

# Rapid Realignment Modeling<sup>SM</sup>

*Realign Your Branch  
Capacity and Resources  
with Urgency*



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Realign Your Branch Capacity and Resources with Urgency

## Leading financial institutions can't wait for the new normal to emerge. They must make decisions now.

Suddenly everything has changed. Yet, the new normal is not going to suddenly arrive, it is going to evolve. Financial institutions cannot wait for the return to a steady-state to make informed decisions. They must act now.

The branch channel has been significantly impacted by changes that include branch closures, re-openings, changes in open hours, and customer's increased preferences for drive-up. These changes, coupled with the acceleration of digital channels usage, present financial leaders with important strategic challenges:

1

**How can financial institutions model the direction and magnitude of the shift in customers' use of the branch network?**

2

**How do financial institutions make proactive resource capacity and allocation decisions to align to the changes for each branch to ensure efficient and effective staffing?**

## Introducing Rapid Realignment Modeling from Kiran Analytics

Rapid Realignment Modeling ("RRM") is a proprietary methodology specifically designed to model the sudden and significant shifts in customer demand and to assess the impact on resource capacity requirements across a financial institution's branch network. RRM will enable financial institutions to act swiftly in realigning to their changing strategies for branch staffing.

As the leader in retail banking analytics, Kiran Analytics, a Verint Company, brings an unparalleled perspective that comes from serving more financial institutions, for more years, than any other workforce management provider.

## How Can Rapid Realignment Modeling Help Financial Institutions?

Rapid Realignment Modeling provides the analytics to help banks and credit unions make sound strategic decisions with confidence and agility when considering the following changes:

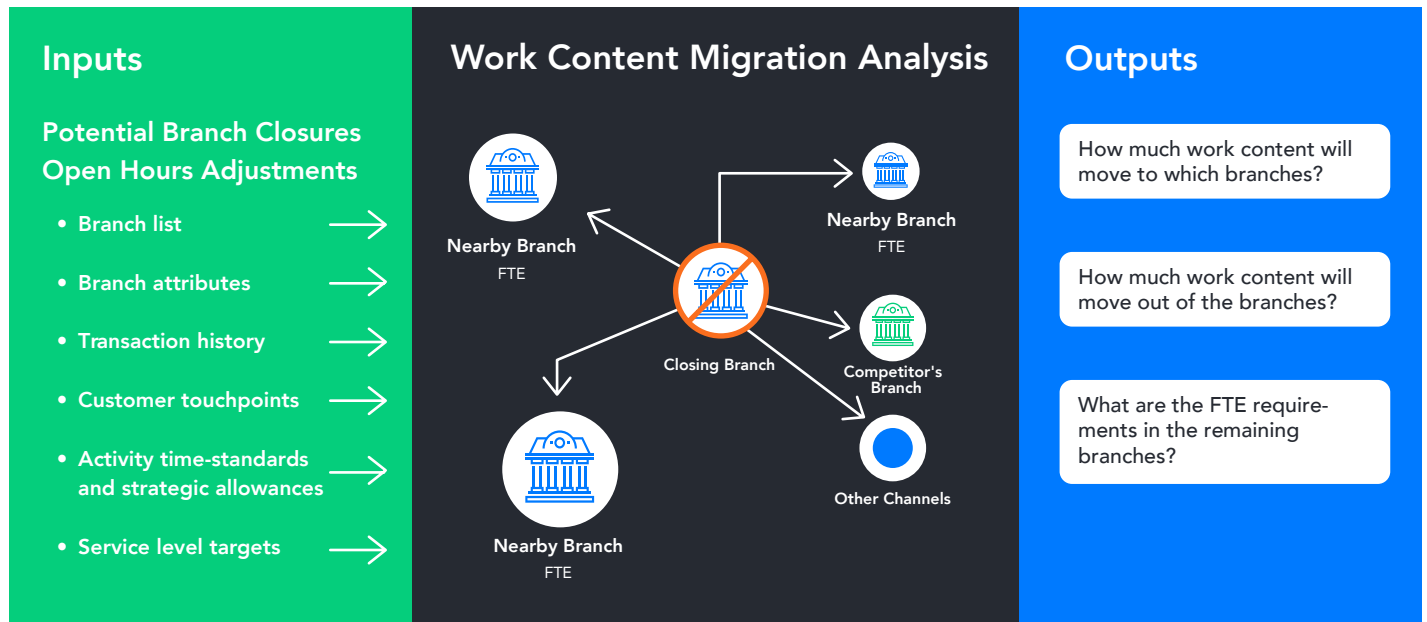
- Permanently closing > 5 percent of its branches in any given market (sometimes significantly more)
- Changing open hours
- Reducing or eliminating Saturday hours
- Modifying customer touchpoints and queue configurations
- Providing select services only at hub branches
- Reallocating available resources.

