



**CASE
STUDY**

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**ASIAN EXTREME BANK'S CUSTOMER
RESOLUTION UNIT: IT IS GETTING ON NERVES**

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1. The Witch is On Her Broom

On 7 December 2014, Sanjeev Mehan was immediately directed to the meeting room by Melinda Paul. Sanjeev wondered what the meeting was all about. Melinda, the head of Customer Service Centre (CSC), wanted Sanjeev to bring the statistics of all unresolved complaints that were recorded since 2013 which had created dissatisfaction among customers. Sanjeev knew that the Head of Department wanted to revisit the action plan to end the crisis at Customer Resolution Unit (CRU). The statistics showed that there was 65% increase of unresolved complaints from the previous year of 2013. Of the 65%, 61% were related to staff complaints.

Sanjeev officially reported his duty as the head of Customer Resolution Unit (CRU) in September 2014 at Asian Extreme Bank (AEB). He was a 28 years old man with eight years of track record in banking industry. Prior to joining AEB, he worked with a renowned Malaysian bank. Sanjeev joined AEB for a career advancement that he thought could offer him a ladder for future achievement and good career path advancement. However, he was frustrated realizing that his new CRU was having a serious problem regarding unresolved customer complaints. Being very new to the company, Sanjeev was puzzled to know that he had only 10 months to fix the issues. Failing to do so, the bank's image and reputation could be tarnished which could cause customer switching. He realized that, his job was in stake since his probationary period was not finished yet.

2. Asian Extreme Bank

Asian Extreme Bank (AEB) was founded by Chong Hua and was incorporated in 1937 with its head-quarter located in Singapore. Since its establishment, the bank underwent a series of acquisitions and rated as one of the world's top banks. In 2013, it had about 450 offices and branches in 20 countries including Malaysia, China and Thailand. AEB offered various wealth management and financial services to both of its institutional and individual customers. The example of services include asset management, insurance, vehicle and home loans, stock broking services, estate planning services, debit/charge and credit cards, treasury products, overdraft facilities and various bank accounts. AEB's vision was to be the leading bank in Asia-Pacific Region in line with its mission, to be the best in serving their customers, offering excellent customer service and quality products. AEB was in an attempt to distinguish itself from its competitors in terms of its business

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strategies, comprising of strengthening target markets, expanding horizon through bank acquisitions, forming strategic alliances, producing and maintaining good brand as well as valuing its customers.

3. Unresolved Cases

Sanjeev Mehan started his career at AEB Malaysia in September 2014 as the head of the customer Resolution Unit (CRU) after finishing his comprehensive management training program. Some of the staff of his unit referred the training program as a relaxing period for new staff before diving into problems and challenges in their respective new departments. However, it did not happen to Sanjeev in the same way. He already started to face difficulty in managing mountain of unresolved works and discovered that CRU was not operating as it supposed to be.

His department was tasked with handling customer's inquiry and complaint that was sent via e-mail to AEB's customer service portal. As part of delivering customer excellence, AEB had assured its customers that all of their online inquiries and complaints would get response within two working days. Any unattended cases beyond two days would be classified as unresolved complaints. This term and condition had a great impact on AEB's existence and performance. It was due to the fact that, unresolved complaints would create customer frustration that could damage AEB's reputation. Furthermore, the bank would be classified as uncommitted in serving customers. Things started to go wrong as customers had a tendency to re-email their complaints to the CEO of the bank as well as to Bank Negara Malaysia. The department's performance in attending to the customers' complaints cases was abysmal. The Bank's CRU team and management were facing approximately 1,000 unresolved complaints since January 2014, months before Sanjeev had joined the bank. In addition to that, the team was swamped with numerous complaints received via contact centre, branches and social media. Sanjeev noticed that although his team was working hard, unfortunately, there seemed to be no progress in recovery.

In October 2014, Sanjeev was very disappointed when he came to know that two of his staff had simultaneously submitted their resignation letters while another staff never returned to the office after taking a long medical leave. His tension increased when he heard that the previous Head of CRU, Jacob Newton was asked to leave the company due to his incompetency in managing the customer complaints after working in CRU for only 6 months. Sanjeev whispered, "I am feeling hopeless! Don't know why i have inherited the problematic unit. This was not something that I had in my mind before accepting the job. I thought that I can have a brand new clean slate to work on. I got to do something to overcome this situation. Otherwise, my post will not be permanent". He planned to discuss about the unresolved complaints with his immediate boss, Melinda, the Unit Head who had been with AEB for over 20 years.

The statistics and analysis prepared by the bank's governance, Customer Advocacy and Service Quality showed about 11,000 complaints had been lodged to the bank in 2014. This was a dramatic increase of 65% from complaints lodged in 2013. Staff related complaints recorded the highest percentage (61%) of all other natures of complaint received by AEB. Realizing the severity of this unsettling rise in volume of complaints, Mrs. Alicia Low Soon, the Senior Vice President and Head of AEB Malaysia Customer Service Department became concerned whether the department was capable of solving its unresolved complaints. In July 2014, she had requested Melinda to hire eight persons with vast working experience in banking dealing with complaint management and customer service. She did not want to take risk of appointing another incompetent person like Jacob to run the



operations. Melinda got to know Sanjeev through her friend, Margarita Cho who was the Head of Training and Development in Delta HK Investment Banking.

