



**MAKE IT EASY:**  
IN TREASURY MANAGEMENT,  
CLIENT EXPERIENCE RULES

BUSINESS  
CONSULTANTS

DEEP  
TECHNOLOGISTS

## INTRODUCTION

**COMMERCIAL BANKS COMPETE VIGOROUSLY** for lucrative corporate treasury clients. But in new research, we found that few are giving those clients the one feature they want most: an easier client experience.

In a series of formal, in-depth interviews with treasury executives spanning industry and size, supplemented by years of industry observation, analysis, and roundtables, we confirmed that these key clients value a bank's ease of doing business above all else. No matter how competent the bankers may be, most clients would readily shift their business to a bank that offers a better experience. If they don't jump ship it is likely primarily because they are not convinced that the competition would be easier.

"I only need one of my banks to be easy. It makes the decision process on a new service far easier for me," said one respondent. Another said, "Easy is faster, and faster is

more efficient, so all new services went to the banks that were easy."

Questions about the ease of commercial banking clearly struck a nerve. Respondents didn't hesitate to recount ordeals in detail. They cautioned against doing business with difficult banks, and said they regularly provided such feedback to peers at other companies. For the many banks in the crosshairs, these detractors mean lost business and lower margins.

Banks are missing an enormous opportunity to gain a clear competitive advantage by simply making it easier for these valuable clients to do business with their banks.

But what does "easy" look like in treasury management? How can banks change their culture, technology, and operations to match the expectations of this critical client base?

## READ THIS RESEARCH TO LEARN:

- ◆ How banks can build loyalty, grow revenue, and expand their B2B client base by delivering an easier client experience
- ◆ The key challenges that treasury clients want banks to address to make banking easier
- ◆ How to formulate a strategy and implement operational changes needed to optimize the client experience

## THE BUREAUCRATIC QUAGMIRE

---



**The transaction initiation and approval process was actually far more efficient when we faxed instructions to the bank and then called to verify the fax.**

Treasury and finance director of a city in the Detroit metro area

**Easy means fewer lawyers, less paperwork, more value added.**

COO and cash manager at a large regional university

**I was always skeptical of the banks that came in and suggested they were consultants. I see first-hand their own back-office problems and the process inefficiency of the banks, yet they're suggesting they can help me? Shouldn't they be helping themselves first?**

Former head of banking operations for a large Texas healthcare system

**Banks should have their employees use the services like businesses do; it's hard for me to explain my issue if they've never used it.**

Treasury and cash manager at a municipal power company

---

# EASY BANKING WINS TREASURY CLIENT PROFITS

**TREASURY MANAGEMENT ACCOUNTS ARE A SOURCE OF PROFITABLE FEES AND LOW-COST DEPOSITS.** In an industry that is more than 40 years old and increasingly commodified, product is important, but the overall quality of the client experience is driving the difference between one bank and the next. The bells and whistles of yesterday are table stakes in today's mature market. Innovations that once defined market leadership—like remote deposit capture—now become standard features in a matter of months. Only banks with operating models built around and for the client will be able to excel, winning clients and market share.

If easy banking isn't the holy grail of corporate treasury management, our research suggests it should be. **Easy banking impacts financials in three ways:**

1. Higher loyalty, growth, and fees
2. Referrals and forgiveness
3. Operational efficiencies

## 1| Ease brings loyalty, growth, and higher fees

Respondents stressed that user experience is the top factor in boosting client loyalty and relationship growth. By reducing client churn, ease can markedly increase profitability.

For today's busy treasurers, client experience trumps relationship manager capability, service, credit availability or even price. While exceptional bankers can make interactions easier, their value cannot mask cumbersome processes. "Our bank with the best relationship team isn't the one getting our new business," said the assistant

treasurer of a managed care facility. "Our primary contact can only do so much. As wonderful as he is, there's still a process, and it's awful."

Respondents said they value processes that are easy and avoid ones that are difficult, so much so that they will expand business with easy banks and pay a premium for their services.



