

## Blended learning is proving key to Credit Suisse Business School delivering improved client satisfaction

### Executive Summary

#### CUSTOMER NAME

- Credit Suisse

#### INDUSTRY

- Financial Services

#### CHALLENGE

- Faced with the need to provide its people with the skills required to successfully manage clients' wealth in increasingly difficult markets, Credit Suisse decided to provide all training through a new corporate Business School supported by technology solutions

#### SOLUTION

- Cisco IBSG has worked closely with the Business School to help it understand and develop a blended approach, with eLearning growing from five to 25 per cent of activity and beyond

#### BUSINESS VALUE

- The Business School's efficiency has increased by 15 per cent
- An on-line Skills Refresher tool helps identify skills gaps and ensures that all training meets business needs
- Credit Suisse has become the first bank worldwide to receive the prestigious international CLIP (Corporate Learning Improvement Process) Award for the Business School

A key part of Credit Suisse's response to the continuing uncertainty of world markets has been the creation of a Business School. In developing its plans the school worked with Cisco to understand that its strategic objective – of supporting commercial success through people being better equipped to deliver first-class service and advice – can only be achieved through the use of technology in a 'blended learning' environment.

### CHALLENGE

Credit Suisse Group is a leading global financial services company headquartered in Zurich. It provides private clients and small and medium-sized companies with private banking, pensions, and insurance and financial advisory services.

The years 2000 to 2003 were particularly difficult for the group. Attempts to create a new-model bank insurance company saw the group twice restructure itself to better integrate its insurance arm, Winterthur. Other moves such as the group's purchase of US-based investment bank and financial services provider, Donaldson, Lufkin & Jenrette, Inc., proved difficult to integrate and costly as it became clear that the group had made the purchase at the height of the company's share price.

Credit Suisse's response included reducing costs, strengthening its capital base, divesting itself of certain non-core subsidiaries such as DL&J Direct in the UK, and also forming an almost entirely new top management team led by Oswald J. Grübel, CEO of Credit Suisse Group.

Following a net loss in 2002 of \$3.6 billion, by the next year the group's decisive action had stemmed the tide when it achieved break-even with a \$638 million profit.

**CISCO SYSTEMS**



Prepared by Cisco Systems, Inc.  
Internet Business Solutions Group

The following year – 2004 – the group’s turn-around had been achieved with profits of \$4.65 billion.

In achieving this success Oswald Grübel was particularly mindful that the group’s future lay in it being able to operate in a financial world characterised by change. The comparative predictability of the preceding decades was gone. Wealth managers could no longer achieve success for their clients simply by investing in financial markets. Growth could only come through a more in-depth understanding of the markets and financial tools; and by the entire group embracing a common culture focused sharply on clients and recognising and supporting the contribution made by colleagues.

A new approach to training was needed and Oswald Grübel turned to Urs Hofmann, Chief Learning Officer for Credit Suisse.

**“CREDIT SUISSE’S MISSION IS TO BECOME THE LEADING WEALTH MANAGER OF THE WORLD. IN ORDER TO ACHIEVE THAT WE NEED TO TRAIN OUR PEOPLE TO BECOME BETTER ADVISORS AND BETTER SALES PEOPLE.”**

Walter Berchtold, Chief Executive Officer, Credit Suisse

## SOLUTION

The most obvious group of people who might benefit from acquiring new skills were Credit Suisse’s Relationship Managers who directly manage the wealth of high net worth individuals. Urs Hofmann soon realised that those Relationship Managers depended on the support they received from the back-office people, who in turn relied on the systems and information provided by others.

A radically new approach would be needed, one that provided a single, cohesive strategy and delivery across the entire group; that enabled an individual’s skills to align exactly with the needs of the business.

Ulrich Koerner, Credit Suisse’s Chief Financial Officer, explains: “In the past there was a certain tendency for people to identify the training they thought they needed. In today’s environment the bank cannot leave that to individuals – it has to make sure that every Swiss franc is spent where it has the greatest impact on business success.”

The way forward was the creation of a single Business School to replace the groups’ previously fragmented approach, which had seen different business units developing, and delivering essentially functional skills-based training with little understanding or support for corporate strategy.

In the autumn of 2003, a consultant for Cisco’s Internet Business Solutions Group (IBSG) – which works with Credit Suisse as its Trusted Advisor – suggested to Urs Hofmann that technology could play a vital role. eLearning could be used to ensure the faster and more effective delivery of some elements of training to more people than a purely classroom-based approach and provide a significantly enhanced framework for learning.

At that time Credit Suisse saw eLearning as contributing only some five per cent of content. Urs Hofmann and his team saw merit in exploring things further and the following month an IBSG eLearning consultant met Markus Simon, Head of Learning Services. Over the next eight weeks

IBSG and a team from the Business School explored the scope and benefits that eLearning might bring when combined with classroom-based training to create a 'blended learning' environment.

