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Capstone Project From Acquisition to Value: Customer Value Growth in PUMB Retail Banking

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Abstract

This capstone addresses a practical growth challenge in PUMB Retail Banking. The bank acquires customers successfully, yet a meaningful share does not convert into durable, primary, and economically valuable relationships over time. In a multibanking market, sustained growth depends on becoming the preferred choice for important financial jobs through activation, habit formation, retention, and reactivation across the customer lifetime. The capstone combines external market and behavioral analysis with internal performance indicators, customer research synthesis, manager interviews, capability assessment, operating model evidence, and a stand-alone financial model. The diagnosis shows that the main constraint is fragmented customer-level decision making across products, channels, and control interfaces. PUMB already has meaningful delivery, data, and analytical foundations, yet it lacks a unified prioritization mechanism, consistent orchestration of customer actions, and shared evidence standards for intervention decisions. In response, the capstone proposes a Customer Value Growth operating model structured around the Customer Contract pillars of Relevance, Respectful engagement, and Proven outcomes. The target design introduces a ranked customer-level queue, stronger measurement discipline, compliance-safe execution, and staged implementation through a bounded first-wave program. The business case indicates positive project economics, with an estimated NPV of approximately USD 9.1 million and an IRR of 37% in the base scenario. The capstone concludes that PUMB can strengthen growth, trust, and execution discipline simultaneously if customer-level prioritization, governance, and experimentation routines are redesigned as one coherent operating system.

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Table of Contents

List of Tables

List of Figures

Chapter 1: Project introduction and strategic framing

1.1 Background and context

Retail Banking increasingly operates in a multibanking reality in which customers use several banks and distribute different financial jobs across providers. In this environment, competitive advantage is no longer defined only by acquisition volume or product availability. It is defined by whether the bank becomes the default choice at the moment when the customer needs to act. For PUMB, this shifts the strategic question from how to acquire more customers to how to convert acquired relationships into active, trusted, and economically valuable customer behavior. In this capstone, lifecycle management is treated not as a campaign calendar, but as the governed sequencing of customer decisions across time.

Internal customer research and management reviews indicate that customer choice is highly situational. Customers select the provider that feels most suitable for the immediate task based on confidence, ease, speed, clarity, and prior experience. Primacy is therefore not a static status but a behavioral outcome that must be earned repeatedly across everyday and high-value moments of action.

Figure 1

Multibanking choice happens at the moment of action

Multibanking reality: Customer uses multiple banks		Moment of need: A job must be done (pay, transfer, save, borrow)		Choice happens now: Which bank fits this job in this context?
Trust and safety	Low effort and speed	Clear value / benefit	Clarity and control (overstep and communication)	Habit and availability (app is top-of-mind)

Note: Adapted from *PUMB internal customer research synthesis,* 2025.

For PUMB Retail Banking, this reframes the growth problem. Acquisition volume alone does not guarantee that customers become active, loyal, and profitable. Value is lost when customers do not activate early, do not form repeat usage habits, or rotate important jobs to another bank. In practice, leakage appears not only as churn, but also as incomplete activation, weak usage depth, reduced share of mind, and unstable primacy in key jobs (Figure 2).

Figure 2

Lifecycle leakage and rotational churn (conceptual leakage map)

Acquisition	Onboarding and activation	Habit formation	Retention	Value growth
	Rotation risk: post-onboarding	***Rotation risk: post-first use***	***Rotation risk: post-controls (KYC/monitoring)***	

Note: Adapted from *PUMB internal CVM weekly check-in materials*, 2025

The problem can therefore be stated as customer value leakage across the lifecycle: customers are acquired but do not consistently activate, deepen usage, or remain primary. To

anchor this problem in observable operating evidence, the capstone uses a small set of early-2026 leakage proxies from current management reporting:

- retained active base around 98%, indicating continuing disruption within the active stock rather than a fully stable relationship base,
- churn rate around 4.4% and reactivation share around 68.5%, indicating continued customer rotation rather than durable loyalty,
- MOB1 conversion around 71% and MOB3 conversion around 60%, confirming that a material share of acquired customers does not sustain activity after onboarding.

Taken together, these indicators support the view that the main constraint is not top-of-funnel acquisition alone, but the bank's ability to retain relevance and convert customer relationships into durable value over time.

The scale of the problem is visible also in the current structure of the customer base and in the monthly customer flows. As of early 2026, PUMB served about 2.06–2.07 million active customers, alongside approximately 0.53–0.55 million customers inactive for 45–365 days and more than 5 million customers inactive for over 365 days. At the same time, monthly churn remained in the range of about 90–109 thousand customers, while monthly activation was only about 22–24 thousand and monthly reactivation about 66–69 thousand. These figures show that the issue is lifecycle leakage at scale. PUMB already operates on a large active base, yet the size of the near-inactive and long-inactive pools, together with monthly churn materially exceeding monthly activation, indicates that customer value is not fully converted into stable and sustained

activity. This quantifies the problem that the capstone addresses through activation, recurring-use, retention, and reactivation logic.

Figure 3

Quantified size of the customer-value leakage problem

Indicator	2025 level	Why it matters
Active customers	2.06–2.07m	Large existing customer base already in scope
Inactive customers, 45–365 days	0.53–0.55m	Large recoverable pool with weak ongoing use
Inactive customers, >365 days	5.08–5.17m	Evidence of long-term value leakage at scale
Monthly churn flow	90–109k	High recurring outflow from the active base
Monthly activation flow	22–24k	New value creation is materially smaller than churn
Monthly reactivation flow	66–69k	Reactivation helps, but does not fully offset leakage

1.2 **Strategic ambition and project goal**

This capstone is developed as a practical business project for the 2026 Retail Banking planning cycle. It is positioned as a cross-functional change program within Retail Banking that strengthens Customer Value Management through clearer decisioning, stronger lifecycle execution, and more consistent customer-level steering. Within that boundary, the mid-term ambition is to increase the likelihood that PUMB becomes the customer's default bank for important financial jobs by making priority journeys easier, more relevant, and more dependable.

In this capstone, primacy is defined not as a broad branding claim but as primacy in jobs. A bank becomes primary when customers repeatedly choose it for important financial tasks

because it provides confidence, low friction, clear value, and trustworthy support at the right moment (Figure 3).

