

**Harland Clarke Webcast 02/02/17**  
**Banking Conversions Impact on the Contact Center**  
**TRANSCRIPT**

Presenter Stephen Nikitas, Senior Strategy Director, Harland Clarke Presenter Terri Panhans, Vice President, Contact Center Solutions

Presenter Janet Sthele, Director of Client Strategy and Sales, Contact Center Solutions

**Nathan:** Good day, and welcome to Harland Clarke's audiocast "Banking Conversions Impact on the Contact Center." This audiocast is being recorded and will be provided to you along within a few days. If you have questions, please use the chat box located in the control panel. Your questions are private and are only seen by the presenters. I will now turn the call over to Stephen Nikitas, Senior Strategy Director at Harland Clarke. Stephen, you have the call.

**Stephen:** Great. Thank you and good afternoon, everybody. Welcome to yet another Harland Clarke webinar on how we can help financial institutions to continue to grow and prosper. As you can see from the title slide, our topic today is going to be bank conversions and contact centers. As Nathan mentioned, I am a senior strategy director with Harland Clarke. That is my photo all the way over to the left-hand side, and it may be surprising to some. I know I sound like a millennial, but I am not.

My guests today and the reason that you've called in, not to really hear me but actually to hear our two guests, Terri Panhans and Janet Sthele. I'd like Terri and Janet to introduce themselves. Let's start with Terri. Terri, would you please tell our guests today a little bit about yourself and what you do at Harland Clarke?

**Terri:** Absolutely. Thank you, Steve. Hello, everyone. Just pleased to be with you today. Regarding experience, I have just over 25 years of experience focused in the contact center space and have held roles both on the operation's side with oversight of some contact centers, also on the sales and marketing side, and project leadership side, as well.

In my current role, I do oversee the sales and marketing efforts here at Harland Clarke. What that means is that my team works every day to collaborate with our clients to create and to deploy solutions that are exactly tailored to their needs. That can be on an ongoing basis or, as we'll be talking about in more detail today, shorter term support specifically around changes or conversions that they have in their environment.

Again, just very happy to have this time with you today. Thank you for joining. Janet?

**Janet:** Hi and good afternoon, everyone. Janet Sthele, I am the director of the client strategy and sales as it relates to contact center solutions. What that means is that I spend the vast majority of my time talking with clients, understanding what their goals are, what's going on in their environment, and then seeing how that may or may not align with some of the solutions that Harland Clarke has. Part of that process is definitely sharing the best practices. We support a lot of similar type programs for different clients, so just trying to spread the wealth and the knowledge around there best we can.

I joined Harland Clarke. I've been here since 2003. I have 20 years experience, really, in the client service roles in varying levels there, and 13 of those have been primarily focused on the financial services industry.

Again, thank you all for joining this afternoon.

**Stephen:** Great, Terri, Janet, thank you guys very much. Folks on the phone who have called in, this is going to be really a Q&A session today where I've got a number of questions that I'm going to ask of Terri and Janet obviously revolving around the contact center and how a contact center can help a bank or a credit union out there. If you have a question, in the tool bar in your go-to meeting or your go-to webinar window, there is a dropdown item called chat. If you have any questions on anything that you'd like to ask today of Terri, or Janet, or even myself, feel free to type your question into that chat field, and during the course of today's presentation, we'll make sure that we get to your questions. Again, a reminder, any questions you have, feel free to type them in the chat window, and we'll make sure that we get them before we wrap up today.

Really, the purpose of today's presentation is to provide you with a number of takeaways obviously, right? Our goal is to help banks and credit unions understand how they can preserve and/or strengthen their brand reputation among account holders. In order to do that, we'll really focus on three issues today, those three takeaways that, by the end of the presentation, we want you to walk away with.

First, we want you to have a good understanding on the steps and processes that a financial institution should consider if they're planning some sort of an enterprise-level initiative, such as a system conversion, maybe a new branch opening, maybe a merger and acquisition. That's one takeaway.

A second takeaway is to help you understand that when a financial institution does undergo some sort of an enterprise-wide initiative, we want to help you understand the account holder servicing expectations and the risks that are out there when no contingencies have been put in place to handle such an initiative.