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Ulrich Koerner, Chief Financial Officer, Credit Suisse

“While we recognised the potential for this approach,” recalls Markus Simon, “the challenge was to help our colleagues understand its value because at the time our training programme developers and managers saw eLearning as a threat rather than another weapon in their own armoury.”

Together the two teams developed a proposal that explored the role eLearning might play in the Business School. The proposal contained an invitation to attend Cisco’s Executive Briefing Centre (EBC) in San Jose. The EBC visit took place in February 2004 and included, significantly, the head of the Business School’s largest faculty whose training programme developers believed they were among those most at threat.

At the start of the two-day visit, Cisco presented its approach to eLearning. The next day a brainstorm explored what initiatives Credit Suisse might want to take forward. The group also carried out an Internet Capabilities Assessment of the Credit Suisse Business School that allowed the delegation to self-assess opportunities for a blended approach. It revealed that in meeting its plans for creating a Learning Content Management System the school could significantly increase the percentage of content delivered over its network as part of a blended approach, with potentially 40 per cent of courses having some element of eLearning.

Back in Switzerland, IBSG ran a seminar, introduced by Urs Hofmann, for the entire Business School faculty, but rather than being a simple de-brief it soon emerged that staff were still concerned about the possible impact of eLearning on their jobs. In order to help people better understand that, rather than being a threat, eLearning offered opportunities to selectively improve the scale and speed of knowledge transfer, IBSG ran follow-up sessions. These included a ‘Q&A’ where IBSG consultants talked candidly to people at the Business School.

In parallel, Markus Simon and the IBSG team developed the case for eLearning at the Credit Suisse Business School. The value case identified three main areas where eLearning could support overall strategy. They were:

- Productivity gains of potentially around US\$16 million to US\$25 million delivered through increased efficiencies
- A more flexible means of delivering training elements, such as pre-course work
- Increased speed and capacity, taking pressure off the bottleneck of a physical training environment and enabling the company to react faster. For example, to provide people – particularly front-line branch staff – with information needed to show regulatory compliance. The value case calculated that eLearning could provide the school with the ability to deliver an additional 16,000 participant days each year, worth some US \$7 million per annum.

The value Credit Suisse placed on the thought leadership and guidance provided during this IBSG engagement was highlighted when the company took the unusual step of sponsoring a meeting of the Cisco Trusted Advisor Club in October 2004, where it was able to share its thinking and plans regarding eLearning with leaders from other corporate universities.

Normally the Trusted Advisor Club meets four times a year, but a fifth event was scheduled specifically at Credit Suisse's request to focus on corporate universities. "It was a wonderful event," says Markus Simon. "It gave us the opportunity to discuss our plans with our peers for an entire day, enabling us to benefit from the experiences of some of the other leading corporate schools in Europe."

The value of peer group advice and expertise has been formalised with the creation of an Advisory Board comprising representatives from the Business School and some of the world's most respected corporate universities, including Cisco's Senior Vice President of Human Resources and other Chief Learning Officers that the Credit Suisse team first met at the Trusted Advisor Club event.

### **BUSINESS VALUE**

The strategic value of the Business School is summed up by Credit Suisse's Chief Executive Officer, Walter Berchtold: "Credit Suisse's mission is to become the leading wealth manager of the world and in order to achieve that we need to train our people to become better advisors and better sales people. The Business School has a very strategic role in our drive to achieve best possible service and unlock the potential of all our staff."

**"WE HAVE SEEN HOW CISCO HAS INVOLVED THE MANAGEMENT IN THIS ELEARNING AREA AND WE HAVE SEEN HOW POWERFUL THIS TOOL CAN BE. WE HAVE NOW STARTED USING THAT MORE AND MORE. WE ARE ACTUALLY AT 25 PER CENT OF ALL OUR LEARNING ACTIVITIES AND WE WILL STEADILY INCREASE THAT."**

**Urs Hofmann, Chief Learning Officer, Credit Suisse**

In its first year of operations, the percentage of courses that included eLearning at the Business School increased. "We have seen how Cisco has involved the management in this eLearning area and we have seen how powerful this tool can be. We have now started using that more and more. We are actually at 25 per cent of all our learning activities and we will steadily increase that," says Urs Hofmann, explaining the percentage of courses that contain an eLearning element.

The school has also established an eLearning centre of competence for the creation of content. The content creators' team productivity has increased by 300 per cent and acceptance and demand for eLearning content from course designers is such that the team now has a backlog in its order books.