Figure 4

Primacy logic chain

Primacy in jobs (behavioral default)	Relationship depth (trust and habit)	Share of wallet (outcome)

Note: Adapted from *PUMB internal kick-off materials, 2025*

The goal of this capstone is to design and validate a decisioning-led Always-On Customer Value Management operating system for selected Retail Banking journeys, enhanced by GenAI-enabled personalization where it improves relevance, speed, and execution quality. The intended result is not a standalone technology concept, but an execution-ready operating model that connects customer signals, prioritized actions, governance routines, and measurable commercial outcomes.

The initiative is financially anchored by a stand-alone Retail Banking business case. The base scenario indicates a positive project value with an estimated NPV of approximately USD 9.1 million and an IRR of 37%. The business case evaluates the economic effect of improved lifecycle execution within a bounded project scope.

In addition to the financial anchor, the capstone defines measurable success criteria for operational validation. These include improvement in conversion and activation quality, sustained usage in priority periods after acquisition, reduced leakage at rotation points, stronger

retention and win-back performance, and clearer operating accountability for customer-level decisions.

1.3 Customer Contract as the strategic hypothesis

In a multibanking market, primacy is not won by increasing message volume. It is won by consistently helping customers complete important jobs with confidence and clear benefit, while respecting their attention and reducing unnecessary effort. On that basis, this capstone introduces a Customer Contract as the strategic hypothesis that will guide later analysis and design.

Customer Contract statement: PUMB helps me complete my important financial jobs through relevant next steps, respectful engagement, and proven outcomes.

Customer Contract statement: PUMB helps me complete my important financial jobs through relevant next steps, respectful engagement, and proven outcomes. At this stage, the contract is introduced as a working strategic hypothesis. Chapter 2 derives the pillars from the external context and customer choice logic in a multibanking reality, while Chapter 3 tests them against the current PUMB operating model and capability baseline.

1.4 Capstone structure

Perimeter. The project focuses on Retail Banking customer lifecycle execution, with a conservative business-case boundary anchored to the digital acquisition funnel from app downloads to contracts signed and to value growth across the selected lifecycle stages that follow.

Interfaces. Delivery requires coordinated work across Retail Banking and critical interfaces with Marketing, Product, IT, Data, Risk, Compliance, anti-money laundering, and customer-contact channels. These interfaces matter because customer value growth depends not only on commercial action, but also on the speed, clarity, and control quality of end-to-end execution.

Non-scope. The capstone does not redesign the overall bank strategy beyond Retail Banking, re-architect core banking systems, replace the enterprise data platform, or extend the operating model to Corporate Banking within the capstone implementation boundary.

The capstone uses mixed evidence base appropriate for an internal business project. It combines internal performance and funnel data, internal customer research synthesis and service-design materials, manager interviews across key functions, and selected external benchmarks on customer-centric and agile banking transformation. Detailed evidence sources and supporting materials, including the interview guide, are provided in the appendices.

Because the initiative cuts across Retail Banking and depends on cooperation with control functions, the capstone assumes explicit executive sponsorship and a clear cross-functional delivery mandate. Without aligned leadership and defined decision rights, even strong analytical recommendations would remain difficult to scale in practice.

The capstone moves from external context and internal diagnosis to a target operating model, an evidence-based business case, and an implementation roadmap. Chapter 2 develops the market, customer, and behavioral logic behind the Customer Contract. Chapter 3 assesses the current operating model and identifies the main execution gaps. Chapters 4 to 6 translate

the diagnosis into the target model, business-case logic, and implementation plan. Chapter 7 reflects on the learning process and managerial implications of the project.

Chapter 2: External Analysis

This chapter examines the external and behavioral context for primacy in a multibanking market. It shows that customers use several banks, choose a provider at the moment of need, and rotate important financial jobs when execution becomes slow, unclear, or effortful. On that basis, the chapter derives the Customer Contract as a practical response to the external environment. GenAI is then positioned as an enabler that can strengthen lifecycle execution only when combined with disciplined decisioning, guardrails, and evidence standards.

2.1 External environment and market dynamics

Ukrainian Retail Banking operates in an environment shaped by volatility, regulatory intensity, accelerating digital adoption, and heightened customer sensitivity to trust, continuity, and transparency. For the capstone scope, these conditions matter because they raise the value of reliable day-to-day banking execution and reduce tolerance for friction, pressure, and inconsistent treatment.

A condensed PESTEL view highlights four implications for Retail Banking value growth. First, geopolitical and regulatory pressure increases the importance of trust, security, and operational resilience. Second, mobile-first behavior makes digital convenience a baseline expectation rather than a source of durable differentiation. Third, household and income volatility increase the value of clear, useful, low-effort financial support in everyday moments. Fourth, tighter

requirements around data, customer protection, and auditability make uncontrolled growth tactics harder to scale safely. Figure 4 summarizes the external conditions shaping customer expectations in Ukrainian Retail Banking.

Figure 5

PESTEL: Ukrainian Retail Banking (capstone scope: digital-channel value growth

Political and regulatory • Resilience and supervision • Consumer protection expectations	**Economic** • Volatility, rates, inflation • Margin and efficiency pressure	**Social and behavioural** • Multibanking as default • Choice at moment of need
Technological • Digital is hygiene • Decisioning and measurement differentiate	**Environmental and resilience** • Operational resilience • Service continuity under stress	**Legal and compliance** • AML and KYC friction points • Compliance by design journeys

Note. Author-developed summary; synthesis based on PUMB internal strategy and market context materials (2024–2026).

The SWOT synthesis translates the external context and internal baseline into a primacy-relevant diagnosis. Strengths and opportunities concentrate in scaling a unified customer-lifecycle decisioning approach-reducing friction in key journeys and improving value communication. Weaknesses and threats relate to fragmented ownership of customer outcomes, contact fatigue risk, and inconsistent measurement discipline across teams. This reinforces the need for disciplined lifecycle execution supported by decisioning, guardrails, and evidence standards. Figure 5 summarizes the main strategic implications for PUMB's Retail Banking position in that environment.

Figure 6

SWOT summary for Customer Value Growth execution

Strengths	**Weaknesses**
• Strong market baseline and growth momentum • Existing delivery foundations enable change at scale	• Fragmented ownership of customer outcomes • Inconsistent evidence standards and contact discipline
Opportunities	**Threats**
• Always-on decisioning to win moment-of-need choice • GenAI to scale personalisation and reduce cost-to-serve	• Contact fatigue and trust erosion in sensitive context • Compliance friction and competitors replicating features quickly

Note. Author-developed synthesis based on PUMB internal materials and the external context analysis (2024–2026).

