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SCIENCES

Analyzing Employee Perspectives on
Training Methods by Implementing
Balanced Scorecard
Case of S-Bank in Kemi-Tornio Region

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ABSTRACT

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The case company in this thesis is S-Bank for which the authors' have been working for since it started its operations in 2007. The aim of this thesis is to give the employees of S-Bank in the Kemi-Tornio region the opportunity to rate the currently used training methods and highlight possible improvement points. The study for this thesis contains both qualitative and quantitative methods. A questionnaire survey was conducted among the employees and it contained both open-ended questions and 1-5 rating qualitative questions. The questionnaires were given to all the S-Bank employees in Kemi and Tornio, i.e. a total of 17 from which 14 were answered, providing the response rate of 82.35%. An interview with the Regional Manager of S-Bank Mr. Ari Impiö was conducted in order to identify the strategic points of view and to discuss the training methods with a member of the management. Theoretically, this thesis aims to develop the training methods from the strategic aspect by implementing the Balanced Scorecard.

We found out with the help of the questionnaire results and interview with Mr. Impiö that both he and the employees agree on the fact that the training methods should have an increased focus on the customer service encounters. Generally, the training methods were highly appreciated and well used. On the basis of these findings we suggest that the company should develop their training methods to a more practical direction than at present. In other words, face-to-face situations should be increasingly highlighted.

Despite the fact that the authors believe that the results are generally applicable, it is suggested that further research be carried out with an extended employee involvement through a nationwide questionnaire concerning the training methods in S-Bank.

Due to the non-disclosure agreement that the authors have signed as employees of S-Bank, parts of this thesis are regarded as confidential. Therefore, they are not published in the library version.

Keywords: Employee training, training methods, BSC

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1 INTRODUCTION

Banking services have gone through a series of changes in the last few years. Many of the commercial banks in Finland have cut down their customer service points and simultaneously their other services. Customers are increasingly urged to handle their banking transactions online. This chapter introduces

1.1 Motivation and Background

S-Bank, which is a part of the S-Group, started its banking operations in October 2007, in highly competitive markets. S-Bank, unlike its competitors, has invested in customer service points and e.g. in professional personnel. The bank serves its customers depending on the location seven to six days a week. The bank operates in the same facilities with super- and hypermarkets. The employees of S-Bank are also the employees of the local cooperative. New employees are mostly trained by the cooperative's other senior employees. Furthermore, S-Bank offers its employees helpdesk services, monthly trainings and other continuous training possibilities. After the bank's startup in 2007, the bank's result has significantly improved as well as the training methods have at the same time improved and new methods have been introduced into use.

The motivation of this paper is to examine the employees' point of view to the training methods and the S-Bank employees of the Kemi-Tornio region have the chance to rate the training methods and give improvement suggestions to the management through this thesis. Both authors' of this thesis have worked for case company S-Bank since it started its operations. Therefore, both authors' possess an extensive knowledge about the bank, its operations and the later discussed training methods used now and before. Personal knowledge and experience have influenced in the choosing of the topic as well the specific wishes from the case company.

As above mentioned, the case company, S-Bank, was founded in 2007 and thereby it has been operating for relatively short period of time. This means that the employee

training methods are also very new. Many training methods for continuous use have been introduced, but there has never been any discussion or employees' perspective introduced on how the different training methods actually work and if they all really needed. As it is being discussed later on the text, there are currently six different training methods for continuous use. The thesis provides important information for the company to improve these training methods and make some adjustments to them if necessary. The case company has namely not conducted any surveys concerning employees' work performance. This thesis discusses how big impact the continuous training has in the everyday service encounters and the employees opinions about the usage of the different training methods. This thesis finds out whether the current training methods used in S-Bank are relevant, how well they are used and successful from the point of view of the employee. The issue is also examined from the management and especially from the planning point-of-view via balanced scorecard. Through this research we give the employees the chance to be heard so that they can give their opinions about the different training methods.

1.2 Objective and Research Questions

This work focuses on determining whether the existing training methods of S-Bank are relevant and sufficient to promote and how to cope with customer situations. Therefore, this thesis addresses the following research questions:

- How do the training methods used in S-Bank, impact the employees' work performance in service encounters?
 - How do the training methods differ from each other in practice?
- How is the training of employees taken into account in planning the strategy of S-Bank?
- How should the case company improve the employees' work performance in service encounters through trainings?
- How should S-Bank take continuous training into consideration in implementing their strategy?

Training is a crucial part of being successful in any profession. Customers are rather conservative in view of their banking affairs and therefore it is very important to create a professional and calm atmosphere to the client. Therefore, proper training of the employees is vitally important when examining the work performance in service encounters.

Training methods, which are more closely discussed later on in this thesis, are examined from the employees' point of view, by conducting a questionnaire. In the questionnaire, the employees' are supposed to rate (from 1-5, Likert Scale) the different training methods and support systems of S-Bank. According to, the results, the purpose and relevance of the training methods are examined and possible improvements are suggested to the case company. In addition, the perspective of the regional manager is taken into account, by conducting interviews with him and discussing the outcomes of the questionnaires.

1.3 Knowledge Base

Both authors work at S-Bank and therefore have a very good firsthand knowledge of the methods that are being used for training. We have been granted with access to all the information about the company, its policies and result. Both authors' have worked in S-Bank's service encounter since the company was founded in 2007. Nowadays, Niina works in a managerial position in Prisma Tornio and Essi as an S-Bank's liability person in S-Market Levi. Our work experience in S-Bank has given us the need to investigate and research this topic. It impacts our daily work and therefore the results of this research are expected to have a concrete effect on our work.

Annual Reports dating back from 2007 till 2011 are included and examined throughout the project of writing our thesis work.

As already mentioned Balanced Scorecard and Strategy Map is used as theoretical frame for the thesis.

1.4 Limitations

From the readers' point of view, this thesis has limitations concerning the confidentiality of the case company. In other words, the library version of the thesis does not display the whole work. Because of the authors' work description in S-Bank, they have signed a confidentiality agreement that concerns publications of certain chapters and sub-chapters of this thesis. The information concerning training methods and the research results are regarded as confidential and therefore the information is not for public use.

The questionnaires were handed out only in the Kemi-Tornio region and therefore the sample size was limited. The research was conducted only in Kemi and Tornio because of limited time frame and other resources.

The authors' chose the theoretical framework to concentrate only on the Balanced Scorecard in order to provide the case company valid information concerning the thesis topic.

1.5 Structure of the Thesis

In the chapter 3 the case company is introduced in detail. This helps the reader to understand the position of the employee and the work procedures. Theoretical framework of this thesis is concentrated around the balanced scorecard which is discussed in chapter 4. Chapter 5 concentrates on the employees' perceptions of the current training methods of the company. This is examined by conducting a questionnaire for the S-Bank employees of Kemi-Tornio area. In the same chapter is reported and analyzed the results of the interviews, conducted to the regional manager of S-Bank Mr. Impiö. Finally chapter 6 discusses the conclusions of this thesis. The results are reflected on the growing knowledge base and gained experience of the employees.

2 RESEARCH METHODOLOGY

In this chapter the used research methods are discussed. Because the nature and subject of this thesis, case study together with qualitative and quantitative methods are used.