## USE CASE: Work Content Migration Analysis

Work content migration analysis looks at sudden and significant changes to the branch network and provides insights into how to staff to meet those changes.

The bank is planning or has already executed on a plan to close some branches and significantly reduce service hours. Given the remaining branches in a region or market, and their new attributes (open hours, queue configurations, etc.), RRM analyzes the migration of work content and answers the following questions:

- 1 How much work content will move and to which branch locations?
- 2 What and how much work content will be removed from branches?
- 3 What will be the FTE requirements in the remaining branches?



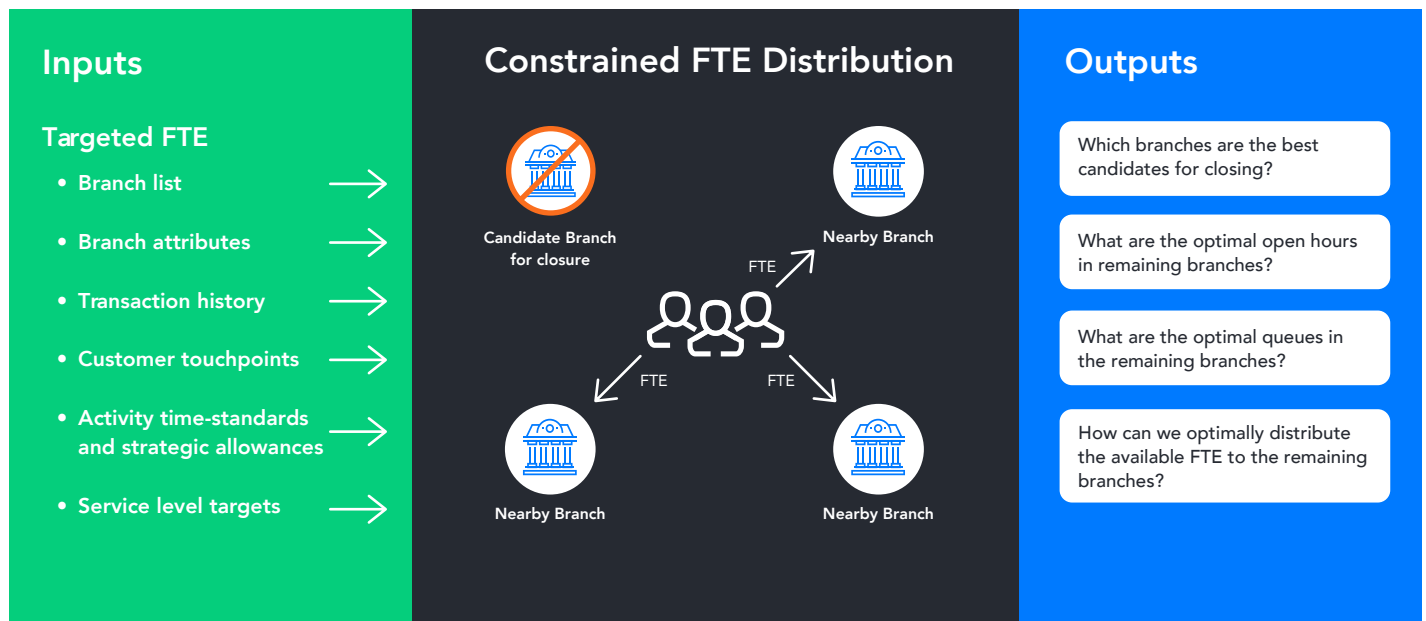
To analyze the impact of changes within a market, RRM models the direction and magnitude of shifts in work content using factors such as the distance between branches and the relative branch volume for each branch in a market. Sensitivity of the rapid realignment model to distance and branch volume can be adjusted based on geography and demographics. For example, the impact of 10-miles between two branches on transaction migration will be different between metro markets and rural markets. Another example, being the impact of branch volume will be different between retirement and college communities.

## USE CASE: Constrained FTE Distribution

Constrained modeling starts with a fixed number of FTE and provides the best way to allocate them for maximum efficiency and effectiveness.

The financial institution needs to make immediate budget adjustments to conform to its vision of the new normal. Service impact is a concern because customers are already disrupted, and attrition is a concern. While the targets must be met, the decisions need to model alternatives with the goal of minimizing impact on branch customers, particularly for customers interactions with personal bankers that cannot be completed in digital channels.

- 1 Which branches are the best candidates for closing?
- 2 What adjustments to the open hours will produce the greatest efficiency?
- 3 What are the optimal queue configurations in the branches?
- 4 How should a fixed number of FTE be optimally distributed, by position, to the branches with the highest needs and potential?