Taken together, these conditions reinforce the need to compete through Relevance, Respectful engagement, and Proven outcomes rather than through product access alone.

2.2 **Competitive dynamics and multibanking reality**

Digital access is now a baseline condition in Retail Banking. Customers can compare providers quickly, maintain several banking relationships at the same time, and shift activity with relatively low switching friction. As a result, competitive advantage depends less on isolated features and more on whether the bank becomes the preferred place to complete important financial jobs.

Usage evidence confirms that digital behavior is strongly mobile-first and that multibanking is normal rather than exceptional. Customers do not distribute attention equally across providers; instead, they use one bank as the main application for the most important recurring

tasks and keep other banks for secondary or situational use. This makes primacy an operating outcome rather than a branding claim.

Main-app choice is driven by structural and behavioral anchors such as receiving main income into the bank, ease of everyday payments and transfers, perceived convenience, service reliability, and confidence that the bank will work smoothly in important moments. These anchors matter more than feature abundance on its own because they influence repeated behavior and share of mind.

In practical terms, multibanking creates several rotation points across the customer lifecycle. Customers may complete onboarding in one bank but not form a habit there; they may execute first use successfully but return to another provider for routine payments; or they may keep funds and salary flows with one bank while using another for specific offers. This pattern explains why customer value growth is vulnerable to leakage even when acquisition remains strong.

Figure 6 summarizes the key multibanking and digital usage indicators used in this section. The next sections examine customer choice drivers in more detail and identify the decision points where banks win or lose primacy at the moment of need.

Figure 7

Multibanking and digital banking usage in Ukraine (2025 survey highlights)

Digital usage is baseline • Online banking is predominantly mobile: 79% use only the app 20% use both app and web 1% use only web (2025) • Average activity: ~8 operations in the app; web usage declined to ~4–5 operations vs ~7 in 2024	**Multibanking is widespread** • 45% of online banking users use digital banking in multiple banks, on average ~1.7 banks (2025) • Main bank status is not fixed; customers allocate different jobs to different providers
What drives 'main app' choice • Top reasons: main income received in the bank (28% overall) and overall convenience (23%) • Frequency and breadth of services also matter more than feature novelty	**Primary bank distribution (context)** • PrivatBank: 69% cooperate; 51% name it as main bank • MonoBank: 37% cooperate; 20% main • Oschadbank: 21% cooperate; 8% main

Note. Author-developed summary based on CBR survey results (2025; N=1063), *PUMB Internal Presentation,* 2025.

Detailed public benchmark tables and market-position support are provided in Appendix B.

ESG and resilience context. The external environment increases customer sensitivity to trust, safety, and continuity. Expectations for responsible engagement, transparency, and operational resilience shape how customer value can be created without increasing risk. This reinforces the need for auditable decisioning, clear customer protections, and compliance-by-design execution, so that growth initiatives do not trade trust for short-term volume. Supporting evidence on trust, resilience, and inclusion is provided in Appendix C, Figures C1, C4.

2.3 PUMB Retail Banking position and primacy challenge

PUMB continues to strengthen its position in Ukrainian Retail Banking, which shifts the strategic question from acquisition alone to relationship conversion and lifecycle value growth. In this context, the challenge is not simply to attract customers, but to convert acquired relationships into sustained active behavior, primary-bank usage, and higher customer value over time.

Salary projects are especially important because income inflows anchor repeated interaction and strongly influence which bank becomes the main application for daily financial management. When salary flows, payments, transfers, and service interactions are concentrated in one bank, habit formation becomes easier and the path to primacy becomes stronger.

This external position increases the importance of a disciplined customer-level operating model. In a multibanking market, customers can keep several accounts open while quietly moving their most important jobs elsewhere. As a result, growth cannot be judged only by acquisition volume; it must be assessed by activation, habit formation, retention, and the bank's ability to remain the chosen provider in moments that matter.

Table B3 in Appendix B shows how the ‘main income’ driver and ‘convenience’ differ by bank, including PUMB. This makes salary projects a primacy mechanism, because income inflows increase habitual usage and raise the conversion potential of lifecycle orchestration.

Internal strategic priorities reinforce that lifecycle performance is a management focus, including retention, reactivation, and churn management, alongside constraints linked to control-cycle friction. Monitoring, AML, and similar events can disrupt customer journeys and create avoidable leakage when execution is fragmented. This increases the importance of compliance-by-design and auditable decisioning, so growth initiatives remain scalable and trustworthy. In a multibanking context, customers can keep the relationship but move the job to another bank when friction increases, which makes execution discipline a competitive differentiator.

2.4 **Customer choice in multibanking: Jobs-to-be-Done and rotation triggers**

In a multibanking context, customers do not choose a bank once and for all. They choose the provider that best helps them complete a financial job at the moment of need. Primacy therefore becomes behavioral: the bank that helps the customer complete important jobs with the least friction and the greatest confidence is more likely to become the main bank for that context.

The jobs that most strongly shape main-app behavior are stable across Retail Banking. Customers need to receive and manage income, make payments and transfers, keep control over balances and security, solve urgent issues quickly, and access suitable products when relevant. These are practical, recurring jobs rather than abstract preferences.

Customers evaluate banks against a small set of stable criteria when deciding where to complete those jobs. The most important criteria are convenience and low effort, predictable reliability, transparent conditions, fast resolution of problems, and confidence that the bank will not create unnecessary friction or pressure.

Rotation occurs when a bank fails on those criteria at a key moment. Common triggers include incomplete onboarding, unclear next steps after product opening, weak habit formation after first use, service interruptions, control-related friction such as KYC or monitoring events, poor issue resolution, irrelevant or excessive communication, and offers that are not connected to the customer's actual context.

To make the rotation logic concrete, Figure 7 summarizes the key “moments of action” where customers decide to engage, switch, or disengage in a multibanking context.

Figure 8

“Moments of Action”

Onboarding start	First value (24–72h)	Salary / income event	Credit decision	Service recovery	Inactivity trigger	Rate / fee surprise
○——	○——	○——	○——	○——	○——	○
Friction point	First habit	Daily use	Decline / rework	Trust restoration	Retention playbook	Transparency

Note: Adapted from internal customer research streams consolidated for capstone use.