2.1 Case Study

This thesis focuses on determining, whether the existing training methods of S-Bank are relevant and sufficient to cope with customer situations. According to, Collis and Hussey (2009, 82) a case study is defined as being a single phenomenon in its natural setting where different methods are used to obtain comprehensive knowledge. In this research, case study is conducted by researching and analyzing the case company's continuous training methods and its affect in the work performance of employees. In this research multiple methods which are both qualitative and quantitative are used for collecting data.

Case study as a research method was suitable for this thesis, because both authors' had a common interest for the company. Because of the history in the company discussed in the introduction, the research for training methods as a topic was current.

The target of our research is to examine our case company, S-Bank and whether the current training methods impact the employees work performance in service encounters. This is examined by conducting a questionnaire to the employees' where the functionality and importance of the training methods is examined. Interview with the regional manager of S-Bank, Mr. Impiö was conducted.

2.2 Research Methods

Qualitative and quantitative methods differ from each other in procedure. Knowledge and research objectives determine the used research method, whether it is qualitative or quantitative. Quantitative researchers are more focused on utilizing measurement unlike qualitative (Ghauri and Grønhaug 2005, 109). In the qualitative method the data is often

collected through interviews and own observations and this is being applied also in this thesis. The data is analyzed to arrive at findings or theories (Ghauri and Grønhaug 2005, 111). Overall form, the emphasis and the objectives determine which of these two research methods to use (Ghauri and Grønhaug 2005, 109.)

In this research both qualitative and quantitative methods are used to collect data. The questionnaire made to the employees of S-Bank consists of quantitative questions, containing 1-5 scale (Likert Scale), which is modified for the purpose of the thesis. The qualitative questions that can also be found in the questionnaire are open-ended questions, where the employees are free to express themselves and give improvement suggestions. Interview with Mr. Impiö also contributes qualitative information. Questionnaire focuses on the employees' in Kemi and Tornio, which sums up to 17 persons. Because of the small sample, it was vital that a high return percentage was gained.

2.2.1 Research Technique

The authors were used questionnaire as a selected research technique as well as interviews to complete the research. The selected questionnaire sample was chosen logically from the focus area. As was already mentioned above, it concentrates only on the customer service points of S-Bank in Kemi-Tornio region. All the employees who are working in these customer service points were given a questionnaire to answer. In the questionnaire Likert-type scale was used, results 1 standing for strongly disagree and 5 for strongly agree. Most of the questions were designed to allow comparison with each other. Open questions are used in order for the employees' to be able to justify their answers and contribute additional information to the research.

The reason for the questionnaire was to find out how the training methods impact the employees' service encounters and how the methods differ from each other in practice. In addition, the aim was to find how the training is actually taken into account in practice. Despite the fact that the researchers work at the S-Bank, they did not take part in the questionnaire in order to maintain their objectivity.

Interview as a technique was also used to gather information for the thesis and for this purpose a person working for the company was chosen. The contact person of the case company is the closest managerial person in S-Bank, and due to this reason Mr. Impiö was chosen to be the contact person. The Kemi-Tornio region belongs to Mr. Impiö's remit, i.e. area of responsibility. Due to his position as a regional manager of S-Bank, he is the most suitable person to interview about the topic. He also organizes the trainings for the employees and therefore the information gathered and discussed will help him in his daily work.

The interview with Mr. Impiö was conducted before the questionnaires were handed out. This was done to prevent the results of the questionnaires affecting the answers. During the interview he was asked to answer the questionnaire himself and discuss related issues concerning other important facts. Mr. Impiö is a representative of S-Bank, but his own opinions are strongly represented and cannot be generalized for the whole organization.

2.3 SOCO Scale

The SOCO Scale was developed by Saxe and Weitz in 1982. The abbreviation SOCO scale stands for sales orientation/customer orientation scale. SOCO scale has been modified by a number of different researchers and because of its versatility; it can be used in different studies with small modifications. Nevertheless, the main idea of the scale remains the same (Saxe and Weitz 1987, cited in Wachner & Plouffe & Grégoire 2009; Periatt & LeMay & Chakrabarty 2004).

In the research, the above mentioned SOCO scale is contributed by six items, research methods, and these items will be then processed to comparable sub-questions. The scale is modified to serve the purpose of the thesis, still maintaining its original nature. This thesis measures the usefulness of the training methods in a service company and therefore the SOCO scale is being used as a theoretical frame.

3 CASE COMPANY PROFILE - S-BANK

This chapter focuses on introducing the case company. Because of the nature of the case company, it was vital to have a thorough case company presentation.

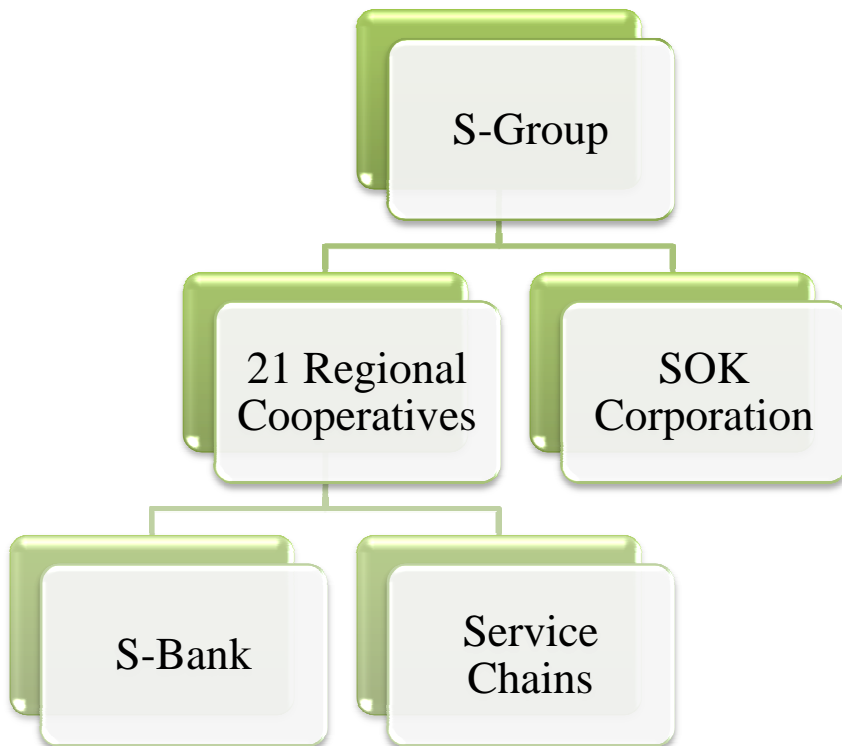
S-Bank is a member of the S-Group and it started its banking operations on 15 October, 2007. The banks owners are Suomen Osuuskauppojen Keskuskunta (henceforth SOK) with 50% of the shares and the S-Group cooperative enterprises with also a 50% of the shares (S-Kanava 2011a.) The S-Group cooperative enterprises act as the bank's agents. The service offering includes services related to saving, payments and the financing of purchases. S-Bank is covered by the Finnish deposit insurance system and supervised by the Finnish Financial Supervisory Authority (S-Pankki 2011c.)

