

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS (THIRD REPORT)

Commonwealth Bank of Australia

CBA25QW:

Commonwealth Bank has recently announced that sales goals will no longer be linked to the bonuses received by approximately 2,000 tellers. Commonwealth Bank has rolled out print and television ads advertising that this move is about putting the customer ahead of Commonwealth Bank.

Is there still a bonus scheme accessible to people employed as tellers?

- a. If so do tellers still have to reach a sales goal to qualify for their bonus scheme?
- b. Do tellers have to continue to refer customers to specialist sales people within the business to achieve their bonus?
- c. Aren't these referrals just financial measures dressed up as customer measures?
- d. If tellers still have to refer customers to sales specialists, are sales specialists bonus still linked product sales?
- e. Is your advertising campaign disingenuous by suggesting that this move is about putting the customer first when in reality there are still mechanisms throughout your business that reward financially employees for selling customers products?

Answer:

Effective 1 July 2017, our branch tellers (known as Customer Service Representatives) were moved to a discretionary incentive scheme. Their performance is assessed on their contribution towards branch performance relating to positive 'Customer Outcomes' (75 per cent) and 'Technology Education' for our customers (25 per cent).

Bankwest tellers are assessed against 'Customer Outcomes' and 'Technology Education' measures (weighting of 60 per cent and 30 per cent, respectively) and also have a focus on 'People and Culture' (10 per cent) which is a Bankwest standard key performance indicator across all other roles.

- a. No.
- b. Our tellers are not rewarded on the basis of the number of customers they refer to specialists.
- c. The number of referrals that a teller makes is not assessed as part of their performance scorecard.
- d. Refer to CBA08QON.
- e. We do not agree with this characterisation. Our advertising campaign highlights the recent changes to our business which are firmly in the interests of our customers.

We have committed to implementing all of the Sedgwick recommendations and will continue to make changes to our incentives to ensure that we meet the expectations of our customers, community and regulators.