Detailed Jobs-to-be-Done mapping and rotation-point evidence are provided in Appendix D, Tables D1, D2.

Customer experience evidence from NPS reinforces this synthesis. NPS feedback (Retail, 2025) shows that loyalty is driven primarily by reliable execution in everyday banking journeys, transparent value propositions, and predictable service recovery. The dominant make-or-break factors are not additional offers, but consistency of daily operations such as payments and transfers, clarity of conditions and benefits, and the speed and competence of support when issues occur. Journey pain points cluster around reliability moments and recovery moments, which are exactly the situations where primacy is won or lost in a multibanking setting.

Comparative NPS results across banks show that the “main bank” is typically associated with a structurally higher experience score than secondary providers. This suggests that primacy is not simply a function of product holding, but a cumulative outcome of consistent execution in everyday and critical moments. As a result, Customer Value Growth must focus not only on increasing activity, but on systematically improving the experience drivers that determine

main-bank status. The detailed NPS and Customer Contract evidence is provided in Appendix C, Figure C3 and Appendix E, Table E1 and Figure E1, E3.

2.5 Customer-side view of the problem

The problem addressed in this capstone can also be stated directly from the customer side. In a multibanking environment, customers do not decide once which bank is primary and then remain fixed in that choice. They repeatedly decide where to complete salary-related, payment, transfer, savings, borrowing, and service-resolution jobs. The bank that becomes primary is the one that helps them complete these jobs with low effort, speed, clarity, dependable service, and confidence that problems will be resolved without unnecessary friction.

From that perspective, the current challenge for PUMB is visible not only in internal leakage indicators, but also in how customers experience the relationship at different moments of maturity. Customers get attracted to a bank when the proposition looks easy, relevant, and trustworthy. They grow the relationship when the bank becomes useful in recurring routines and supports everyday financial jobs with low effort. They keep the relationship when service recovery is predictable, communication remains respectful, and the bank continues to feel dependable in moments of need.

The customer-side evidence therefore suggests that loyalty is not driven by message volume or generalized engagement. It is shaped by reliable execution in priority journeys. Positive drivers include convenience, transparency, operational speed, stronger issue handling, and the feeling that the bank is relevant in practical moments. Recurrent pain points, by contrast, appear where activation is unclear, routine tasks remain effortful, loyalty mechanics or

product conditions are difficult to understand, application performance creates friction, or service recovery does not match customer expectations. These signals support the view that the business problem of customer-value leakage is rooted in how customers perceive effort, relevance, and dependability across concrete moments of action.

Figure 9

Customer-side view of PUMB through the Get–Grow–Keep logic

Interaction stage	What customers expect	What works today	Main customer concerns
Onboarding and first entry	• Simple registration and first login • Clear explanation of the next steps • Quick proof that the bank is worth using	• Digital entry is available • The proposition can attract trial • Initial trust in the bank is present	• The first path is not always self-explanatory • Immediate value is not always visible • Customers may sign up but not move quickly into meaningful use
Cashback and everyday value	• Visible everyday benefit • Relevant cashback categories • A clear reason to move routine spending to PUMB	• The bank can be seen as useful for selected spending moments • Cashback is noticed as part of the proposition	• The value can feel too standard or too small • Benefits are not always strong enough to change daily habits • Routine spending may remain with another bank
Service and communication	• Fast issue resolution • Clear and respectful communication • Practical help at the moment of need	• Customers can receive support and information • The bank can create confidence when issues are handled well	• Responses may feel slow or not sufficiently useful • Communication can be unclear or emotionally negative • Trust weakens when support does not match the importance of the issue
Limits and product rules	• Transparent conditions and predictable limits • Product rules that are easy to understand in practice • A sense that the product is competitive versus alternatives	• Products can support practical financial needs • Core product access is available within one bank	• Limits or rules may look less attractive than expected • Customers may not fully understand how the product works • Unexpected constraints can trigger dissatisfaction and lower usage

This visual makes explicit that the capstone problem is not only a bank-side issue of conversion and retention. It is also a customer-side issue of how PUMB is experienced when customers get the relationship, grow it into everyday use, and decide whether to keep it in a

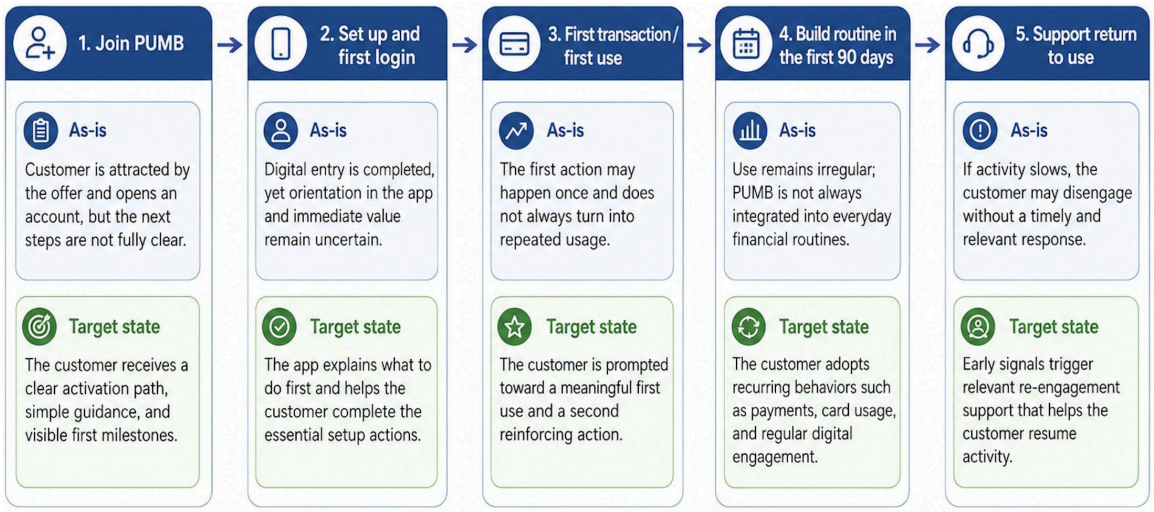
multibanking environment. The matrix shows that the customer problem is concentrated not in one isolated touchpoint, but across a sequence of practical interactions: entry, visible value, service experience, and product usability.