The bank was established to continue the savings fund activity. The Co-operatives Act was changed in 2003 in a way that would have weakened financial services for customer-owners of the S-Group cooperative enterprises. It took little less than two years to apply for the banking license. SOK's Executive Board decided in 2005 to establish a deposit bank company to develop and manage financial services for customer-owners of the S-Group cooperative enterprises. As was mentioned earlier, S-Bank started its deposit bank operations in October 2007. (S-Pankki 2011d.) S-Bank Ltd's ownership base was broadened in July 2009 when S-Group cooperative enterprises became shareholders in the bank with a 50% stake through an issue of shares. SOK, previously the sole shareholder of the bank, retained a 50% stake.

3.1 Organizational Structure of S-Group

S-Group is a Finnish cooperative company gathering. Its main goal is to provide products and services for the customers. The table below represents the organizational structure of the whole S-Group, and positioning of S-Bank is also shown in it. (S-Kanava 2011b.)

Table 1. Organizational structure of S-Group



S-Group consists of SOK Corporation and its subsidiaries and from 21 regional cooperatives. The cooperative members, also known as customers, own the regional cooperatives which then together own the SOK-Corporation. S-Bank is a fully owned subsidiary of SOK Corporation and the regional cooperatives. Service chains, also known as store chains, provide the facilities to the S-Bank and its operations. (S-Kanava 2011b.)

3.2 S-Bank's Operations

S-Bank operates through the regional cooperatives, which provide the facilities and employees to the S-Bank's service points. Different store chains of the cooperatives have different obligations and expectations from the S-Bank. Service range from each of these chains differs. The table 2 below illustrates what S-Bank consists of. In the table the different relationships and functions of operations are shown.

Table 2. S-Bank's consistence



The biggest of the chains and that has the widest service range is the Prisma store chain. In their provided service points customers can have all the banking services that S-Bank offers. The bank's employees can e.g. open accounts for the customers directly as well as order payment cards for the accounts. In the Prisma chain the employees are well trained to serve the customers wishes wants and needs for banking issues. With the help of different tools, which are discussed later in this chapter, the bank clerks can handle any situation. In Lapland, the regional cooperative company Arina offers eight this kind

of S-Bank's service points, in five different towns. Four service points are located in Oulu, where also the head office of Lapland's regional cooperative is located, one located in Tornio, one in Kemi and one in Rovaniemi. In Ivalo, there is a service point with an exception that it belongs to S-Market chain, which usually only has the basic form-based services for S-Bank's customers.

The second types of representatives are the contact desk points. An example of these is S-Market store chain. The biggest difference between service points and form-based contact desk points is in the capability to serve the customer. Form-based contact desk points offer all the forms needed to apply for services but the employees are not trained to use the bank's computer programs and software. Therefore the employees send the forms filled in by customers to the regional cooperatives' head office in Oulu, where the forms are then entered to the system. In these points the customer receives the needed information of the banking services and there is a respondent person for S-Bank issues. SALE- and ABC chains belong also to these service providers. They are also equal representatives of S-Bank but they only have the basic form-based services for the customers. In the table 2 above, the different participants and actors that are connected to the S-Bank are presented.

3.2.1 The Role of Regional Cooperatives in S-Bank

The role of regional cooperatives in S-Bank is to provide the services for it. They provide the staff to the bank, but S-Bank takes care of the training of the employees and all the needed information to maintain the level of professionalism. The equipment and staff are provided by the regional cooperatives which also offer the banking environment for S-Bank.

3.3 Services of S-Bank

S-Bank offers services in approximately 100 S-Group locations. Customer service centers nationally numbering 150 at Prisma's and largest Sokos department stores and some S-markets offer all the banking services. Altogether 800 form-based banking services are offered nationally at Sale's, Alepa's, S-market's and ABC service stations.

In addition to the services discussed above, the online bank serves customers non-stop, i.e. 24/7. S-Bank's customer service personnel provide advice and assistance by telephone and e-mail from Monday to Friday. Cash can be withdrawn from automated teller machines (ATMs) and approximately 100 S-Group locations. (SOK Sintra, 2011.)

S-Bank's product offering includes banking services for dealing with daily financial matters. The product offering includes accounts, cards, and credit and payment services. The products and services are primarily aimed at customer-owners of the S-Group cooperative enterprises.

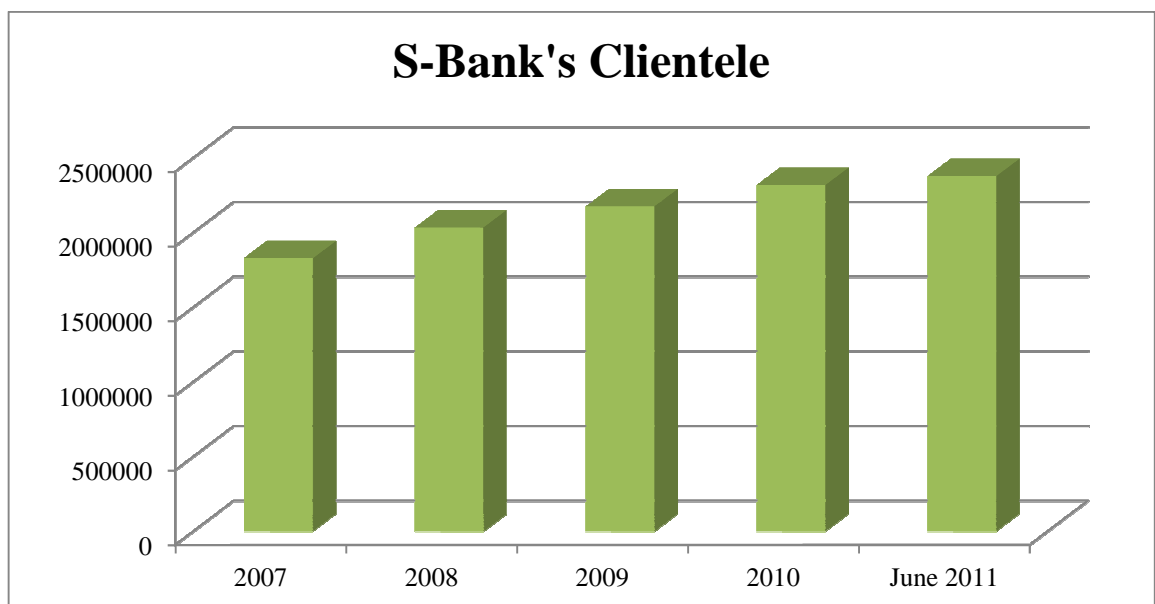
Services free of charge to customer-owners of the S-Group cooperative enterprises include for example:

- free-of-charge current account (which interest is calculated for the daily balance)
- free-of-charge online banking
- free-of-charge visa card (debit or debit/credit)

The bank also offers to its customers 0.5% payment method benefit when paying with S-Bank cards in S-Group.

The members of S-Group's cooperative members were transferred directly to also be the customers of S-Bank. This explains the high number of clientele even in the first year. (S-Pankki 2011e.) The clientele has continued to grow, as is illustrated in table 3 below.

