Banking
Benchmarks, KPI Definitions & Measurement Details

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More than **7,000 KPI values** (i.e., data points) were analyzed to produce benchmarks for the **50 KPIs** included in this report.¹

**Data Range**: 2012-2017  
**Region(s) Included**: United States, Canada, South America

The benchmarks included in this report were found to be comparable across companies of varying sizes (i.e., number of employees, total revenue).

**Methodology: Data Collection & Validation**

1. **Gather**  
   OpsDog’s analysis team aggregates data collected through traditional consulting engagements and targeted research.

2. **Refine**  
   Aggregated data is standardized, categorized and run through multiple validation checkpoints prior to being stored in our database.

3. **Package**  
   We analyze and compile comparable data, then package our findings in the form of benchmarking reports and data sets.

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¹ The sample size of the observed data varies for each KPI.
Retail Branch Operations

Banking

- Retail Branch Operations
- Mortgage Lending
- Commercial Lending
- Consumer Lending
- Investment Management
- Treasury & Cash Management

The retail branch operations function is responsible for managing the performance of a bank’s retail branch network. They manage high-frequency tasks such as platform operations, loan openings, account maintenance and account terminations. Individual and business customers can perform financial transactions and maintain relationships with personal bankers at brick and mortar retail branch locations. Typically, the majority of a bank’s employees reside within the retail branch network, making it a prime candidate for savings through process improvement and reorganization.
Retail Branch Span of Control

Definition & Measurement Details

What is Retail Branch Span of Control?
The average number of retail branch employees reporting to each retail branch manager at a certain point in time (i.e., direct reports per retail branch manager/director).

Why should this KPI be measured?
Retail Branch Span of Control, or Management Span, measures the average number of retail branch employees reporting to each retail branch manager at a certain point in time (i.e., direct reports per retail branch manager/director). Span of Control depends highly on the organizational structure of the business. A highly structured hierarchical organization will typically have a lower number of employees reporting to each manager, while a flat organization will typically have many employees reporting to each individual manager. While a high Span of Control (i.e., more direct reports per manager) can keep personnel costs down, it is important to weigh any cost savings against potential trade-offs related to talent development, front-line employee oversight/productivity, and the company's overall strategy in regards to internal promotions and growth. A Span of Control between 6 and 15 is typically desired. When spans rise above this level, managers may be spread too thin; spans below this value may indicate that there are redundant or unnecessary management positions.

How is this KPI calculated?
Two values are used to calculate this KPI: (1) the sum of direct reports (i.e., employees reporting directly to any given retail branch manager) across all retail branch positions, and (2) the number of retail branch management positions within the bank being examined. A direct report should be considered any employee that regularly reports to a given manager within the organization (i.e., they sit below them on the organization chart). A manager should be considered any employee with a manager or director job title and pay grade, regardless of whether or not they have employees reporting to them.

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Retail Branch Span of Control

Benchmarks & Characteristics of High Performers

**How to read this chart:** This chart summarizes the performance gaps between high (Top 5%), mid (Median) and low (Bottom 5%) performers for this Key Performance Indicator (KPI). For example, the column labeled “Top 5%” represents a company that outperformed 95% of the peer group observed for this metric.