Our third takeaway that we'd like, again, for you to walk away from this presentation with is really identifying those benefits of choosing a contact center supplier to help manage these types of events. Among those events that we'll talk about in addition to those enterprise-wide events, we'll also spend some time talking about burst events, B-U-R-S-T events. I'm going to ask Janet and Terri in a little bit to talk a little bit further about that.

Before we get into the questions, I wanted to just spend a moment talking about the importance of having a conversation with our account holders. I didn't spend really much time talking about my background. I have 30+ years in the financial services industry in executive-level positions in sales marketing, operations, and retail. A recent study that I found really interesting was – what was really eye opening to me relative to the importance of having a conversation with our customers or with our members. Gallup did a study the middle of last year where they asked customers of national banks, and community banks, and credit unions if they're and if the employees at those institutions were having any sort of conversation with the customer or with the member. What Gallup found was that less than one in five customers reported that anybody at the institution was having any sort of conversation outside of the order-taking interaction, if you will, with a particular customer or with a member. Not too good, and in many ways shame on us as financial institutions for not being a little more aggressive at having those conversations relative to customer or member satisfaction maybe needs-based conversations, whether those conversations take place at the platform or whether they take place at a contact center.

Now, the interesting thing, according to the Gallup study, was that while less than one in five consumers say they're having any sort of a conversation with their financial institution, the interesting part is when that conversation is held, roughly one out of every two conversations leads out in some sort of either A, sale to that particular consumer or B, increase in customer or member satisfaction. Just wanted to share that information with you on how important it can be to have some sort of a conversation, again, either at the platform floor, at the teller line, or, for today's purpose, at the contact center.

With that, Terri, Janet, I've got a list of questions here. If you don't mind, I'm going to start asking. If you don't mind, Terri, I think I'll ask the first question of you. Terri, when and why should a bank or credit union consider an external contact center supplier?

**Terri:**

You know, Steve, we see various reasons that our clients will reach out to us. Some certainly are looking for ongoing support, like after hours, anything really just to provide that supplemental support for their existing contact center on an

ongoing basis. Where we've really seen momentum and activity, especially probably in the last 18 months and really already into this year, is around support for those instances where they have an event coming up, something like an online conversion, a merger, an acquisition, anything that would call for and be anticipated to have an influx of incremental volume in addition to the queue that they already have. We also have some clients that have a need to have support for ancillary outbound call volume, as well.

What a lot of our clients don't realize is that they don't have to engage in a long-term contract with us or situation with us. It's really tailored to the need for that finite period of time when they need that support. Again –

**Stephen:** Terri – oh, I'm sorry.

**Terri:** No, no, no, go ahead.

**Stephen:** Terri, it sounds like really three key trends: conversion activity, onboarding activity, marketing/cross-sell-type activity. When you look at your involvement when a financial institution is going through a conversion of some sort, where do you see yourself getting involved? What are those initiatives when a conversion takes place where a contact center comes into play?

**Terri:** I think, and even if – several of our clients if not all have their own contact center or ways to answer calls, and so you might ask why would you need the supplemental support. What we see is any call center, regardless of the size, large or small, does not have ready capacity sitting available, people waiting to take calls there. They are run efficiently, and the staffing is such that aligns exactly with what their volumes are.

When you experience something like an online conversion, merger and acquisition, things like that, you're going to get that influx of calls for that period of time when your account holders are going to have questions and need to get their calls answered. In addition, the regular queue of calls does not go away. What we see a lot is if clients don't get some type of supplemental support, if they look to have temporaries or get some branch support in their own contact center, then their contact center staff can become burdened. Obviously, the call queue will increase and the service level presented back to the account holders really suffers and is degraded.

That's when really we come in and begin having those conversations, usually several weeks if not months depending on the size of the project, and become a part of the plan there, and bring forward best practices that we've gleaned, and really just a view from what we've done and different changes or conversion projects that we've supported in the past.

**Stephen:** A contact center agreement in order to handle that extraordinary event, if you will, like a conversion or maybe a merger and an acquisition, and that allows the organic contact center within the organization really to continue to handle the day to day?

**Terri:** That's exactly correct. Then, again, once the project is done and that influx of calls is decreased and eventually will go away is related to that, then they don't need that staffing. Again, that's when we work with them to say how long will you need the support. Then once it's done, then we step back. They go back into business as usual. It's a great approach that, I think, works for everyone involved.