This customer-side framing strengthens the logic of the capstone in two ways. First, it clarifies why the selected Wave 1 journeys matter: they correspond to the moments where customers decide whether PUMB becomes easier to use, more relevant in everyday routines, and more dependable in return-to-use situations. Second, it makes the target state more concrete. Customer Value Growth is expected to improve not only internal conversion and retention indicators, but also the customer's lived experience of activation, recurring use, and recovery of activity.

The example of new-to bank activation journey links the customer-side problem directly to the selected first-wave journey scope. It shows how the same journey can be understood through the customer's experience before and after the proposed operating-model changes. The Figure 8 based on internal customer research and interviews demonstrates that customer value is created when acquisition is converted into activation, early routine formation, and timely recovery of activity.

Figure 10

New-to-bank activation journey from the customer perspective



Taken together, these findings define the problem from the customer side: customers reduce or downgrade PUMB's role in their financial life when important jobs become effortful, unclear, insufficiently relevant, or poorly recovered.

2.6 Customer Contract synthesis

The external and behavioral evidence in this chapter leads to a clear conclusion: in a multibanking market, primacy is strengthened when the bank is relevant to the job at hand, engages customers respectfully, and helps them achieve reliable outcomes. The Customer Contract translates that conclusion into a practical set of customer-facing commitments that can later be tested against the internal operating model.

Relevance means that the bank recognizes the customer's context and proposes the right next step for the job at hand. In operating terms, this requires customer-level prioritization, eligibility clarity, and decision logic that selects actions because they are timely and useful, not simply because they are available.

Respectful engagement means that the bank guides customers without pressure, noise, or unnecessary interruption. In operating terms, this requires pacing rules, contact guardrails, suppression logic, and consistent treatment so that communication supports customer goals rather than competing for attention.

Proven outcomes means that the bank helps customers complete important financial jobs with low effort, clear value, and predictable results. In operating terms, this requires friction removal, visible completion logic, and evidence that the action delivered a meaningful customer and business result.

Figure 8 summarizes how the evidence patterns in Chapter 2 translate into the three pillars.

Figure 11

Customer Contract synthesis: from choice evidence to three pillars

Evidence pattern	Customer expectation	Customer Contract pillar
Customers allocate jobs across banks and switch at the moment of need	Relevance in context; next best step for the job at hand	Relevance
Trust sensitivity and fatigue risk; negative reactions to pressure-based outreach	Respectful pacing, clear guidance, and contact discipline	Respectful engagement
Digital is hygiene; customers reward reliability and low effort more than feature novelty	Proven outcomes and transparent value; predictable completion	Proven outcomes

Note: Author-developed synthesis based on external context and customer choice evidence.

This supports the argument that customer centricity becomes a competitive advantage only when operating model choices, decision rights, and measurement routines are aligned around customer value rather than siloed activity (McKinsey & Company, 2024, December 10). The

detailed evidence matrix linking each Customer Contract pillar to the underlying research streams is provided in Appendix E, Figure E1.

2.7 **GenAI as an external technology shift shaping Retail Banking economics**

Within the capstone scope, GenAI is treated as an external technology shift that can amplify lifecycle execution when it is embedded in a disciplined operating model. On its own, GenAI does not create primacy. It becomes valuable when it helps the bank select better next steps, adapt content to customer context, and improve operational throughput without weakening controls (Chui et al., 2023; Agarwal et al., 2024).

In retail banking, GenAI can support more tailored communication in onboarding, activation, and service interactions, reduce manual effort in content production and analytics, and accelerate experimentation cycles (Agarwal et al., 2024).

At the same time, GenAI initiatives must operate within the same customer-level prioritization, contact rules, and governance standards as other lifecycle interventions. For this reason, the capstone treats GenAI as an enabler of Customer Value Growth rather than a substitute for operating discipline. A consolidated overview of GenAI opportunity areas and enabling capabilities is provided in Appendix C, Figure C7.

Chapter 2 establishes the external and behavioral basis for primacy in a multibanking market and translates it into the Customer Contract. The next chapter assesses how far the current PUMB operating model supports Relevance, Respectful engagement, and Proven outcomes in practice, and where the main execution gaps continue to create customer-value leakage.

Chapter 3: Internal Analysis

Chapter 2 established the external and behavioral basis for primacy in a multibanking market and synthesized it into the Customer Contract pillars of Relevance, Respectful engagement, and Proven outcomes. Chapter 3 builds on that foundation and presents the internal as-is diagnosis for PUMB Retail Banking. The purpose is to assess whether the current operating model can translate delivery capacity into customer-level value growth across the lifecycle.

The analysis follows the capability requirements implied by the external findings: customer-level prioritization, lifecycle orchestration, contact discipline, evidence standards, and compliance-aware execution. It therefore examines not only what structures already exist, but also where execution breaks when customer jobs move across products, channels, and control interfaces.

The as-is assessment triangulates internal operating-model and transformation artefacts, CVM materials, performance and incentive evidence, customer experience and culture diagnostics, interview findings, and supporting appendix artefacts. Detailed source materials and supporting exhibits are provided in Appendices F–J.

3.1 **Capability foundation: what exists today**

Retail Banking has already built a meaningful delivery foundation through tribe-and-squad structures, recurring planning and review cadences, and standard artefacts such as backlogs, OKRs, and dashboards. This matters for the capstone because the target state does not start from zero; it builds on an existing delivery engine that can already coordinate cross-functional work.

Figure 9 summarizes the evolution of the Retail Banking operating model from early tribe design toward more segment- and value-stream-oriented execution.

Figure 12

Agile transformation timeline and strategic context (2020–2025)

Context 1: Operating model shift Product-based delivery shifted toward segment/customer value streams; focus moves from initiatives to lifecycle outcomes.
Context 2: Coordination model Cross-tribe and CoE intercooperation becomes decisive; interfaces, standards, and shared cadences reduce fragmentation.
Context 3: Complex environment Experimentation and feedback loops are required; decisions decentralise, but evidence and guardrails must be shared.