**Pricing was a key consideration in the initial establishment of a new banking relationship, but it was never a top consideration in decisions to add new accounts or services.**

Private equity CFO

**I am absolutely willing to pay more for easy. Make it easy and I shift into buying mode; when I know it's hard, I shift into 'defer it' mode.**

Senior cash manager for a large global corporation

**Easy is a top criteria for us. It drives our decisions. We are willing to pay for quality relationships that make our life easier.**

COO of a large university

## 2| Easy banks reap referrals and forgiveness

Ease of doing business also helps banks win new client referrals. Research shows that 90 percent of corporations would consider switching to a different financial institution for better client service around onboarding, account maintenance, service requests and inquiry handling.<sup>1</sup> Meanwhile, in the middle and large corporate sectors, ease is the top driver of a company's willingness to provide banking referrals.

These days, referrals are vital, rivaling ratings from financial services consultants. Our research found that while treasury clients believed that research by firms like Greenwich Associates accurately disclosed a bank's positive qualities, these clients also valued the candid, unfiltered perspective of peer referrals. "We take the bank reference process very seriously, lots more seriously than the banks think we do," said the senior cash manager for a large corporation. "The best reference is somebody I know and trust—the banks should invest their time there first."

There are other benefits as well. Treasury clients said that loyalty built on ease also unlocks forgiveness for occasional errors, inoculating against potential lost clients.

## 3| Ease improves bank efficiency

Finally, we at West Monroe have discovered through extensive experience serving banks that ease helps lower a bank's costs by reducing contact center traffic, increasing self-service, and simplifying operations. If a bank makes things simpler for clients, it's more often than not making them simpler for itself. The bank is collecting less information, simplifying processes, eliminating redundancy, and aligning to client needs. This improves operational effectiveness and lowers costs associated with manual process and contact centers.

When banks make things simpler for clients, they also make processes easier for their own employees. By simplifying internal workstreams, banks make employees' lives easier and free them up for higher-value add work like advising and consulting clients and building better relationships.

---

**An easy, satisfying client experience produces excess returns by growing and extending relationships, attracting new business, driving revenues, and reducing costs.**

---

### 'EASY' BANKS REAP FINANCIAL REWARDS



CLIENT  
LOYALTY



RELATIONSHIP  
GROWTH



HIGHER  
FEES



CLIENT  
REFERRALS



INTERNAL  
EFFICIENCY



ERROR  
FORGIVENESS

<sup>1</sup>Finextra Corporate Banking Client Satisfaction Survey, September 2015

# BANKS FACE BIG CHALLENGES TO DELIVERING AN EASY EXPERIENCE

**DESPITE THE BENEFITS OF PROVIDING AN EASIER CLIENT EXPERIENCE**, through our research we uncovered strong evidence that most commercial banks are missing the mark. In interviews with corporate treasury professionals, we asked what makes a bank easy to do business with, and thus learned a lot about challenges. Rather than pleasing their treasury clients, many banks are burdening them with excess paperwork and other bureaucratic demands, and slowing them down with subpar processes and products. Moreover, many respondents saw opportunities for banks either to improve their awareness of challenges or to develop the capabilities needed to address them.

Below are some of the key bank challenges that treasury clients described. In West Monroe's independent discussions with treasury bankers, many identify with these challenges and express frustration with their institutional capacity for addressing them:



## Outdated Technology

Treasury clients are eager to see improvements in banks' digital capabilities, to make them more user friendly and oriented to the client's needs—not just for the benefit of the bank. Clients stressed that they are under intense time pressure. They pleaded with the banks to “walk in their shoes,” take a hard look at frequently used services and streamline them. Most banks aren't counting clicks, but clients do every day. One client, a city finance director, went so far as to joke, “It would actually be easier for me to go to the bank once every day and do the transactions in person. I think it would take less time.”