**Stephen:** Terri, if you would, I've got a conversion schedule at my financial institution. It's coming up September 1st, let's say, pretty long-reaching timeline between now and then. We know in the banking and credit union world, time can go by relatively quickly. When would or when should a financial institution reach out to a contact center supplier to start engaging them in a conversation about conversion or any enterprise-wide type of an event?

**Terri:** I think, Janet, I will let you address that. I know you work a lot with the timelines. If you would take that one, that would be great.

**Janet:** Absolutely. I always say I'm a huge proponent of engaging sooner than later. Everybody wants to talk about the sales cycle, and to me a longer sales cycle when you're talking about support for contact center initiatives – to me longer is better because that means then you engaged far enough back. I really view these initiatives as a partnership. They should be very collaborative. You should be heading down the path together. Engagement even as far out as six months is not unheard of, at least for an initial conversation. Then once you say yep, we're going to move forward.

I always say let's set up team meetings. Let's have our kick-off call somewhere in that ten-week-out timeframe, again, not because it takes us that long necessarily to get everything set up, but it is because I think it's so important for those two teams to start working together, having the dialogue, and get used to having those weekly updates. There's probably not going to be a lot at first, but conversations will grow. Again, it's just the key element of building that partnership and being able to work well together.

**Stephen:** Terri, or Janet rather, I'm sorry, let's go back to the scenario where we've got a conversion. Let's say I'm going to call you ten weeks out. What might transpire within that ten-week window leading up to the actual conversion on your particular side of the house, from a contact-center perspective? What are those

things that you would look at accomplishing leading up to the actual strike date, if you will?

**Janet:**

Again, we come prepared. We have top lists of everything that needs to get accomplished. I think the things that jump to the top of the list are when you speak about what systems are we going to need to access and how are we going to need to access those. Fortunately, in today's technology world, a lot of what is needed for support can be URL based. Sometimes the connectivity gets a little bit more sophisticated, so that's always the very first topic that we like to address and put out there.

Right on the heels of that is talking about telephoning systems, even the most basic questions of can your carrier transfer calls to another carrier toll free. Then just everything that can be involved: line capacity, conversations, and really architecting again, everything that's going to be designed to our client's criteria and requirements. There's just so many different things that can come into play with that, if you're talking about with wait times or calls in queue, I want calls routed back to me or that's why I'm going to overflow calls to you. That part is a tremendously important aspect to start talking about upfront, continuing to work through that, developing test plans around that.

Those are the two key pieces, and right beyond that, we're going to start talking about training. Again, our approach is that if they're being serviced here or being serviced at the client, it should be seamless. It should be the same. Talking about that approach to training, understanding the materials that would be available and how they are to be used, and what's the client's request, and how do they foresee that training being delivered down to the folks that are going to be handling the calls.

Those I would say are the top three things, and then naturally lots of things beyond that that need to happen to make sure that we check all of those boxes off. Those would be the three areas we'd certainly start the dialogue.

**Stephen:**

Super, thank you. Terri, back to you on this one. Janet mentioned from a contact-center perspective what those activities or casts might look like leading up to a particular initiative. Let's take it from another angle and think about the bank or the credit union. What critical elements should a financial institution consider when they're planning an enterprise-level initiative that may impact their existing account holders?

**Terri:**

Sure, Steve. I think whenever considering using any supplier, certainly in the industry that we serve, security is paramount, understanding the information and physical security aspect of any supplier and the diligence that they focus in on around that to include the appropriate background testing of the labor pool

that would be supporting call recording. Do they offer that? Is there call listening? Again, just to have that availability to support both the coaching and also the security aspects.

I think very important, too, is the ability to align to the brand that the financial institution is wanting to and has worked so hard to provide to their account holders. I think any supplier, any good supplier, is very focused on that and is in alignment with the financial institution at every step of the way and really is in lockstep to make sure that is presented on every call every time. Certainly flexibility comes into account, especially when you're talking about the shorter term, and actually with longer term, too: flexible around hours, flexible around the scope, flexible around timing of the program if it is short term. Again, really just to tailor it to the need of the client and be there when they need them to be I think is important.

