

Process Strengths

1.1

Senior leaders' approaches to help create a sustainable organization align with the values of operational excellence and innovation. For example, 75% of the workforce has been trained in Lean, and each associate is expected to complete an improvement project annually; through the Individual Performance Plan (IPP), associates' individual work is linked with at least two strategic objectives.	a(3)
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2.1

The applicant's SPP (Figure 2.1-1) is aligned with key customer, workforce, and work process elements. Participants include the BOD, the EMC, the Marketing Team, branch and functional managers, and an external economist, and inputs/outputs include voice of the customer (VOC) sources, regulatory watch data, and the Associate Capability and Capacity Planning Process (ACCP).	a(1)
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3.2

In support of the overarching strategy to provide Legendary Service while increasing the number of products per household, the Customer Life Cycle Matrix (Figure 3.2-4) helps associates manage customer relationships and build multiproduct relationships with customers based on their life stages and dependent status. Strategies segmented by stage (Figure 3.2-5) help retain customers, meet their requirements, and exceed their expectations.	b(1)
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4.1

By optimizing the use of performance projections, the applicant supports its core competency of agility. Performance is projected using performance review findings, comparative and competitive data, and extrapolated historical trends. The three alternate risk scenarios created during the SPP automatically adjust performance levels for the key performance indicators.	c(2)
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6.2

Process owners/teams have identified performance measures/indicators and in-process measures (Figure 6.1-3) for assigned work processes, helping the applicant monitor, maintain, and improve process performance and provide consistent Legendary Service. After establishing upper and lower process control limits, the teams verify conformance, fix obvious problems, eliminate special causes of variation, and identify and mitigate potential problems.	b(1)
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Process OFIs

1.1

<p>The applicant presents limited evidence of systematic evaluation and refinement of several key leadership approaches that support operational excellence and enhance sustainability. These include approaches for innovation, the LDS, legal and ethical approaches, and Legendary Service standards.</p>	<p>a, b</p>
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2.1

<p>The applicant does not appear to address several strategic objective considerations. These are the challenge of a retirement wave, which may affect workforce capacity planning; the community, which may hinder addressing the loss of public confidence; and innovations in products and operations, which may limit opportunities to gain market share.</p>	<p>b(2)</p>
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3.2

<p>It is not evident that the applicant fully deploys several customer support approaches. For example, the VOC Process (Figure 3.2-1) does not appear to be deployed to all 47 branches, the DirectServe Center, and the Mortgage Division. In addition, it is not clear that the Principles of Legendary Service (Figure 3.2-2) and Customer Service Standards (Figure 3.2-3) address former Widmark customers' support requirements.</p>	<p>a(1-3)</p>
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4.2

<p>It is not evident that the applicant's mechanisms for sharing data and information are aligned with associates', suppliers', partners' and customers' preferred methods of communication. For example, the applicant does not appear to consider responsiveness to information requests when establishing these mechanisms. Considering stakeholders' preferences may help ensure that they receive the information they want, need, and can use.</p>	<p>a(2)</p>
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5.1

<p>It is not clear how the applicant's plan to manage workforce change addresses periods of workforce growth, as all efforts appear to be focused on maintaining current capability and capacity. Considering the recent acquisition and the emerging core competency of mergers and acquisitions, planning to address possible workforce growth may be of particular significance.</p>	<p>a(4)</p>
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Results Strengths

7.1

<p>Sustained improvement in the percentage of strategic action plans accomplished, as well as in the impact of the plans (Figure 7.1-19), illustrates the applicant's improving capability to meet its most important strategic objectives. These results equal or surpass those of their respective top-quartile comparisons.</p>	<p>c</p>
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7.2

<p>Several results reflect the applicant's focus on customer satisfaction and loyalty. The number of products per household (a key reflection of customer engagement and progress toward gaining a dominant "share of the wallet") has increased 25% since 1995 (7.2a[2]). In addition, from 2009 through second quarter 2010, the organization exceeded the benchmark for overall customer engagement (Figure 7.2-14).</p>	<p>a(2)</p>
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7.3

<p>Several survey results indicate that the applicant is maintaining its loyal and stable workforce. The percentage of associates assigning a 4 or 5 rating (out of 5) for overall satisfaction (Figure 7.3-1) steadily increased over four years, surpassing the 75th percentile benchmark each year, with similar increases for engagement levels and willingness to refer a friend (Figure 7.3-2). Also, <i>Financial Pulse Magazine</i> rates the applicant 23rd among best banking sector places to work.</p>	<p>a(3)</p>
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7.4

<p>Results for several indicators of ethical behavior and stakeholder trust in senior leadership may help address the loss of public confidence in the financial industry. For example, the applicant has had no ethical breaches and or dismissals since 2009 (Figure 7.4-7). Regulatory, Legal, and Ethical Processes (Figure 7.4-8) show sustained high performance and/or improving trends since 2006 and compare favorably to the top 10% of credit unions.</p>	<p>a(4)</p>
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7.5

<p>Results for Return on Equity (ROE) illustrate the applicant's ability to sustain its earnings performance relative to the industry. Overall ROE (Figure 7.5-1) exceeded the top-quartile comparisons during the period shown and is approaching the best-comparison megabank, and ROE by Customer Group (Figure 7.5-2) is meeting or exceeding best-comparison benchmarks.</p>	<p>a(1)</p>
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Results OFIs

7.1

<p>Product and process outcomes include limited segmented data by, for example, location (Figures 7.1-3 through 7.1-3) and customer group (Figure 7.1-8). Additional segmentation may enhance the applicant's ability to apply root cause analysis—a key tool used by Trust Teams to identify opportunities for breakthrough improvements.</p>	<p>a, b, c</p>
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7.2

<p>The applicant's results do not yet reflect the impact of its response to customer satisfaction declines after the Widmark acquisition. Overall satisfaction levels and satisfaction with CSR knowledge in all markets declined in the second half of 2010 (Figures 7.2-1 through 7.2-4, 7.2-6). Satisfaction with problem resolution was low for mortgage customers (Figure 7.2-8), and mortgages received more complaints than other products (Figure 7.2-10).</p>	<p>a(1)</p>
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7.3

<p>Several workforce-focused results may highlight opportunities to strengthen workforce engagement as the competition for employees begins to increase. Associate Engagement ratings (Figure 7.3-2) remained relatively flat from 2008 to 2010 and are lower than the benchmark, and the Absenteeism Rate (Figure 7.3-7) increased slightly in 2009 and 2010.</p>	<p>a(3)</p>
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7.4

<p>Limited results are provided for several senior leaders' communication and engagement with the workforce. Results for encouragement of two-way communication (Figure 7.4-2) include only attendance measures, and no results are provided for PMDP deployment, Trust Team involvement, rounding, job shadowing, or associates receiving health benefits for community service.</p>	<p>a(1)</p>
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7.5

<p>Most market outcomes are not segmented. For example, no data are provided for the 15 communities within the 3 regions or by the customer segments defined by the Customer Life Cycle Matrix (Figure 3.2-4) or Customer Engagement Cycle (Figure 3.2-5). Segmented data make help the applicant identify and focus needed improvements within its broad marketplace and diverse customer groups.</p>	<p>a(2)</p>
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