**We've begged the banks to spend time helping us use their products better.**

Director of investments for a large healthcare service provider

**Bank systems designed for consumers are intuitive, bank systems designed for corporations are impossible.**

Owner of a waste management service

**The bank's online tools feel like they were designed to meet the bank's needs, not my needs. 'This is what we need from you vs. this is how we can help you.'**

CEO of a pest control service

**When IT is involved, it's hard. IT rules the world at the banks, and the IT process is rigid, frustrating and painfully slow. It always feels like our project is the first one they've ever done.**

Co-founder of a payments technology firm



Compliance was a key issue. Treasury clients said they understood the need to collect information, but that the process should be less time consuming. Several treasurers commended their relationship teams for providing fully filled out documentation. Others were less satisfied. “The banks confuse ‘easy’ with ‘non-compliance,’” said the assistant treasurer of a major university and hospital system. “There has to be a way to take the complicated out of compliance.”

For a handful of clients, billing and analysis was a top concern, bringing out colorful language. “My top pain point is account analysis; it’s incredibly annoying,” said one corporate treasury manager. “We spend way too much time validating and analyzing the banks’ statements. Making billing easier is my number-one recommendation.”

Clients frequently cited account opening as a process that is just too hard. “Establishing new services is an ordeal,” said the CFO of a private equity partnership. “In most cases, it feels like it’s the first time the bank has implemented the product.” To ensure new business, account opening needs to be fine-tuned. This is also the perfect opportunity for banks to apply their process-efficiency acumen in a way that benefits and impresses the client.



## Bank Turnover

Another common challenge: banker turnover. “Our bank teams are turning over constantly, and handoffs are consistently missed,” said the director of investments for a large healthcare service provider. “A significant relationship should have a seamless transition plan.” Having multiple contacts can decrease the disruption and boost continuity when a relationship manager departs.



## An Inadequate Relationship Model

Many clients seek updates to the quarterback model of relationship management, where a single contact fields clients’ requests for assistance. In the quest for responsiveness, clients increasingly want direct connectivity to bank experts. As the chief operating officer of a large regional university said, “I don’t need a quarterback, I need an answer.” West Monroe believes clients still value the quarter back model for day-to-day service, coupled with a clear list of specialists to contact as needed.

# IMPROVING THE CLIENT EXPERIENCE WILL HELP THWART NEW ENTRANTS AND FINTECH

The combination of valuable-but-dissatisfied clients and sluggish, unresponsive service providers portends a sector ripe for disruption. Indeed, treasury clients have more options than ever. Smaller banks are entering the treasury management space by renting low-cost, up-to-date technology that enables them to be nimble and compete favorably with the legacy players. Likewise, savvy FinTech startups are also chipping away at market share by providing superior niche services.

With the loosening of credit standards, it has become less difficult to switch banks and reposition business following a negative experience. We’re now at an inflection point: Commercial banks can either listen to their treasury clients and offer a better, more modern and streamlined experience, or watch this valued source of revenue disappear.

## WHAT DOES 'EASY' LOOK LIKE? 10 CLIENT-DEFINED ATTRIBUTES ©

Corporate treasurers described several areas of pain points with banks. We have narrowed these into 10 defined categories, all of which must be empowered with channel selection, speed, empathy, and predictability. The clear takeaway: **Easy is about the 360-degree view a client has with a bank, not just customer service.**



FIGURE 1: TEN EASIER BANKING CLIENT-DEFINED ATTRIBUTES



## 5 STEPS TO ACHIEVE ‘EASY’ STATUS

**BASED ON OUR EXTENSIVE EXPERIENCE** helping banks and other service-oriented businesses optimize their client experience, West Monroe recommends five steps to make banking easier:

### 1| Develop a client-first strategy for delivering value

Banks need a well-conceived strategy for delivering value in the digital age, including simplifying operations and deploying data as an asset. Currently, banks are thinking in terms of products, sales, and client service, not a grand vision for client experience. Early on, emphasis can be placed on incremental improvements, signaling to clients and other stakeholders that meaningful change is underway. But a long-term vision must underlie all change. A strong strategy helps prevent missteps, such as failing to establish company-wide change.