To analyze the optimal distribution of the available FTE by position to each branch, RRM takes into account the work content migrating to the remaining branches as well as the open hours, queue configurations and market opportunity. RRM isolates the impact of individual changes such as branch closures, or hours reductions on various metrics such as transaction migration or displacement, lost sales, market coverage changes, and FTE needs. With a balanced view of key metrics, RRM recommends the best combination of required network changes to achieve the specific FTE targets for individual markets.

## How Do Kiran Analytics' Services Leverage RRM?

Rapid Realignment Modeling methodology powers three related advisory services from Kiran Analytics.

### Resource Capacity Planning

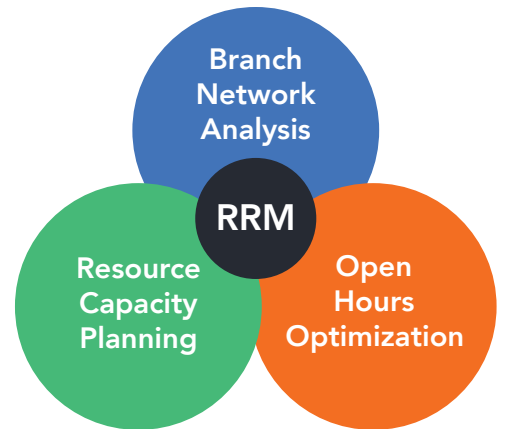
Focused on FTE capacity realignment, the objective is to analyze the impact of branch network changes, channel migration, and technology rollouts on staffing level for each branch in the network.

### Branch Network Analysis

Focused on network capacity realignment, the objective is to model the direction of and magnitude of the shifts in customers' use of the branch network. The analysis helps determine which branches are the best for closing.

### Open Hours Optimization:

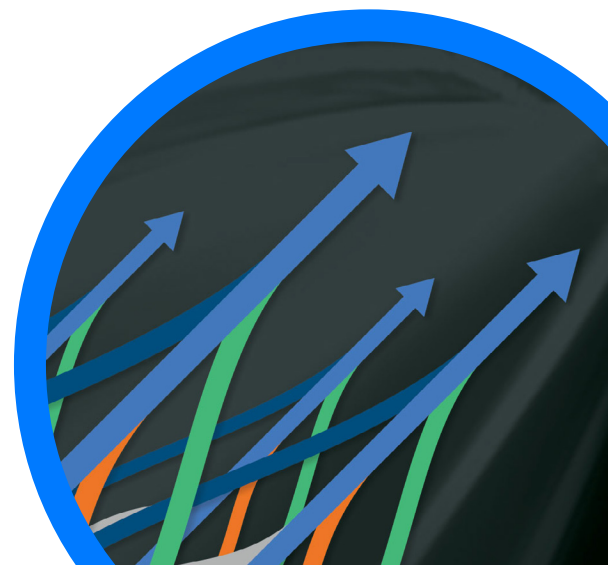
Focused on branch open hours realignment, the objective is to determine optimal hours per branch based on the market characteristics, customer demands, and given FTE targets.



## How Does RRM Deliver Value?

Financial institutions are faced with the challenge of making bold, fast, decisions regarding changes to the branch delivery model. The stakes are high because every decision has the potential to drive savings but also to alienate customers. The challenge of how to operate efficiently, grow revenue and maintain high customer satisfaction has never been more complex. Now is the time to ensure you are making financial decisions with the ability to:

- Drive savings with the closing of select branches, while ensuring those being closed will have the least impact on customer convenience
- Ensure revenue retention while making significant changes to branch delivery
- Make sound decisions about where open hours can or should be adjusted, whether opening later, closing earlier, or eliminating Saturday hours
- Model the impact of several alternatives to consider the best decisions in terms of cost and customer impact
- Plan for the impact of changes on nearby locations



## Why Engage with Kiran Analytics for RRM?

As the leader in retail branch analytics and workforce management, Kiran Analytics understands the complexity and challenges associated with the many obstacles retail financial services leaders are confronting today.

Kiran solutions powered by RRM are delivered as advisory services, led by our team of senior data scientists, retail banking experts, and workforce management consultants with well over a hundred years of collective retail banking analytics experience. We have extensive, proprietary intellectual property that is applied in the delivery of these engagements. The experts responsible for the intellectual property, algorithms and modeling are also able to provide industry and process-specific context based on their deep experience.

Most importantly, we are passionate about our clients' success and completely committed to smooth solution delivery and outstanding customer support.

### Leaders in Intelligent Banking Transformation

**40,000+**  
BRANCHES  
worldwide use our solutions

**8** OF THE **10**  
TOP  
US Retail banks partner  
with Kiran Analytics

Kiran Analytics, a Verint Company, is a leader in accelerating banking transformation through the application of advanced analytics. Our branch workforce management products and process improvement advisory services help financial institutions improve customer experience, operational efficiency, and business performance. Eight out of the top ten US retail banks rely on CloudCords software to power their workforce management processes. CloudCords software is deployed in over 40,000 branches worldwide.