Then just others around some of the technical things. Certainly the quality assurance, I think, is important, to know that they will have ability to provide quality assurance on the calls that are being taken on their behalf if they would like. Calibration certainly, that the internal that that supplier is performing quality checks in a very regimented manner to ensure that the program is running as everyone expected. I think all of those come to mind, Steve, top of mind to me, if our clients are considering outsourcing.

**Stephen:**

Terri, Janet, you mentioned aligning to the brand, right? I know in a former life there can be a concern that we've got our own contact center internally. I'm a little bit hesitant maybe about reaching out to a partner who can provide this resource for me. We talk to our customers or our members in a certain way. We carry the brand in a certain way. Terri or Janet, if you could, what are some of the things that a contact center can do or that you have done in order to ensure that that brand continues to get extended when working with a contact center supplier?

**Janet:**

Steve, this is Janet, and I'm happy to take that one. I mentioned previously that coming up with a very cooperative approach, you should work very closely – and this is really a big one, and there are a lot of ways that we can address this. Typically what we do – we may have clients who come and actually participate in the training. What their entire role is – I'm going to talk about our customer because I want to talk about our environment and our situation to make sure that they truly understand the customer base, and their expectations, and how they're used to being serviced, those types of things. It is not uncommon that clients come on and participate in that.

On the flipside, we realize, too, especially if there's a conversion that's going on, you guys are going to be really busy and may not be able to have extra resources to be able to send out. We get that, too. We can cover the information in what I would call train-the-trainer sessions, have our training team on there. You guys are covering the material with us, enabling us to get a good foundation and be able to share that information with the team itself that's managing it, sending little top seed, what have you, anything just to make sure that those on the Harland Clarke side supporting the program still very much a part of the team are, little things but they really go a long way in terms of engagement and helping to understand and deliver on the brand promise.

**Stephen:**

Super, thank you very much. Terri, you mentioned that among those recent trends that you're seeing are above and beyond conversion-related activity, above and beyond merger and acquisition-related activity – you're also seeing contact center involvement when it comes to complimenting onboarding programs, complimenting cross-sell-type programs. Let's talk a little bit if we could. In my role at Harland Clarke, I provide consultation for financial institutions, and that consultation is focused on helping a bank or a credit union continue to grow and prosper, whether it's attracting more loans, whether it's attracting more deposits or checking accounts, whatever, whatever.

One of the things that I see out there is financial institutions wanting to acquire small business accounts: maybe small business checking accounts, maybe small business credit accounts. Janet or Terri, if you could, talk a little bit about some of your involvement when it comes to small business campaigns, specifically small business acquisition campaigns. How can a contact center support a financial institution's endeavors to acquire more small business accounts?

**Terri:**

Sure, Steve. This is Terri. We do support several clients, and really those are multi-channel programs where we're doing outreach on behalf of the client either through mail, email, other channels. Then we will underpin that with an outbound call to follow up, to provide additional information, provide benefits that would be of interest to that potential small business customer.

Then if they are interested, there are several different ways that we disposition that, either making an appointment for the small business banker. We can do a warm transfer over to a set resource for our clients. It's really dictated at that point by the client, how they'd like us to disposition that, to pass along the warm lead.

We find that's very effective. We have clients that will do those calls anyway, and a lot of them do a great job. Some of them just because they'll maybe tap their bankers on the shoulder that have a lot of other things they have going on



in a day, they'll ask them to do them. Because it just gets busy, a lot of times they're just unfortunately not able to make those calls. We find with having our teams do it with a real focus, that's all they do. That's what they've been trained to do. That's what they were hired to do. We can time it, too, around those times of day that we know we're going to get the best contact rate. It just drives efficiency there and a real focus. It's been pretty successful for us and programs that we certainly enjoy.

Like you said, in our minds we're really waking up every day and saying how can we help our clients acquire, grow, and engage or retain. That's certainly a way that we can help them grow. Some then will come back once they've earned the new customer and do onboarding around that to ensure that they're in the right products, that they're in products that resonate with them, and create that loyalty as well for our clients.

**Stephen:** Great. Thank you, Terri. Terri, to compliment that we have a question from one of today's attendees. That question is what kind of results do you see with our small business outbound contact center efforts?