Technology is also helping the Business School ensure consistency of message around the globe while meeting the needs of different regions. Asia Pac is a particularly important area for the group, which has offices in Singapore and China. In March 2005 the Business School opened a campus in Singapore to help attract, train and retain the best locally available talent. Not only was the campus able to take advantage of the centrally developed programmes and content, the Business School's Campus Asia website was on-line even before the school had officially opened.

A culture of competency-based assessment and training now exists and is reaching through the entire group worldwide, with gap analysis identifying Credit Suisse's requirements for roles at various grades. For individuals, there is a growing need to ensure that their proven competencies match business requirements for their current roles, and that they acquire those identified for progression to other or more senior roles.

Within Credit Suisse's Private Banking arm, progress has been made in introducing to Relationship Managers the concept of a sales process when acquiring assets. There are now sales pipelines and review meetings to check progress against plans, with managers realising that it is now easier to predict and manage achievement against targets. As well as providing the initial training to help establish the process, the Business School's policy of reviewing progress is helping to consolidate this important cultural change, while retaining the important consultative nature of relationships with clients.

**"TO STAY AHEAD OF THE CURVE AND TO ACHIEVE SUCCESS IN PRIVATE BANKING IT IS NECESSARY TO CONTINUOUSLY IMPROVE PEOPLE SKILLS AND EFFICIENCY. A REALLY SUCCESSFUL RELATIONSHIP MANAGER IS ABLE TO WORK IN TEAMS, FOR EXAMPLE WITH PRODUCT SPECIALISTS OR EVEN WITH TAX ADVISORS."**

Maja Salzmann, Chief Management Officer, Credit Suisse Private Banking International

The effectiveness of the school's blended learning approach has been recognised by the European Foundation for Management Development, which certifies corporate universities on the basis of their performance and the quality of their training and development programmes. Credit Suisse has become the first bank worldwide to receive the prestigious international CLIP (Corporate Learning Improvement Process) Award for its Business School. The accreditation – which includes use of technology among its criteria – is proof that the Credit Suisse Business School meets the highest international standards of quality and performance.

The school operates a Quality Management system that includes on-line testing after courses to better gauge success. Quantitative metrics are captured and reported monthly to the Credit Suisse management board, and the school is currently providing a feedback system with course members' line managers to measure the impact of training on behaviour and success at work.

The school is also finalising plans to introduce a software-based Learning Management System, which will help manage aspects such as course selection, registration, learning and competencies acquired by individuals.

### **BLENDED LEARNING IN ACTION**

Maja Salzmann, Chief Management Officer, Credit Suisse Private Banking International, explains: "To stay ahead of the curve and to achieve success in private banking it is necessary to continuously improve people skills and efficiency. A really successful Relationship Manager is able to work in teams, for example with product specialists or even with tax advisors. This is crucial to the development of customised proposals for our customers. Programmes like Best Practice in Acquisition and Client Engagement will ensure that we will give best advice to high net worth individuals and attract new clients as well as retain existing clients. Only with empowered and highly motivated people can Credit Suisse achieve its aggressive growth objectives."

The 'Best Pace' programme was the first programme to address the needs of Relationship Managers. It aimed to define the level of knowledge and behaviours that a private banker should display to clients – from how best to manage a business lunch to understanding and using the latest financial instruments that will help preserve and grow their clients' assets.

An on-line Skill Refresher tool was used to test people's knowledge, thereby ensuring that they only receive the training they need. One lesson learned from the training was that the best Relationship Managers do not necessarily make the best team managers and a subsequent programme called 'Next Pace' was created which helps those managers develop their coaching skills. Skills gap analysis is also key to this programme.

"People in Private Banking have to be fully up-to-date with the latest regulations and product details and must be very systematic in how they advise clients," says Markus Simon. "Before, people relied on repeating what they had found worked best for them. With Best Pace we captured and transferred the experience and techniques of the best advisors to help develop their colleagues' skills in the same direction. Next Pace will help them to be better coaches and leaders."

Maja Salzmann explains how the convenience of blended learning makes it easier for Credit Suisse people to acquire and keep up to date with the skills and information they need: "Our Relationship Managers live busy lives; they have to get up to speed with new products and regulations all the time. Our people depend on the ability to learn at their work places wherever that might be – even at home. It is much easier to find 30 minutes in front of a desktop than to attend a class."

It says much for the scalability of Credit Suisse's existing Cisco MPLS (Multi-Protocol Label Switching) network that it has been able to accommodate the increased traffic of eLearning. Having proven the benefits of eLearning Credit Suisse is discussing with Cisco how best to develop its network infrastructure to support more multi-media rich course content through the use, for example, of Content Delivery Networking.

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## MORE INFORMATION

For further information on Internet business solutions, visit <http://www.cisco.com/go/ibsg>

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