Defining a client experience North Star can be a particularly useful approach for banks. The best way to do that: convene an executive group to build consensus for client experience goals within the bank’s overall strategy.

### 2| Measure and benchmark ease of doing business

A comprehensive assessment is crucial to ensuring that the strategy is on-target. The assessment is a manifold process, but at a minimum, it should include qualitative interviews with clients and stakeholders (executives, sales representatives, and service providers). It should address client-defined, easy-banking attributes (such as those shown in Figure 1) and benchmark its findings against competitors, developing a list of bank strengths and weaknesses. Finally, it should apply the findings to a capability-maturity model across a full spectrum of factors: strategy, technology, leadership and governance, capabilities and processes, and people and culture.

Every bank has strengths and weaknesses. Focusing attention only on client service or sales processes can leave the bank vulnerable in other areas important to clients. A frequent frustration is the burdensome quantity of documentation for account opening and treasury management services. In deciding where to take their corporate treasury banking, companies clearly consider documentation requirements. Obtaining client feedback and benchmarking can pinpoint whether this is an issue for the bank, and can help prioritize responses.

---

**CURRENTLY, BANKS ARE THINKING IN TERMS OF PRODUCTS, SALES, AND CLIENT SERVICE, NOT A GRAND VISION FOR CLIENT EXPERIENCE.**

---

## A BETTER RELATIONSHIP MODEL

---



**The quarterback model doesn't work anymore. Things are too complex, and we're conditioned for immediate response. Multiple contacts with known areas of expertise is far more effective.**

CFO of a retail apparel manufacturing and distribution company

**A single point of contact isn't always the best model. I'd rather have a handful of bank contacts who have specific roles and respond quickly than a quarterback who only makes connections.**

Former head of banking operations for a large Texas healthcare system

**Knowing who to call really matters. I'd much rather call the expert who I know can answer my question or move something forward.**

Co-founder of a payments technology firm

**We know who the experts are at the bank. That's who we call. We routinely bypass the bank's problem resolution model. It's just easier to call the experts.**

Treasury and finance director of a city in the Detroit metro area

---

### 3| Build governance and leadership to hold people accountable

To create a great client experience, banks must confront entrenched issues with leadership. Most importantly, executives need to better understand how short-term cost-cutting decisions harm client relationships, and focus much more on the long-term goal of improving client experience. They must hold managers responsible for progress and build a leadership backbone to foster seamless processes. Beyond instituting new initiatives, this backbone is critical to challenging mandates that negatively impact the client experience.

The client experience perspective needs to have not only a seat at the table but also a powerful and meaningful voice. When decisions are made at most banks, client impact is typically not built into the approval process. Managers analyze risk, costs, return on investment and other factors, but often don't consider the client. To address this, some banks are appointing chief client officers to provide executive voices from clients' perspectives. These roles ensure a single vision across all methods of client contact, and balance decisions made for operational efficiency and risk management purposes inside a bank.

### 4| Change the bank's culture

While leaders are important, firms do not build industry-leading client experiences through the heroics of individual team members. Management must champion company-wide buy-in and forge passionately aligned internal organizations. Banks are often divided into silos. This fragmented approach means that key touchpoints remain outside treasury management's control. This can lead to confusion around who advocates for the client. By infusing the organization with a client-centric ethic, the bank can help ensure that the client experience gets the consideration it deserves.

### 5| Consider client experience when upgrading systems

At nearly every bank, rigid legacy systems that segregate people and data are a fact of life. It is essential to integrate client experience considerations as these systems are upgraded or new platforms are developed, and to prioritize upgrades that can improve ease of doing business.

When replacing or enhancing older systems, banks typically consider factors like risk, the vendor's financial strength and how its technology will integrate with the existing systems. In requests for proposals, client-centric banks include clauses asking the vendor to specify how it will improve the client's experience.