Period	Key milestone / emphasis
Oct 2020–Apr 2021	Front-runners: tribe design and launch (product-based).
Apr–Dec 2021	Stabilising and scaling (RB): Agile Center and next waves.
Feb–Mar 2022	Reassembling RB tribes and backlogs due to full-scale invasion; continuity and reprioritisation.
Mar 2022–Jun 2023	Resilience and tooling: synchronisation, delivery at scale, value tracking routines.
Jun–Oct 2023	Cross-tribe cooperation: rules and interfaces to enable complex tasks.
2024–2025	Scaling Corporate Banking starts in 2024; tribe launches in 2025.
Jan–Dec 2025	Bank-wide synchronisation: tribes and interfaces with Centres of Expertise (CoE).

Note: Author-developed synthesis based on PUMB internal transformation materials*, PUMB internal materials on Agile Transformation,* 2020–2025.

The timeline shows a staged build-out of the operating model: early tribe launch, stabilization and scaling, resilience-focused delivery, cross-tribe cooperation, and a later shift toward strategy execution through segment or value-stream logic. The important implication is that PUMB already has transformation momentum and delivery routines; the remaining issue is whether those routines are connected tightly enough to customer-level value growth.

Retail Banking operates through five agile tribes supported by sales and contact-center execution units. This structure enables cross-functional delivery and faster coordination than a purely functional model. At the same time, structure alone does not guarantee customer-level prioritization or consistent lifecycle outcomes, which is why the sections below focus on ownership, evidence standards, and control interfaces rather than on organizational charts alone.

Retail Banking is organized into five agile tribes: Customer Growth, Value Craft (Products), Payments, Platform, and Persona, supported by two execution departments- Sales and the Contact Center. Each tribe comprises cross-functional squads, with specialists from key functions (Risk, Compliance, Marketing, Data and Analytics, and IT) embedded or delegated to delivery when required. Functional expertise is maintained through chapters and centers of expertise, which provide standards, coaching, and specialist capacity (for example, agile coaching, digital marketing, data analytics, risk, compliance, and IT engineering).

This structure enables coordinated delivery, but it does not by itself guarantee customer-level prioritization and consistent lifecycle outcomes, which are assessed in the sections below.

Operating-model maturity is evidenced through four elements: a scaled delivery structure, recurring governance cadences, standard delivery artefacts, and enabling roles through chapters and capability hubs. The key learning from prior transformation stages is that delivery capacity by itself does not guarantee customer value outcomes. When ownership for a customer moment remains fragmented, teams can deliver efficiently while still producing friction across the lifecycle.

Execution is monitored through regular tribe reporting, and governance is reinforced through a standard quarterly planning and review cycle. Figure 10 and Table 1 show that the delivery engine exists, but they also make clear that customer-level steering remains underdeveloped.

Figure 13

Quarterly planning and evidence loop

Define focus - QBR memo	**Commit - OKRs in O-Board**	**Deliver - sprints and demos**	**Review - evidence and trade-offs**
• Objectives + context • Dependencies and budget items • Confidence view on tribe dashboard	• Each KR has owner • Screenshot to forum board • Dependencies captured in template	• Standard artefacts (backlog, campaign cards) • Demos show two-week sprints results • Fix issues surfaced in delivery	• Resolve trade-offs and constraints • Update OKR status on cadence • Feed learnings into next cycle

Note: Author-developed synthesis based on PUMB internal materials*, PUMB internal presentations and workshops,* 2025.

Table 1

Execution maturity baseline: what already exists and what CVM still requires

Maturity dimension	What already exists	What CVM still requires
Governance cadence	QBRs, OKRs, and dependency reviews	Customer-level prioritisation across teams
Delivery artefacts	Backlogs, campaign artefacts, and demo routines	One queue and lifecycle orchestration
Measurement routines	Dashboards, CX feedback, and customer signals	Unified evidence packs and stop/iterate/scale discipline
Capability hubs	Chapters, CoEs, and embedded specialists	Clear decision rights across tribes and control interfaces

Note: Author-developed synthesis based on internal governance artefacts, tribes demo materials PUMB internal materials and agile transformation materials, 2025

Internal agile maturity evidence reinforces that PUMB's starting point is not the absence of an agile base, but the uneven maturity of delivery and chapter practices. The maturity model assesses the ability of teams to deliver value quickly across dimensions such as DoR/DoD, user story mapping, engineering practices, metrics, mission and vision, and chapter work. This supports the conclusion that meaningful delivery routines already exist, while chapter consistency, cross-functional integration, and customer-level steering remain less mature. Additional agile maturity evidence, including delivery-system, operating-model, and learning-loop assessment materials, is provided in the Appendix F, Figure F2.

The implication for this capstone is therefore specific: PUMB does not need to invent a delivery engine; it needs customer-level governance that aligns priorities, contact policies, and evidence standards across teams.

3.2 **Where execution breaks: as-is capability gaps**

Despite these operating-model foundations, Customer Value Growth still breaks down in execution. The recurring pattern is fragmentation of customer jobs across products, channels,

and control interfaces, which creates competing priorities, uneven decision rights, and inconsistent customer treatment at rotation moments.

Table 2

Customer value leakage proxies used in the as-is diagnosis

Lifecycle leakage point	Proxy metric (example)	What it indicates
Early lifecycle activation gap	Conversion to active MOB1 ≈ 71%	A significant share of newly acquired customers does not transition into early active usage after onboarding.
Sustained activation and rotation risk	Conversion to active MOB3 ≈ 60% Churn ≈ 4.4% Reactivation ≈ 68.5%	Even after early activation, customer stability is not guaranteed; the base continues to rotate and requires lifecycle orchestration.
Control-cycle leakage	AML / monitoring relationship terminations	Compliance or control-cycle events can directly remove customers and break otherwise viable relationships.

Note: Author-developed synthesis based on PUMB internal client acquisition and retention reporting, 2025.

To make leakage visible, Figure 11 maps the lifecycle funnel and the main rotation points: post-onboarding, post-first meaningful use, post-credit decision, and post-monitoring or KYC events.

Figure 14

Customer lifecycle funnel and rotation points - as-is leakage drivers.

Acquisition	Activation (MOB0)	Habitual usage	Sustained activation (MOB3)	Retention / Deepening
Post-onboarding Owner unclear Competing outreach	**Post-first product use** Journey handoff gaps Inconsistent guidance	**Post-credit decision** Control-cycle delays Rework and friction	**Post-KYC/monitoring event** Contact fatigue risk Trust/opt-out	**After retention** Local optimisation No one-queue steering

Note: Author-developed synthesis of lifecycle leakage and rotation points.