Margarita knew Sanjeev for few years as a colleague. She considered Sanjeev's five years expertise in managing the complaint unit for Delta HK Bank in Singapore with excellent track record in Customer Service operations. She thought that he would be a good fit for AEB, since he managed to lead and supervise about 25 staffs in his previous company.

Alicia and Melinda asked Sanjeev to identify, analyze and suggest service improvement plans to eliminate the never-ending unresolved complaints. They wanted him to resolve the customer complaints cases that was damaging to the department's performance. Both of them gave Sanjeev a time target of 10 months to fix the issues. AEB targeted to be the best in customer service excellent and the best financial solution provider by 2015.

Sanjeev had realized that he had inherited a very troubled and underperformed department. He had to somehow formulate an effective action plan in order to reduce the amount of complaints to become the number one service provider in handling customer complaints in Malaysian banking sector. Doubts and fear lingered in Sanjeev's mind as he began to wonder on what would happen if he did not manage to meet his management's expectations. Failure was not an option for Sanjeev as he did not want to darken his future career path.

Sanjeev was still under probation and he would prefer his position being confirmed at the end of February 2015. Sanjeev remembered that his predecessor, Jacob had failed to achieve this goal in time and was forced to resign from the bank after just 6 months working with the bank. Sanjeev knew that resolving the issue would contribute to the decision of getting confirmation for his job.

4. Sanjeev Mehan – The Head of the CRU Unit

Sanjeev was the youngest of 6 siblings and he had a different vision as compared to others whom devoted themselves in the family business. Rather than getting involved in the family business, he preferred to embark on a career path to stand on his own feet. After completing his Bachelor degree in Strategic Management from Univeristi Malaya, his father advised him to join the family business, which he declined. To make his dream into a reality, he joined in the banking industry. Since his childhood, he wanted to be a leader and he was very good at solving problems. His friends often referred him in solving their problem. In fact, during his job tenure with Delta HK Bank, he was promoted twice within a year.

Equipped with a Master's Degree in Strategic Management and eight years of working experience in the banking industry, he took the corporate plunge and joined AEB. He decided to do so as he felt his previous bank did not appreciate his talent and did not allow him to prosper further in his career progression. On the other hand, AEB offered him higher pay and higher position as well.

Sanjeev was 24 years old when he joined AEB. It was September 2014. He thought that it was time for change after a 5-year attachment with Delta HK Bank as the second biggest lender in Malaysia. When he was offered to join AEB, he was overjoyed by thinking of a higher position and salary increment that he would gain. However, he didn't realize that his dream was espoused with lots of practical challenges.



Sanjeev apparently had inherited a problematic unit with unresolved complaints. Besides heading the CRU unit, Sanjeev was assigned variety of other tasks such as managing complaint, coordinating bank's e-mail portal and in some instances assisting to his boss, Melinda in her work. Hence, he was under constant pressure of tasks which consumed most of his time and energy. His department demanded perfect performance, which was difficult to do especially if human errors were involved as he manually tracked all of his staff's performance which certainly was time consuming.

5. Melinda Paul – The Head of the CSC Unit

Melinda was a 52 years old Chinese lady. She had been working for AEB for about 20 years. She was a well experienced staff in matters dealing with customer service and mostly referred whenever a serious complaint occurs. People from other departments kept referring to her for guidance. She had been working non-stop to amicably solve all customers' complaints. In her opinion, hiring Jacob was a mistake as the number of unresolved tasks in the department was increasing day-by-day. She was in a hope that Sanjeev would be able to overcome the problem.

Melinda was afraid of making any critical changes to the process. She deemed the process as flawed, but still manageable. Instead, she was expecting his employees to work harder to reduce the number of unresolved problems. Sanjeev opposed Melinda's strategy of pressing staffs to work harder as he considered it would be ineffective. The resignation of two staff in addition to another one who had been missing further accentuated the current problematic condition. Sanjeev believed that the team was already working at its highest capacity. A greater pressure would affect the staffs' wellbeing. Sanjeev was worried by thinking that the number of resignation would increase.

6. The Hope

Sanjeev returned to his office cubicle and noticed that the working day reached to its end. The day might have end but he still had to settle unfinished tasks. He wanted his staff to go home at 6pm to have a balance in work and life. However, he expected them to finish at least all pending tasks while leaving the office. He knew it would be impractical to set unresolved complaints to zero. From his observation, after spending about five months as the head of CRU, he noticed that no one actually cared about solving the issue. His predecessor, Jacob was not able to figure out the way to alleviate the unresolved complaints. He was stumped in solving the problem. Due to tremendous pressure to save his unit from sinking, he preferred to leave the company after serving for 6 months.

Sensing a long night ahead, Sanjeev grabbed a cup of hot coffee and walked back to his office space. He sat on his chair with hand still holding the coffee. He began to think about the problems he was facing in his unit and what he supposed to do until a dark cloud of doubt fill his mind.

SOURCE OF INFORMATION

This case is written based on primary data. The interview was conducted with Sanjeev Mehan the head of the CRU unit on September 2015.