

## Case Study: Setting branch-specific targets helps Central Bancompany achieve double-digit growth

### Building data-driven sales goals

Central Bancompany is a full-service financial institution recently named to both the ABA Top 25 List and Forbes Top 10 in the nation. It is highly decentralized, with branches in metro areas and community markets. Member banks operate somewhat independently, giving them the flexibility to respond well to local conditions. For example, a bank can react quickly to a new competitor. On the other hand, this decentralized structure presents a challenge when it comes to performance goal setting across 13 diverse banks with varied sales cultures.

### Business challenge

Given the unique internal sales cultures and external market environments of all of its banks, Central Bancompany saw an opportunity to set more targeted performance goals. However, the bank experienced disadvantages when relying only on historical sales to determine future growth plans. Allocating goals based on historical performance tends to punish high-performing branches whose sales are affected by outside forces beyond their control. The same concept holds true for poor performers who are rewarded for performance that is lower than what it can be.

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Retail Sales Manager

### Customer profile

#### Central Bancompany

- Based in Jefferson City, Missouri, Central Bancompany manages approximately \$9 billion in assets and has approximately 2,700 employees
- The highly decentralized organization operates under 13 different bank charters with 124 branches and 175 ATMs in Missouri, Kansas, Illinois, and Oklahoma



## Solution

To take better advantage of the sales opportunity available in each of the markets it serves, the bank engaged with Precisely for its consulting services and PERFORM.360 software for benchmarking performance and quantifying branch potential. Central Bancompany uses PERFORM.360 primarily to set sales goals for personal and business checking accounts. In turn, the checking account data is used to help set companion product goals for debit cards, e-statements, and the like.

"Precisely software allows us to take an objective and scientific approach to our goal-setting process," said Kelly Loring, Vice President and Retail Sales Manager. "We can look at the opportunity available in each market and set sales goals based on the true potential that exists both within the market area and within the customer base."

Precisely consultants evaluated Central Bancompany's branch environments, micro markets, and customer data to group branches into peer segments for comparison of performance without the biases of extraneous, uncontrollable environmental factors. The model was used to establish baseline performance expectations with the ability to rationally assign goals based on profitability, attainment cost and risk of failing.

"PERFORM.360 was very easy to implement," said Loring, crediting her account management team at Precisely for first-rate support that facilitated a seamless deployment. "The Precisely experts combed through our data and did the legwork to geocode this data and populate the module."

"PERFORM.360 was very eye opening," Loring added. "Some of our banks had not historically experienced big increases in sales year over year. But, this analysis showed us that in actuality they had a lot of opportunity available to them both in the market and to cross-sell within their customer base."

## Benefits

In the first year, the bank achieved sales growth within 93 percent of the goal set by PERFORM.360 for checking accounts. The following year, the bank further increased its performance, scoring 100 percent on the plan. The result was double-digit overall growth, with about a 50 percent increase in total retail product sales.

In addition, using PERFORM.360, Central Bancompany challenged those branches that weren't performing to their potential and focused marketing efforts in areas with higher opportunity. As a result, checking account sales during the bank's annual summer checking campaign increased 48 percent, when compared to the baseline.

## Technology used

- PERFORM.360, a suite of solutions for evaluating and improving the sales performance of branch networks
- Consulting Services

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