Additional Retail Banking indicators reinforce that leakage is observable before relationship loss becomes final: MOB1 and MOB3 conversion, churn rate, and reactivation share already provide operational signals of weak activation, unstable habit formation, and recoverable value. Internal retention analysis also indicates that intervention windows open before final churn, because customers may remain active in the months preceding exit, creating scope for earlier, state-based retention action rather than only post-fact recovery attempts.

The diagnosis shows that the main constraint is not the absence of teams or routines. It is fragmentation across four dimensions: ownership, decision rights, measurement and evidence standards, and interfaces with control functions. Together, these gaps reduce the bank's ability to deliver Relevance, protect Respectful engagement, and prove outcomes consistently across the lifecycle.

Ownership is still clearer at product or team level than at customer-journey level. This creates gaps at critical handoffs such as acquisition to onboarding, onboarding to first meaningful use,

and credit decision to subsequent activation. Figure 12 illustrates the operating-model context for this diagnosis.

Figure 15

Retail context: product vs segment operating model

Product-based approach	Segment / customer-based approach
• Each product owner optimises their own product • Fast feature launch and local delivery efficiency • Risk: fragmented customer experience across journeys	• One client language across teams • Acquisition, retention, and relationship logic managed as a lifecycle • Enables cross-journey improvements and consistent servicing

Note. Author-developed summary to illustrate the operating model context for the as-is capability diagnosis.

The shift toward segment- or customer-oriented execution improves alignment by creating a shared customer language and enabling cross-journey discussion. However, primacy still requires an additional governance layer: explicit customer-level ownership, one prioritization logic, and shared evidence standards that survive handoffs across teams and channels.

Measurement is not yet consistently aligned to customer outcomes across the lifecycle. Teams track delivery activity and local performance, but there is no shared evidence standard that proves incremental customer impact while protecting trust guardrails. As a result, initiatives can look successful within a product, channel, or tribe while degrading the end-to-end customer experience through inconsistent contact pressure, unclear value, or unresolved trade-offs.

This is visible in governance routines where objectives and delivery status are reviewed, but customer-cohort outcomes and guardrail indicators are not yet standardized as shared decision inputs. Without a common evidence frame, the organization cannot reliably prove Proven outcomes, enforce Respectful engagement, or prioritize the most valuable customer jobs with consistent Relevance across channels.

Interfaces with Risk, Compliance, and Financial Monitoring are often treated as external review gates rather than embedded design constraints. This increases cycle time, encourages batching of changes, and makes it harder to respond at customer speed without rework.

Internal monitoring outcomes make this problem tangible: control-cycle events can trigger customer leakage when reviews occur late, inputs are unclear, or the customer experience is disrupted by a compliance step that was not designed into the journey from the start. The as-is therefore requires compliance-by-design patterns (Table 3): predefined evidence packs, standard templates, and clear inputs and outputs so that reviews happen earlier, cycle time decreases, and trust is protected.

Table 3

Control-cycle friction (as-is) and target implication

Control interface	As-is pattern	Impact	Target implication
Compliance review	Late gate	Delays and batching	Compliance-by-design checklist and evidence pack
Risk parameters	Cadence mismatch	Rework and uncertainty	Agreed cadence and guardrails
Financial monitoring	Unclear journey steps	Trust drop / churn	Journey design standards and transparent messaging

Note: Author-summarized based on *PUMB internal materials, 2025*

The target implication is clear: control functions should become structured design interfaces rather than late-stage approval bottlenecks. That shift is necessary for Customer Value Growth because relevance deteriorates when execution slows and batching replaces responsive orchestration.

Communication policies and suppression practices exist (Table 4), but they do not yet operate as a single customer-level system. Typical gaps include uneven suppression rules across teams and channels, limited visibility of concurrent outreach, incomplete frequency discipline, and inconsistent trade-off logic when several actions compete for the same customer.

Table 4

Customer communication governance

Governance element	As-is status	Evidence / where seen	Typical risk
Customer-level prioritisation as “one queue”	Missing/Partial	CVM artefacts / local campaign practices	Competing outreach
Suppression rules across channels	Partial	Channel-specific rules	Contact fatigue
Frequency caps per week/month	Partial	Local channel policies	Over-communication
Reason codes (“why am I receiving this?”)	Partial	Templates / UX patterns	Trust erosion
Tone-of-voice and compliance-safe templates	Partial	Communication strategy	Inconsistency
Opt-out handling and escalation	Partial	CRM / service operations	Complaints escalation

Note: Adapted from *PUMB Internal CVM Compendium*, 2025.

These gaps increase the risk that customers receive competing outreach, weak value signals, or pressure that undermines trust. In Customer Contract terms, the current model can weaken Respectful engagement even when activity levels are high, because the bank still lacks a unified customer-level queue and guardrail logic.

3.3 **Performance architecture and incentives**

Performance routines exist, but they do not yet operate as one performance architecture linking strategy, customer outcomes, and execution decisions. Teams and forums use a mixed set of business, customer, and delivery indicators, but these are not always organized into a shared steering hierarchy that resolves trade-offs at customer level.

Figure 13 summarizes the current performance-management gaps across metrics, governance routines, and evidence standards.

Figure 16

Current performance management gaps (as-is)

Metrics (as-is)	Governance (as-is)	Evidence standards (as-is)
• Outcome hierarchy not standardised across teams • Activity metrics often dominate (launches, reads, local conversion) • Manual KPI updates reduce freshness and decision quality • Guardrails (complaints/opt-outs) not consistently embedded	• Cadences exist, but trade-offs are not resolved consistently • No single customer-level prioritisation queue (one-queue missing) • Cross-tribe dependencies handled case-by-case • Escalations occur when success criteria differ across functions	• Incrementality methods uneven (test/control not systematic) • Evidence packs not standardised for scale decisions • Learning loops degrade when attribution is unclear • Local optimisation persists without shared proof standards

	drives	*drives*

Note: Generated from PUMB internal presentations and workshops, 2025.