Table 3. S-Bank's Clientele



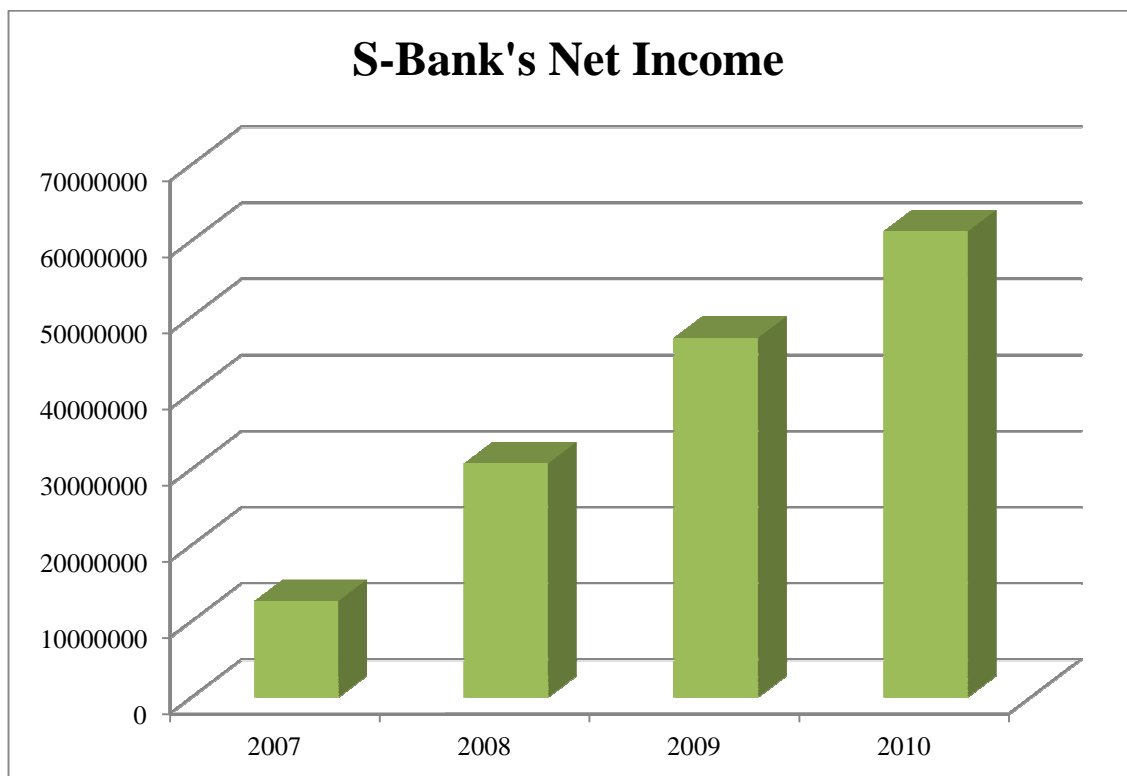
The table represents the steady growth of S-Bank's clientele base and that is the result of different campaigns that have been organized to attract the customers. Due to the unfinished financial year the table shows only the clientele till June 2011.

3.4 Financial Progress 2007-2010

Cooperative member's savings funds were transferred to S-Bank and therefore the company gained immediately a comprehensive customer base and funds. From the savings funds a total of 829 million Euros was transferred to S-Bank. (S-Bank 2007, 3.)

In S-Bank's operating profit start-up of banking operations can be seen quite clearly, because the result for the first financial period showed a loss of approximately 5 million Euros. The table below represents the development of S-Bank's growth in net income from its beginning in 2007 until 2010. (S-Bank, 2007.)

Table 4. S-Bank's Net Income



As it can be seen from the table S-Bank' net income has grown steadily concurrently the customers' trust for the bank has grown. S-Bank offers competitive services and interest rates and therefore, customers are more encouraged to deposit their money into accounts.

4 TRAINING METHODS USED BY THE S-BANK

In order to guarantee the customers the best service possible, S-Bank has a variety of training methods that are used for continuous use and self development. These methods are discussed in the chapter to follow. The library version will include only a short description of the methods due to the confidentiality agreement.

4.1 ASTA

ASTA is an online manual, which consists of all the regulations that guide the banks different functions. This manual consists also the different policies for different customer situations.

4.2 EJollas

EJollas is an online education website, where all employees have their personal sites where they log in using their individual usernames and passwords. The online educations can vary from issue to issue, covering the important banking information and the basic information for the co-op member issues.

4.3 Trainings

At least every third month S-Bank organizes trainings for the entire S-Bank staff, where all the current information, changes in legislation, campaigns and such issues are discussed.

4.4 Monthly Letters

Monthly letters are like leaflets where the current information and future or current campaigns are discussed and explained. The letters are sent to the email and they are printed out. In the end of the leaflet there will be a box, where every employee must put their signature, and verify that they have read the letter. This is also being monitored by the managers that every employee actively reads the letters and therefore is aware of the issues.

4.5 Sintra

Sintra is an internal webpage of the whole SOK-group. In the pages the employee will be able to choose the network in which they want to find information.

In these sites the employees are able to find some printed forms, monthly letters, campaigns, information about bank's current financial situation, bank's appearances in the media and all the links to the above mentioned ASTA and eJollas.

In order to be able to access the Sintra, employee will have to have their personal username and password.

4.6 S-Bank HelpDesk

S-Bank's own HelpDesk is situated in Helsinki. The employees can phone there and ask for guidance and support during or after customer service situations.

5 BALANCED SCORECARD

This chapter presents the idea of Balanced Scorecard. It includes a customized BSC that the authors have prepared for S-Bank from the knowledge they have gained when working for S-Bank. This chapter reveals strategical information about the company and therefore some parts of this chapter are considered to be confidential.

5.1 Idea behind Balanced Scorecard

Balanced Scorecard was first introduced in the 1990's by Kaplan and Norton as a performance measurement framework (Niven 2006, 2). In order to be able to align business activities to the vision and strategy of the organization, monitor organizational performance against strategic goals and improve internal and external communications, many businesses use balanced scorecard as a strategic planning tool. It adds strategic, but non-financial performance measurements to the traditional financial metrics. (Balanced Scorecard 2011a.) The Balanced Scorecard (henceforth BSC) offers the businesses a more comprehensive picture about the businesses performance unlike the 'traditional' method of using only financial measurements (Niven 2006, 2, current authors' emphasis). Through this more comprehensive picture, it enables the managers to have more balanced view of the organizational performance (Balanced Scorecard 2011a.) This is well introduced as a metaphor in Kaplan and Norton's (1996, 1) original work 'The Balanced Scorecard' as being modern airplane with only one single instrument in the cockpit to use during the flight. The example clearly demonstrates that airplane similarly to business cannot be guided by only using a single instrument to measure performance. The balanced scorecard basically transforms the way business functions. It clearly states the order of the actions based on the company's vision and strategy. (Balanced Scorecard 2011a.) In case of S-Bank, it is not enough to examine only the financial statements but also learning and growth from the employees' perspective.

BSC can be described as quantified measure of organization's strategy. These measures stand for different tools that the managers use in communicating to achieve companies' mission and strategic objectives. (Niven 2006, 13). The BSC offers a framework that provides performance measurements as well as helps identify what actually should be

done and measured and thereby helps managers execute their strategies. Therefore, BSC is considered as an important management system. The BSC basically transforms the way business functions. It clearly states the order of the actions based on the company's vision and strategy. (Balanced Scorecard 2011a.)

