

[*American Banker* is **the** daily newspaper of banking executives. Jay ghostwrote this article and sold the concept to the editor.]

Reprinted from
AMERICAN BANKER

The Daily Financial Services Newspaper

Thursday, May 8, 1997

Comment/ by JACK HORNBY, Omega Performance

Lessons From the Flight Simulator On Continuous Training

As director of retail sales at a major bank, I used to worry about whether my staff could meet customers' expectations.

One usually has only a single opportunity with a prospect, so knowledgeable and well-trained professionals are vital to success. We were converting service representatives into salespeople every week. Their training and continuing education for experienced staff meant time out of the branch, less time spent selling, and missed opportunities. I couldn't even be sure people were retaining the knowledge I was trying to impart.

Line managers complained they needed trained professionals, but didn't have the resources to schedule the required training. The process was like pounding screws with a hammer.

Fast-forward to your bank in 2000.

Competition, responsibilities, and the pace of change have accelerated to the point where 1997 seems like the leisurely paced "good old days," yet your organization course-corrects faster than the customer can say "yes." Every day brings new learning challenges,

Your sales staff outperforms bank and non-bank competitors alike, even sophisticated financial planners. They expertly advise customers on complex products, refer to other parts of the organization to leverage expertise, and navigate the multitude of channels to reduce ~ expenses and ease the customers' access. What does the bank of 2000 have that I didn't? A technological and competitive weapon—but not the delivery-system kind—that dominates many of today's industry headlines.

It was a new method of training, using interactive multimedia. It accelerated learning, elevated performance, and built competitive advantage. It delivered individually tailored courses directly to each person's work site via high-speed networks.

Interactive multimedia training combines full-motion video, stereo sound, colorful graphics, real-world scenarios, and consistent feedback in a computer-controlled learning environment. It is, in effect, a dedicated—and entertaining— personal tutor.

People learn better by doing things than by sitting in a classroom hearing about doing things. And multimedia technology exists today to make it happen.

To learn to fly, pilots have been using simulators for decades, enabling them to practice without endangering anyone. Think of the alternative: "Welcome aboard! This is your captain speaking. This is my very first flight, but not to worry. I attended a two-day workshop on flying, and the instructor told us all about it. I got good marks!"

In financial services, we have been sending people out to fly missions without it, training and practice. Meanwhile, nonbanks are poaching prime bank customers by giving them expert service in narrow in lines Interactive media training can help a barker perform like a financial planner or a savvy broker—with a crucial strategic advantage. A part-timer can meet customers' increasingly complex needs with a full array of financial services. What's more, multimedia eliminates the cost of instructor salaries and travel, along with the expense of facilities and printing. My firm is finding that, when compared with traditional methods, multimedia cuts training time in half and shifts training to nonpeak hours.

This "found sales time" is like adding dozens of salespeople to the staff. Considering these factors alone, interactive multimedia generally pays for itself in six to 18 months.

And when people train with multimedia, performance gets a lasting turbo boost. The Department of Defense, which has far and away the longest track record with interactive multimedia, reports that skill mastery increases 45%, comprehension 50%, and consistency 35%.

Banks are starting to realize that a high-performing staff is a strategic weapon. As Tom Brown of Donaldson, Lufkin, Jenrette said at the Bank Administration Institute's Retail Delivery Conference last year in Dallas, "I hear a lot about sales strategy and the way banks are throwing technology at the problem, but it's not enough. Now I want to hear about execution."

Multimedia training is totally focused on execution. The "paralysis by analysis" of classroom workshops is jettisoned in favor of action.

At a multimedia-enabled institution, salespeople are transformed into confident, creative self-starters. Enthusiastic sales teams build enduring, productive relationships with customers. Product rollouts take days, not months.

Shared values and self-reliance create a nimble organization, and the entire bank is "wired for change."

We developed a six-hour multimedia program for Bank One Colorado to teach how to sell home equity loans over the phone. First, we had to overcome the negative image of telemarketing and reposition selling as customer service. Participants then learned a proven process for making successful sales calls and practiced by listening to their own voices. They took part in a "quiz show" that reinforced product knowledge and calling skills.

Trainees practiced calling "virtual customers" to hone their techniques. If they used the wrong approach, the virtual customer hung up.

Participants in the program increased their selling effectiveness 300%.

Another major retail bank's call center relied on multimedia training to broaden its range of products. Sales by outbound representatives jumped 49%.

KeyCorp has stepped into the future, setting out to upgrade the skills of every person in the retail bank who speaks directly with customers: tellers, customer service representatives, call center representatives, collection agents—everybody.

In a virtual bank, trainees face ever more difficult situations with customers. When they stumble, they get instant tutorials to brush up on selling skills and product knowledge.

The system tracks each person's learning plan and accomplishments, and sales managers receive detailed progress reports for mentoring. Senior executives assess the sales readiness of the retail staff with ease; they have the option of delivering on-line "infomercials" to reinforce important messages.

