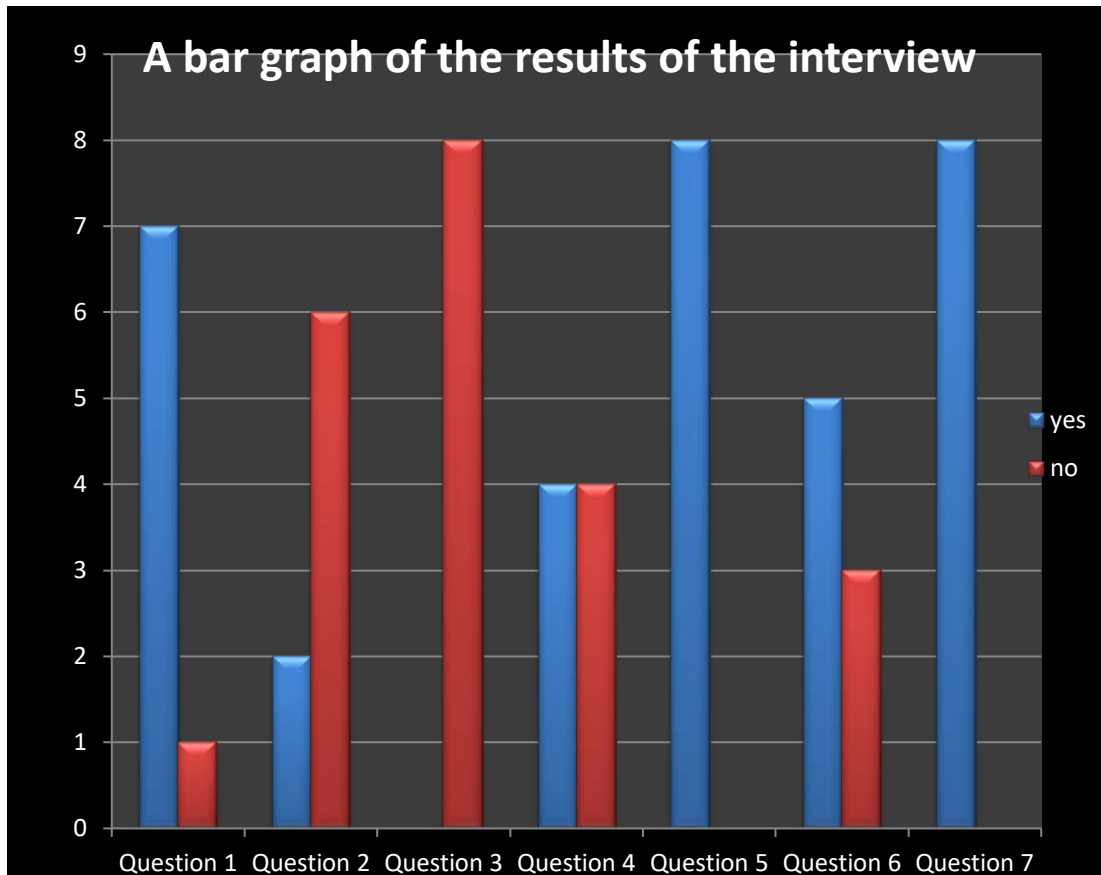- 100% of the employees have less than 3 days off in every month

Figure 4.2: Results of the employee's answers from the interview at SAB in Festival Mall

Analysis Criteria

1) Do you know the overall objective of your job?

2) Do you work in teams?

3) Have you experienced change in your own area of work?

4) Does the manager ask for your ideas to improve the job?

5) Do you communicate with other employees?

6) Do you attend meetings at work?

7) Do you have less than 3 day's day off in a month?

The employees who are not willing to be interviewed have stated the following reasons as to why not and it was they were too busy working and do not have time, the second reason was they did not know me and felt uncomfortable answering any questions I had and lastly some were never around to be interviewed. Four employees were not interviewed because they said that by answering this question will get them in trouble with their manager or other employees.

4.4 Productivity Calculation

Calculation of employee's productivity from the actual month to the target month were calculated. Productivity of the employees is indicated in Table 4.3 below.

Product	Achieved	Target	Employees Names	Their August Targets
Business Cheques	24	50		
Personal loans	1 90 9500	1 514 940	Tebogo	87 800
Value Adds	42	328	Phindile	76 900
Smart Account	50	179		
Credit cards	14	23	Pearl	59 200
Investments	5 625 800	7 200 000		
Funeral Cover	31	85	Sizo	63 200
Connect	-	100		
RCP	412 156	300 000	Dipuo	62 400
Gold Cheque	15	48		
Savings Pockets	-	-	Sihle	71 900
Upgrades	30	90		
Premier	8	8		
CCVP	30	66		

Table 4.3: SAB branch in festival mall August's Target

Table 4.3, shows the employees productivity for the month august. On the first column, it shows SABs products, and what was achieved in the month of august e.g. their target for business cheque was 50 but they sold 24 that means that they did not reach their target and that means the was a decreased productivity in that product. The only product that reached its target was personal loans with an increase of R394 560. On the far side of the table, it shows the total target achieve, excluding investment and personal loans, by each consultant which is R421 400. SAB had a shortage of staff members with only one migration official which was part of the reason that targets were not achieved. It was found that employee demotivation also had an impact on the low level of sales in the bank's products, this was mostly caused by a lack of leave days, were customers were working 30 -31 days in a month without leave.