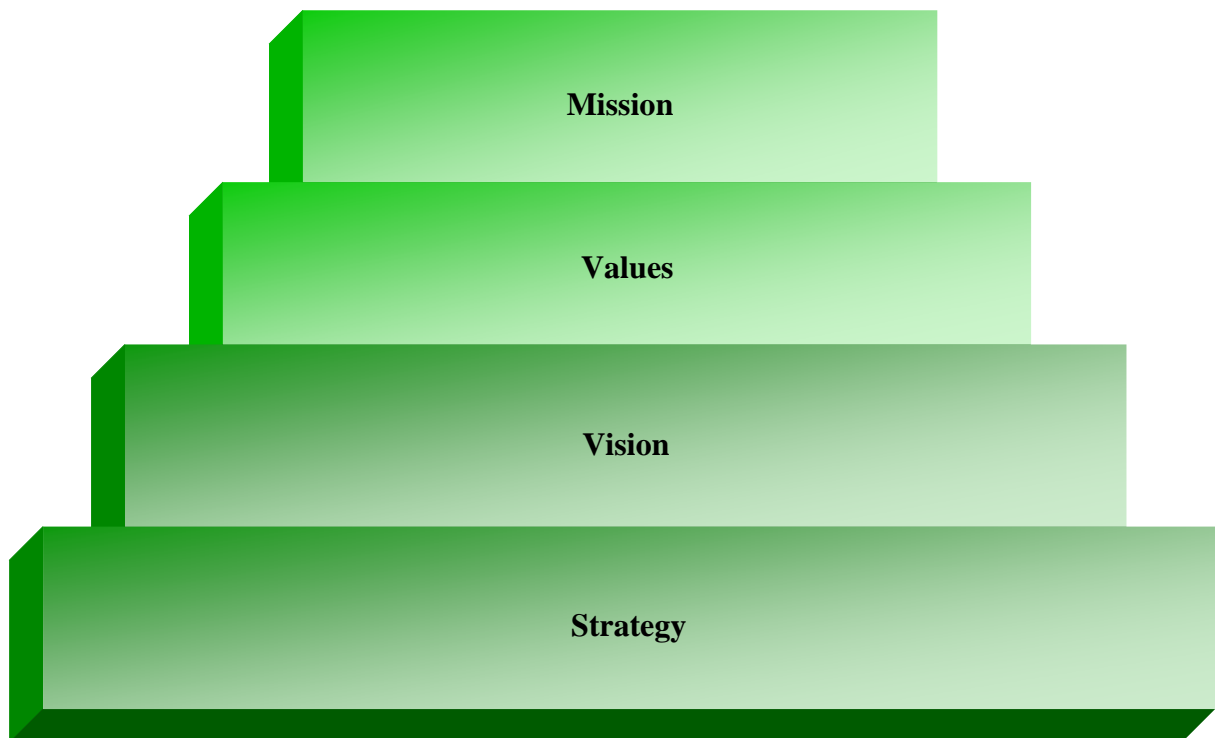
The reason why BSC was originally introduced was to give a guideline to companies not only to measure success from solely financial point of view, but also to help take into consideration other important success factors. If a business uses only financial measurements to evaluate performance and success, financial measures in this context would be as helpful as driving by using a rearview mirror. The financial measures give an excellent view of the performance and events taken place in the past, but it does not give a holistic picture of the future. (Niven 2006, 3.)

For S-Bank the BSC is useful because one can still consider S-Bank to be a new company in highly competitive and challenging markets. Due to its short history, the BSC can be used as a tool to prepare for the future and to act based on its findings. The way S-Bank operates is unique in its field, which creates both positive and negative aspects. The positive aspects are the cost factors; S-Bank has an existing nationwide network to use for its operations. Organizational structure enables the company to use the already existing and trained staff. The negative aspects are the highly competitive and challenging markets; product offering and development is still very modest. For the cooperative employees it is challenging to adapt the skills to perform as required in the markets.

5.2 Mission, Values, Vision and Strategy

According to, Nair (2004, 75) mission, vision, and values are important to BSC because these statements of purpose will give a direction for the company's existence. Strategy implements these statements into action.

Table 5. Mission, Values, Vision and Strategy of S-Bank (Kaplan & Norton 2004, 33)



The table 5 illustrates the continuum firstly between mission and strategy. Later in this chapter this table will be linked to the continuum towards functional and successful BSC (Kaplan & Norton 2004, 33). The organization's mission creates a base for the company's existence and describes how different units are evolved in a broader corporate architecture. In the case company, the mission is to offer the best services in daily financial matters, savings and financing of purchases. The core values and the mission of the company generally remain almost the same during time. The

organizations' vision represents the future and gives direction for the company. This helps the employees to act according to that. (Kaplan & Norton 2004, 32-33.)

Due to the non-disclosure agreement this chapter does not include the mission, values, mission and strategy of the case company S-Bank.

5.3 Implementing BSC in the case of S-Bank

Since this thesis concentrates on the employee training, BSC focuses also mainly on the learning and growth and customer segments. Internal business processes and financial matters are also briefly discussed only because of the continuum nature of the BSC. All four sectors of the BSC are assessed by their objectives, how they are measured, what their targets are and what initiatives should be taken in order to achieve the objectives and targets (Balanced Scorecard 2011a.)

Learning and growth perspective is measured in both individual and organizational level. The learning in both levels is a continuous process, and the success or failure of it is shown in the company's overall performance. It is vital for the company and its employees to be in a continuous learning mode due to the fast pace of today's market situation. (Balanced Scorecard 2011c). This perspective also determines the outcome for the other three scorecard perspectives (Kaplan & Norton 1996, 126.)

This thesis suggests the company how to implement BSC in S-Bank. These suggestions contain confidential information, which is not included in the library version.

5.3.1 Four different BSC perspectives

This chapter discusses confidential strategical issues of the case company. Therefore, all the information is not available in the library version.

Nowadays customer satisfaction must be taken into consideration in any business. It is not even enough that the customers are satisfied, they must be fully satisfied in order for them to return over and over again. There are enough banks to choose from and basic services and conditions are almost the same in every bank. What differentiates them from one another is the quality of the service it provides. (Balanced Scorecard 2011c). S-Bank differentiates itself from its competitors by providing inclusive opening hours together with locations that are easy to access and multi-functional. This by itself is not enough to satisfy the customer; the customer service and knowhow of the employee must also exceed the expectations of the customers. It is suggested that the customers should be analyzed for the purpose of the BSC in order to be able to improve products and services to meet the customer demand. (Balanced Scorecard 2011c.) In the case of S-Bank even though the customer age range varies between infants to seniors they all need banking services. Possible problems might arise, because of the different ways people would like to use the products and services.

From the businesses point of view, mission is a vital criterion in knowing where the business is heading to. Products and services should meet with the customer requirements and the employees who interact with the customers daily, are the ones who know them the best.

Financial perspective is regarded to be an essential part of the BSC, since it summarizes the economic effects for actions made in the past. It determines whether the actions were successful or not. (Kaplan & Norton 1996, 25.) To encourage businesses to link financial objectives to corporate strategy is the main function of the BSC. This can be seen in all other BSC perspectives, where the financial objectives serve as the focus. The financial progress from the net income perspective was discussed previously in chapter 3.4.