#### IMPROVING CX THROUGH BUSINESS DISCIPLINE DRIVES GROWTH

5.1x

REVENUE GROWTH OF CX LEADERS OVERLAGGARDS



4.5x

WILLINGNESS TO PAY A PRICE PREMIUM OF CLIENTS WHO HAVE EXCELLENT VERSUS VERY POOR EXPERIENCE

FORRESTER REPORT, IMPROVING CX THROUGH BUSINESS DISCIPLINE DRIVES GROWTH, MARCH 2018

## RESULTS AND IMPACT

**An easier experience is much more than client service. It includes every touchpoint, starting with the sales process and continuing with onboarding, servicing, and administering an ongoing relationship, including the consultative services banks provide to help the client succeed.**

**Our research revealed treasury clients' concerns regarding their banks, and key ways that banks can address them. Banks that surmount the challenge can reap benefits: A June 2016 Forrester Research report revealed that client experience leaders grew top-line revenue more than five times faster than their counterparts between 2010 and 2015.**

**Improving the client experience is a multifaceted undertaking that must be grounded in an effective, comprehensive assessment. The challenges touch virtually every aspect of client interaction, and are deeply rooted in entrenched structural and leadership issues within the banks. But addressing client experience challenges is an urgent matter for any bank that wants to compete effectively and doesn't want to lose clients to new entrants and FinTech startups.**

## METHODOLOGY

We conducted one-on-one telephone interviews with 22 corporate treasury professionals from a wide variety of companies and industries, in partnership with the Hartsema Group, a consulting practice focused on building and orchestrating treasury management customer advisory groups. The participants were equally distributed among small businesses (revenue up to \$20 million revenue), middle market companies, and large corporations (revenue over \$1 billion). Our goal was to solicit direct feedback on the subject of easier banking. The methodology was powered by a unique approach, in which each hand-selected participant knew and trusted the interviewers, creating a level of transparency rarely found in traditional market research. The research was completed in the fourth quarter of 2017. Our research was also informed by years of roundtable discussions, as well as extensive communications with advisors to the financial services industry.

### About West Monroe Partners

West Monroe is a national business and technology consulting firm that partners with dynamic organizations to reimagine, build, and operate their businesses at peak performance.

Our team of more than 950 professionals is comprised of an uncommon blend of business consultants and deep technologists. This unique combination of expertise enables us to design, develop, implement, and run strategic business and technology solutions that yield a dramatic commercial impact on our clients' profitability and performance. For more information, please visit [wmp.com](http://wmp.com).

## ABOUT THE AUTHORS



### **JORDAN STERNLIEB**

Director, Financial Services

Jordan Sternlieb is a director in West Monroe Partners' Financial Services practice based in Los Angeles. He has more than 10 years of business consulting and technology experience in the financial services industry. While at West Monroe Partners, Jordan has managed projects for top 25 U.S. banks, major regional banks, and large credit unions, leading teams of business consultants and deep technologists to drive business goals. He has extensive experience in treasury management, commercial banking, client experience, operations, and customer onboarding and product implementations. Jordan is a Certified Treasury Professional (CTP) and a member of the Association for Financial Professionals (AFP).

[jsternlieb@wmp.com](mailto:jsternlieb@wmp.com)



### **MICHAEL ANDERSON**

Senior Principal, Financial Services

Mike Anderson is a senior principal in West Monroe Partners' Financial Services practice. He has more than 30 years of experience working as a banker in treasury management leadership roles, including top executive leadership, product management, sales, and operations.

[mwanderson@wmp.com](mailto:mwanderson@wmp.com)



### **PAUL HAGEN**

Senior Principal, Client Experience

Paul Hagen is a senior principal with West Monroe Partners in San Francisco where he heads the firm's client experience and innovation strategy. He is an experienced strategy, client experience, and marketing professional with over 20 years of market research, human-centered design, technology and digital strategy, facilitation and project management experience and a track record for creating solutions that enable business goals through innovative technology and systems.

[phagen@wmp.com](mailto:phagen@wmp.com)





[westmonroepartners.com](http://westmonroepartners.com)

An uncommon blend of business savvy  
and technical expertise that can help you  
achieve sustainable success.