**Terri:** I think, and I'm not dodging the question, it really varies. I'm not sure if that question is around the contact rate, or the lead rate, or the close rate. It varies based on different things that we see in the market. For the credit unions or the banks that we're supporting, it really does vary. From a contact rate, we are usually able to reach at least around 30% from the list that's provided. Now, sometimes that's less. Sometimes it's more. It'll depend on the quality and that kind of thing. Then the results from there will build out.

I'd be happy to talk offline with anyone if they would like and want more information because I can provide the different nuances that drive the different results that we see.

**Stephen:** That's great. Thanks, Terri. Thank you very much. When we talk about reaching out to, whether it's a bank or credit union's existing small business accounts or prospects, is the most effective approach then, at least from a contact center standpoint, to make that call in order to establish an appointment for a business banker?

**Terri:** Yes, it's the ability to make the appointment, or some clients just prefer if it's during their hours that they have a resource that's there to take the warm handoff from us. We'll pass along the call at that time. We really can tailor it. We work, collaborate with our clients to see what will work best for them around that.

**Stephen:**

That's great. Thank you. You mentioned earlier, or maybe Janet mentioned earlier – we talked a little bit about conversions, contact center support. Let's talk about merger and acquisition contact center support if we can for a moment. There's lots of merger and acquisition activity going on out there. If you look at the number of banks and the number of credit unions out there in the U.S. today, both numbers for each particular charter, about 6,000 to 6,500 banks, 6,000 to 6,500 credit unions. Over the course of the last probably five or six years, we see one bank or one credit union disappearing literally each business day of the week, not that they're going out of business because of any financial difficulties, but more often than not, banks are acquiring other banks and credit unions are merging with other credit unions. There's simply a lot of M&A activity going on out there.

When it comes to supporting through contact center services a financial institution's merger or acquisition activity, what are some of those things that a contact center might handle for a bank or a credit union?

**Janet:**

Steve, it's Janet. I'll take this one. I'll try to be brief. I do want to be cognizant of the time knowing we have just a quick 30 minutes this afternoon. You're exactly right, there is a ton of that activity, as well. A lot of that support revolves around – similar to an online banking conversion, customers are going to call with questions. Granted, though, they've probably received the answer in some form or fashion already, but sometimes people just want to talk to somebody and say I want to make sure I understood that properly or what have you. It could be the same scenario: a contact center. There's limited ability for growth, or expansion, or busy just handling normal calls. This additional call volume that's coming in can pose a trick, just the assistance with some of those general FAQs. If there are debit or credit cards that have been resent out that you might need assistance getting them activated, or handling that on the inbound side, or a lot of times in an outbound call as reminders after. You know what? You've received your new debit card. Our records show it's not been activated. Let me help you do that. Here's a reminder that you do that to make sure that you've got access to your funds, and all those wonderful things.

Those are the top ways where you can look for some additional support from an acquisition or merger perspective.

**Stephen:**

Fantastic. I've got one last question. I know we've run a little bit over here, but this has all been great stuff. Janet, I'm going to ask you if you would be kind enough to handle this one: what does a successful outsourcing engagement look like from the account holder and the client perspective?

**Janet:** Gosh, I could probably sum it up in one word, Steve, because the word that comes to mind is seamless. That's really what it should be from everybody's perspective. The job is put in all the hard work in advance of that so that from the financial institution we're supporting it feels seamless and certainly most importantly from that end consumer who we're touching on that contact feels that it's a seamless call, as well, and we're able to resolve it just as if it were going to their normal contact center.

**Stephen:** That's great. Seamless is the key. With that, why don't we wrap up? We have reached our 30 minutes and then some time limit for today's webinar. Janet, Terri, I want to thank both of you for participating in today's event. Before we wrap up, Janet or Terri, any final words to our audience?

**Terri:** I don't have any, Steve. Just again, just appreciate everyone spending your 33 minutes with us today. We hope you found this to be a valuable use of your time, and just appreciate you joining.

**Stephen:** Thank you very much. As a reminder to everybody on the phone, a recording of today's event will be made available to all of today's attendees. You'll get that or get a heads up within the next week or so when that recording is available to you. On behalf of Janet, on behalf of Terri, I would like to thank everybody for attending today's event. We'll see you at our next webinar. Thank you all.