5.3.2 BSC of S-Bank

The S-Bank's BSC clearly shows the cause-and-effect relationship which is natural to BSC's. Even though table 6 below illustrates each part to be individual from each other, it should be mentioned that the BSC is still to be seen as a continuum between different issues.

Table 6. Balanced Scorecard of S-Bank

Objectives	Measures	Targets	Initiatives
<i>Customer</i>			
<i>C1</i> - To offer customers competitive products and service in the market	Nationwide unbiased research between different banks	To be the customers first and best choice	To invest in product and service development to meet the customer demand
<i>C2</i> - To fulfill customers wishes, wants and needs	Customer satisfaction questionnaires	To satisfy the customers completely	To invest in customer service encounters
<i>C3</i> - To offer service that succeeds the customers' expectations	Customer satisfaction questionnaires	To satisfy the customers completely	To invest in customer service encounters
<i>C4</i> - To deepen the customer relationship	Customer satisfaction questionnaires	To obtain more customers who use S-Bank as their main/only bank	To invest in customer service encounters

Learning and Growth

<i>L1</i> – Confidential	Employee questionnaires about training	To create confidence and secure for employees to perform better in customer service encounters	To survey and to possibly further develop the existing training methods in customer service situations
<i>L2</i> - Confidential	Assisted customer service encounters with senior employees and the assessment	To be able to offer better service to customers	To invest in senior employee support
<i>L3</i> - Confidential	Employee questionnaires about training methods	Confidential	To follow and to apply the development of technology

Objectives	Measures	Targets	Initiatives
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Internal Business Process

<i>I1 - Confidential</i>	Customer / Employee questionnaires	To satisfy the customers completely	To invest in product and service development based on the questionnaire results
<i>I2 - Confidential</i>	Confidential	Confidential	To follow and to apply the development of technology
<i>I3 - Confidential</i>	Employee satisfaction questionnaire aimed at working communities	To provide and obtain better working community for employees	To determine initiatives based on the questionnaire results.

Financial

<i>F1 - Confidential</i>	Confidential	Confidential	Short/long term customer campaigns
<i>F2 - Confidential</i>	Confidential	Confidential	Short/Long term customer and employee campaigns
<i>F3 - Confidential</i>	Confidential	Confidential	Competitive product and services according to market demand

The table above is compiled based on the information applied from the S-Bank's CEO and Regional Manager. The authors' own perspective and knowledge can also be seen in the BSC specially constructed for S-Bank. Due to the non-disclosure agreement some of the information containing confidential information is not available in the library version.

6 EMPLOYEES' PERCEPTION OF THE TRAINING METHODS

This chapter analyzes the results that the authors gained from interview with Regional Manager Mr. Ari Impiö, as well as from the questionnaire conducted to the employees in the customer service desks of Kemi-Tornio region. Due to the non-disclosure agreement the analysis of interview will not be included in the library version. Certain points in the analysis of the questionnaire results are also not public information.

6.1 Analysis of Interview

In order to be able to conduct a valid research and meet with the expectations of the case company, an interview was held with the Regional Manager of S-Bank. Further on, the results of this interview are discussed. The case company was extremely helpful during the thesis process, perhaps mainly due to the fact that both authors of this thesis are employees' of Arina cooperative enterprises and are daily working for S-Bank.

The interview was held on 5 October, 2011 in Prisma Tornio with the Regional Manager of S-Bank Mr. Impiö. The interview was conducted in Finnish and therefore the authors' validated the Finnish and English written transcripts with the English language teacher. The interviewee was eager to answer any of the questions concerning the issue. The interview easily got sidetracked, because both authors' are employees of the company. In this interview both authors' were present. The interviewee was asked to fill in the questionnaire for the employees from his point of view, despite the fact that he is an employee in S-Bank and the questionnaires were directed to the employees' of customer service locations of S-Bank in the Kemi-Tornio region. He had a different aspect on the questions but this was clear from the beginning, because of his position but still we wanted to know his opinion about the questionnaire. (Impiö 2011c.)

6.2 Analysis of Questionnaire

The purpose of this thesis is to inform the management of the employees' perception of the currently used training methods in S-Bank. In order to be able to achieve this, a questionnaire was conducted to the employees' in Kemi and Tornio. The sample was based on the location of the place of business and because of the small resources and tight schedule it was not possible to conduct the questionnaire in other locations both in Oulu and Rovaniemi. Nevertheless, the results in general may be applicable also in other locations, because the training methods used in S-Bank are the same despite the actual location.

The questionnaires were handed out to the employees' of S-Bank's service points in Kemi and Tornio. The employees had approximately seven days to answer the questionnaire. Some vacations were held amongst the employees, so if there would have been more time to answer them, it would have been possible to achieve nearly a 100% response rate. 17 questionnaires were handed out and 14 were returned, therefore response rate of 82.35%. Despite the fact that the sample was small, it was also limited. As mentioned earlier in the text, there are eight service points in Lapland, which are located in Oulu, Rovaniemi, Kemi, Tornio and Ivalo. Due to the long distances and small resources, only the employees of Kemi and Tornio are discussed. Even though the sample is small, it gives quite reliable information about the training methods, because the same methods are used everywhere in Finland and the initial training is done according to strict instructions. This research can act as a tool to encourage the management of S-Bank and local cooperatives to discuss with the employees and to find out their opinions.

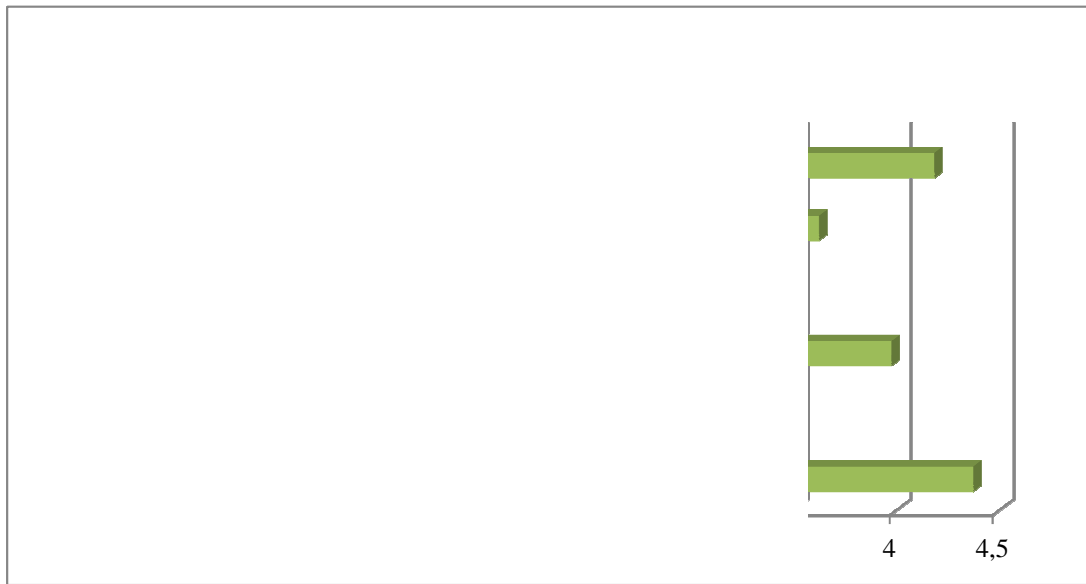
In the table below the respondent's place distribution is presented.