5. Recommendation

5.1 Discussion
The manager was recommended to employ two additional employees at the ATM, two at the online banking one at the teller and Three at the queues. These employees would work in shifts to improve employee morale. The manager was further recommended to implement a team building network and the introduction of social events at the bank to motivate the employees.

5.2 Recommendation

5.2.1 Queues Inside the Bank.

It was recommended that the manager hires one more migration official and a floor manager. Supervisors were advised to assist when there is a long queue. One additional employee would be hired to assist with at the ATM, two at the online banking division, one at the tellers and three at the queues at the end of the month (24th to the 5th). Table 4.4 below indicates the results after the implementation of additional staff members.

Product	Achieved	Target	Employees Names	Their September Targets
Business Cheques	38	44	Tebogo	58 600
Personal loans	1 668 511	1 500 000	Phindile	46 800
Value Adds	500	200	Pearl	66 900
Smart Account	154	100		
Credit cards	28	20	Conny	61 700
Investments	977 637	1 172 115		
Funeral Cover	102	48	Nstako	16 900
Connect	-	-		
RCP	354 102	314 050	Sizo	34 200
Gold Cheque	41	30		
SavingPocket	-	-	Dipuo	29 000
Upgrades	25	100		
Premier	10	8	Sihle	40 900
CCVP	-	-		

Table 4.4: SAB branch in festival mall September's Target

The Table 4.4 above shows the employees productivity for the month September. In this month the consultant target for business was 44 and they managed to sell 38 business accounts, personal loans were R1 500 000 and they sold R1 668 511, Credit cards were 20 and they sold 28 credit cards. They Employees Manage to achieve 8/14 of their target in the products sold. On the far side of the table, it shows the total target achieve, excluding investment and personal loans, by each consultant which is R355 000. These were as a result of employing additional employees on a trial base.

The following recommendations were further also made:

Know your service level target. using an "80/20" service level target, meaning that 20% of customers should be helped in 80 seconds. When determining what right service level target should be, the manager would find the right balance between the desire to deliver quality service versus the cost willing to bear to achieve it, using the Performance metrics and Queue Management**.** Now that the manager has the service level target, the manager can begin tracking actual service times using the point-of-sale data and surveillance video. Whichever queue management system the manager decides to use; they must be sure that it integrates surveillance video since this is the best way to investigate what caused delays in service speeds or why a customer abandoned the checkout line. Once data have been collected, the manager can look at the banks performance over a period of time and find any trends or outliers. Investigating these situations will uncover operational bottlenecks or other issues that cause slow service times.

Encourage open communication. The manager can get insight into what things are important to the employee by using surveys. Be open-minded and encourage them to express their ideas and perspectives without criticism. This means putting into practice everything you have learned about effective listening. Address their concerns in the best way you can. Culture, encourage employees to find a personal fit with the company culture.

Provide constant feedback on the positives. When employees know what the manger is doing well, they'll keep doing it or even better, do more of it. Providing someone with a little recognition on what they're doing well can

go a long way toward boosting morale. This is not to say "ignore the weaknesses" the manager must not make the weaknesses the only focus area of feedback.

6. Conclusion

The objective of the study was to conduct the following; to reduce customer queuing time inside and outside the bank, to improve customer service, to determine factors that influence the productivity at SAB, and to develop a framework to improve productivity. It was found that productivity of the SAB was affected by the staff shortage versus the targets of product sales each month. The waiting time in queues was shortened by the introduction of more employees to assist in customer service.

It is important the manager at SAB checks on the employee's performances on a regular basis and provides feedback to the employees so they could help move the lines quicker. The five steps in improving productivity assisted in identifying the problems that needed to be corrected to reduce their impact of business productivity and performance.

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Biographies

Dineo Mbalati has completed her Bachelor's Degree in Management Services at the University of Johannesburg in South Africa. She currently works for a South African Bank, with the focus on productivity and customer service. She is a passionate and developing researcher who has an aim of studying a Masters Degree in Operations Management in the near future.

Takalani Nemarumane is a Lecturer and Programme Manager at the University of Johannesburg. She has acquired a bachelor's degree in Management Services, a Master's degree in Operations Management, and is currently in the final stages of her PhD in Engineering Management. Her research focus has been Social and environmental impact, and cleaner production. She has published countless research papers and book chapters throughout her 8-year career as an academic, and also is passionate about grooming young students to becoming credible and solid researchers in their respective areas.