Tables 7. Respondent's age and place distribution

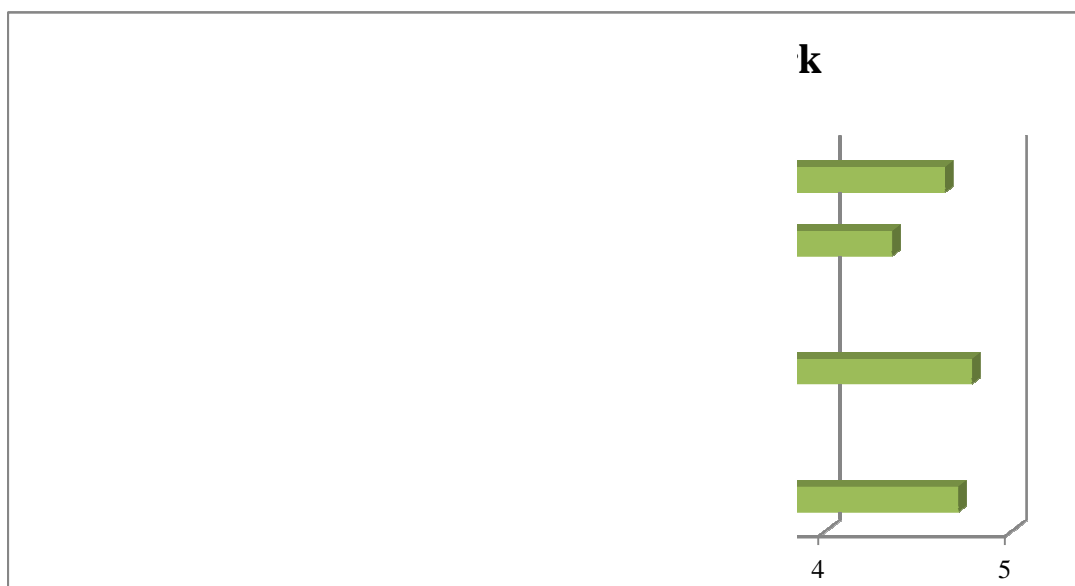
- Tornio
- Kemi
- No respond

Due to the size of the store, Kemi has more employees and therefore is well presented in the questionnaire results. On the other hand, in Tornio response rate was 100% and in Kemi the response rate was 72.7%.

When the different trainings methods are examined, three of them stand out. Employees found that S-Bank HelpDesk, trainings and ASTA were the most useful in their work. This was proved twice as all of them scored the highest scores in individual comparison with best overall grade as well as in the overall rating. In all of these ratings the different methods were compared and being rated from best to worst. These results are shown in the tables 8 and 9.

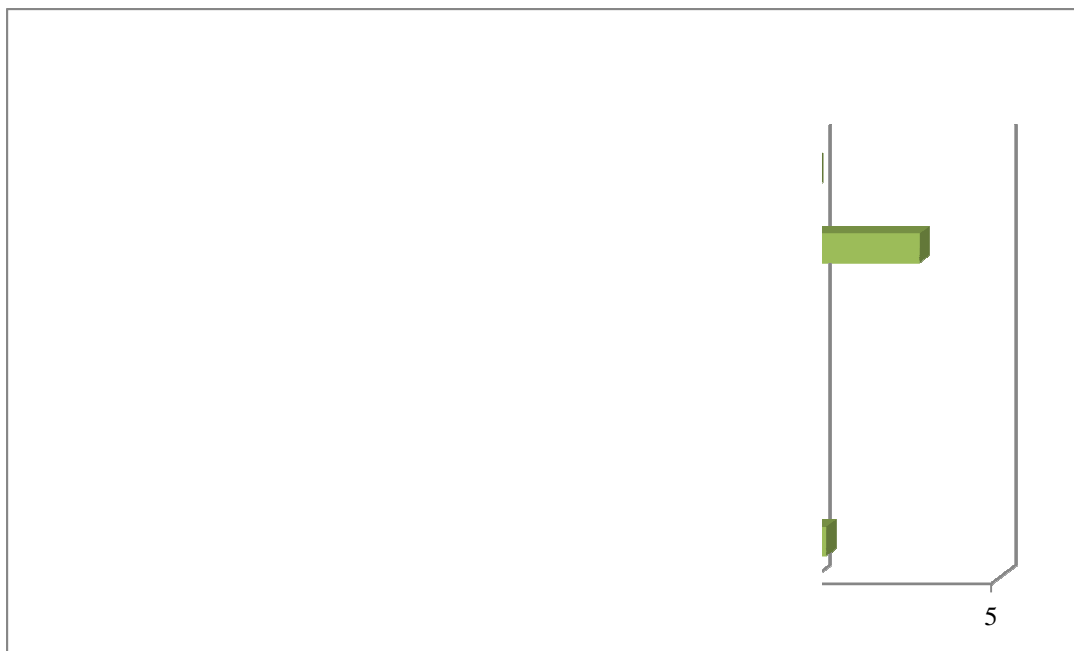
Table 8. Best overall grade

The table 9 represents the importance of the different training methods in daily work. This is important to know so that the actual usage of the methods can be determined.

Table 9. Importance in Everyday Work

As it is shown in the table above, it can be seen that even though Sintra did not score as well as the top three methods in the best overall score and in the importance in everyday work, it was still used the most. The open-ended question “Suggestions for improvement” partially explains the reason for this.

Table 10. Everyday Usage



As it can be seen in all above tables, the results of the training methods are high and therefore can be considered useful. Many who answered to the questionnaire felt that they would not be willing to leave any of them out. This question was asked with an open-ended part of the questionnaire.

6.3 Summary

As it was mentioned earlier in this chapter, all the information is not included in the library version of this thesis.

Based on the interview and the questionnaire the management and the employees have similar suggestions about further developing the continuous training methods and that they all are highly regarded. Employees had practical suggestions for the development of the training methods that are suggested to the management via this thesis.

7 DISCUSSIONS AND CONCLUSIONS

This chapter compiles the information received and applied for this thesis. It answers the research questions discussed previously in the first chapter and gives suggestions for future research. Some of the information in this chapter is considered to be confidential and are therefore excluded from the library version.

7.1 Conclusions

This thesis aimed to give the employees of S-Bank the chance to evaluate the training methods used by S-Bank and to give the case company suggestions of how to improve the methods. The issue was also examined from the strategic point of view, by implementing the Balanced Scorecard. Employees answered a questionnaire about the training methods and an interview with the Regional Manager of S-Bank was held.

In the first research question the authors wanted to define how the current training methods are contributing to the customer service encounter situations and whether they differ from each other in practise. This question was asked in order to be able to define whether there is a need for improvements. The answer to this question was found by conducting a questionnaire among the employees in Kemi and Tornio. The employees generally answered that all the training methods are useful. However, a few of them stood out.

In the second research question we wanted to link the theoretical framework of our thesis; the Balanced Scorecard and the employee perspective. It was achieved by asking the following research question:

- How is the training of employees taken into account in planning the strategy of S-Bank?

Answer to this question was received from the CEO of S-Bank via his blog.

The questionnaire results and the interview with Mr. Impiö highlighted the fact that the training should concentrate more on customer service situations. Therefore, the following research question was asked:

- How should the case company improve the employees work performance in service encounters through trainings?

The authors suggested that S-Bank should continue using the already existing methods and develop them towards practical direction. One suggestion was to develop a customer service situation simulation for eJollas.

The fourth and final research question below was compiled in order for the authors to give improvement suggestions for the case company. Similarly to the second research question, the aim was to link the theory of Balanced Scorecard by compiling a special Balanced Scorecard for S-Bank.

- How should S-Bank take continuous training into consideration in implementing their strategy?

The compiled Balanced Scorecard applied information received from the CEO of S-Bank as well as from the regional manager. The authors gave also own suggestions for future development.

7.2 Suggestions for Future Research

This thesis is meant to be a conversation starter between the employees and the management of S-Bank. It is vital for the business to be always a step ahead in today's challenging and competitive markets. Due to the reason that no research has been made in this field, the authors suggest the following: As shown in the S-Bank's Balanced Scorecard, to further develop the training methods, a more comprehensive employee questionnaire should be submitted to the employees throughout Finland. This would help the organization and employees to improve their performance and plan increasingly detailed strategy that the employees could follow easily.

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APPENDICES

EMPLOYEE QUESTIONNAIRE (FI)

Appendix 1

Arvoisa työtoveri,

1 (3)

Teemme kyselyä opinnäytetyötämme varten, jonka aiheena on koulutuksen vaikutus yrityksen tulokseen S-pankissa. Vastaamalla tähän kyselyyn autat meitä kartoittamaan eri koulutusmenetelmien hyödyllisyyden. Tutkimus suoritetaan anonymisti ja käsitellään luottamuksellisesti.

Ikä:

19 – 29 30 – 39 40 – 49 50 <

Toimipaikka:

Kemi Tornio

Ympyröi mielestäsi sopivin vaihtoehto: Täysin samaa mieltä (5), Jokseenkin samaa mieltä (4), Ei samaa, eikä eri mieltä (3), Jokseenkin eri mieltä (2), Täysin eri mieltä (1)

ASTA

Käytän päivittäin työssäni	1	2	3	4	5
Koen tarpeellisena työssäni	1	2	3	4	5
Löydän tarvittavan tiedon asiakastilanteesta selviytymiseen	1	2	3	4	5
ASTA on toimiva ja helppokäyttöinen	1	2	3	4	5

eJollas

Käytän päivittäin työssäni	1	2	3	4	5
Koen tarpeellisena työssäni	1	2	3	4	5
Löydän tarvittavan tiedon asiakastilanteesta selviytymiseen	1	2	3	4	5
eJollas on toimiva ja helppokäyttöinen	1	2	3	4	5

Koulutukset

2 (3)

Koen tarpeellisena työssäni	1	2	3	4	5
Saan tarvittavan tiedon asiakastilanteesta selviytymiseen	1	2	3	4	5
Koulutuksia on tarpeeksi usein	1	2	3	4	5
Koulutukset ovat mielenkiintoisia ja hyödyllisiä	1	2	3	4	5
Kouluttajat ovat asiantuntevia ja osaavia	1	2	3	4	5
Koulutuksissa käsitellään päivittäisessä työssä tarvittavia asioita	1	2	3	4	5

Kuukausikirjeet

Käytän päivittäin työssäni	1	2	3	4	5
Koen tarpeellisena työssäni	1	2	3	4	5
Löydän tarvittavan tiedon asiakastilanteesta selviytymiseen	1	2	3	4	5

Sintra

Käytän päivittäin työssäni	1	2	3	4	5
Koen tarpeellisena työssäni	1	2	3	4	5
Löydän tarvittavan tiedon asiakastilanteesta selviytymiseen	1	2	3	4	5
Sintra on toimiva ja helppokäyttöinen	1	2	3	4	5

S-Pankki**HelpDesk**

Käytän päivittäin työssäni	1	2	3	4	5
Koen tarpeellisena työssäni	1	2	3	4	5
Löydän tarvittavan tiedon asiakastilanteesta selviytymiseen	1	2	3	4	5
SPA on toimiva ja helppokäyttöinen	1	2	3	4	5
Saan oikeaa tietoa ja apua	1	2	3	4	5

Listaa alla olevat koulutusmenetelmät paremmuusjärjestykseen; Hyödyllisin (1)...

Vähiten käytetty (6)

ASTA	1	2	3	4	5	6
eJollas	1	2	3	4	5	6
Koulutukset	1	2	3	4	5	6
Kuukausikirjeet	1	2	3	4	5	6
Sintra	1	2	3	4	5	6
S-Pankki HelpDesk	1	2	3	4	5	6

Minkä yllä mainituista koulutusmenetelmistä jättäisit pois? Miksi?

Parannusehdotuksia?

EMPLOYEE QUESTIONNAIRE

Appendix 2

Dear colleague,

1 (3)

We are conducting a questionnaire, which would help us to execute our bachelor's thesis on the subject of the effect of training in the performance of S-Bank. By answering this questionnaire, you will help us to survey the importance of different training methods. This survey is anonymous and the results will be dealt with confidentiality.

Age:

18 – 28 29 – 39 40 – 49 50 <

Place of business:

Kemi Tornio

For the following statements, please indicate whether you: Strongly agree (5), Somewhat agree (4), Neither agree nor disagree (3), Somewhat disagree (2), Strongly disagree (1)

ASTA

I use it daily in my work	1	2	3	4	5
I find it useful in my work	1	2	3	4	5
I can find the needed information in customer situation	1	2	3	4	5
ASTA is functional and easy to use	1	2	3	4	5

eJollas

I use it daily in my work	1	2	3	4	5
I find it useful in my work	1	2	3	4	5
I can find the needed information in customer situation	1	2	3	4	5
eJollas is functional and easy to use	1	2	3	4	5

Training

2 (3)

I find them useful in my daily work	1	2	3	4	5
I get needed information for customer situations	1	2	3	4	5
They are held often enough	1	2	3	4	5
I find them interesting and useful	1	2	3	4	5
The trainers are professional	1	2	3	4	5
Information for daily use is reviewed	1	2	3	4	5

Monthly letters

I use it daily in my work	1	2	3	4	5
I find it useful in my work	1	2	3	4	5
I can find the needed information in customer situation	1	2	3	4	5

Sintra

I use it daily in my work	1	2	3	4	5
I find it useful in my work	1	2	3	4	5
I can find the needed information in customer situation	1	2	3	4	5
Sintra is functional and easy to use	1	2	3	4	5

S-Pankki**HelpDesk**

I use it daily in my work	1	2	3	4	5
I find it useful in my work	1	2	3	4	5
I can find the needed information in customer situation	1	2	3	4	5
SPA is functional and easy to use	1	2	3	4	5
I get correct information and help	1	2	3	4	5

List the following training methods in rank order; Most useful (1)... Least used (6)

ASTA	1	2	3	4	5	6
eJollas	1	2	3	4	5	6
Trainings	1	2	3	4	5	6
Monthly letters	1	2	3	4	5	6
Sintra	1	2	3	4	5	6
S-Bank HelpDesk	1	2	3	4	5	6

Which of above mentioned training methods would you leave out? Why?

Improvement suggestions?