The issue is not the absence of metrics or forums. It is the absence of a shared customer-level steering logic that forces trade-offs between competing actions and translates results into stop, iterate, or scale decisions. Incentives reinforce this fragmentation. Tribe-level bonus logic is selective, while branch incentives continue to reward short-cycle commercial activity more strongly than coordinated lifecycle outcomes. From a learning-organization perspective, experimentation creates value only when feedback loops are translated into shared learning and repeated operating routines rather than remaining isolated local initiatives (Senge, P. M., 2004)

Branch incentive mechanics also illustrate why customer-level execution remains difficult in the as-is model (Figure 14). The current scheme still reinforces local product and activity optimisation more strongly than shared lifecycle outcomes. Four constraints are most relevant:

• incentive logic remains product- and volume-led rather than customer-outcome-led;

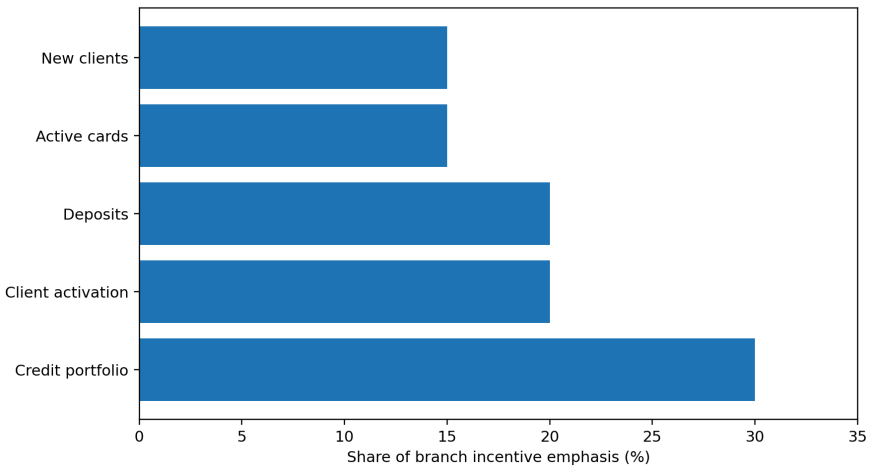
• cross-channel coordination is difficult because roles operate under different cadences and payout mechanics;

• trust and control signals exist, but remain fragmented as local modifiers rather than shared steering criteria;

• the target model therefore requires customer-level guardrails and common priority logic across sales, activation, retention, and trust-sensitive moments.

Figure 17

As-is branch incentive emphasis in the sales network



Note: Author-developed summary based on the branch motivation scheme, *PUMB Internal documents,* 2025.

This matters because the current incentive pattern encourages local optimization and short-term output. Chapter 4 therefore needs to address performance architecture and incentive logic together, rather than treating measurement as a reporting issue only.

3.4 **CVM capability baseline**

Taken together, the as-is findings consolidate into a clear CVM capability baseline. The issue is not that CVM is absent. PUMB already has a meaningful CRM engine, recurring campaigns, usable customer data, analytical models, dashboards, and MarTech assets. The problem is that these components are not yet connected into a governed customer-level system.

The internal CVM assessment shows three broad capability groups: strong foundations, partial orchestration, and critical decisioning gaps. Strong capabilities include data foundations, analytical modelling depth, dashboarding, and an execution environment with real campaigning

capacity. These strengths mean that PUMB is already beyond an early-stage CRM model and has enough capability to support a more advanced target state.

Partial capabilities include personalization, communication governance, cross-channel orchestration, experimentation discipline, and operating-model alignment around customer outcomes. These capabilities are present, but they are not yet institutionalized as a consistent system. Execution is still too manual, too campaign-led, and too dependent on local optimization rather than dynamic customer-level prioritization.

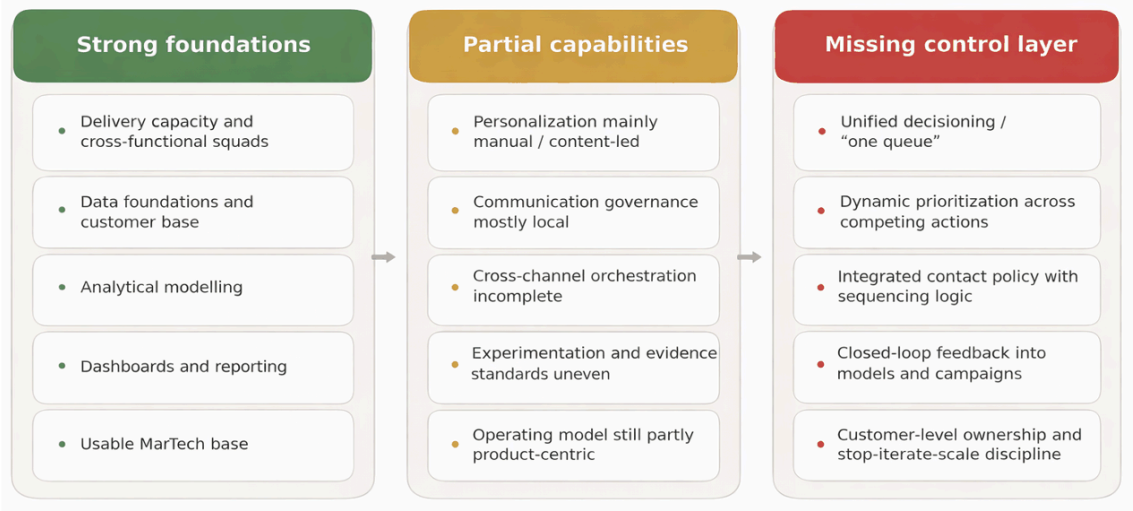
The critical missing capability is customer-level decisioning. This is the structural weak point of the current CVM model. Without a unified decisioning layer, PUMB cannot fully connect data, models, offers, channels, and contact rules into one governed queue. That is why the capstone treats one-queue prioritization and next-best-action logic not as optional design features, but as direct responses to the as-is diagnosis.

The technology implication is equally important: the constraint should not be described simply as a technology gap. Much of the technical base already exists. The problem is the integration of those assets into action, feedback, and learning loops. In practice, modelling outputs are produced, dashboards are reviewed, and campaigns are launched, but results are not yet connected through a standard decisioning, experimentation, and evidence framework. From an operating-model perspective, the current CVM model still behaves too much like a product-centric campaigning organization and not enough like a customer-centric value-growth system. The target state in Chapter 4 should therefore be framed as a governed CVM operating model that connects Relevance, Respectful engagement, and Proven outcomes through

customer-level orchestration. Figure 15 presents the short synthesis of the analysis, detailed version is in Appendix F, Figure F1.

Figure 18

CVM capability baseline at PUMB



Note. Source: PUMB, Internal CVM Compendium, 2025.

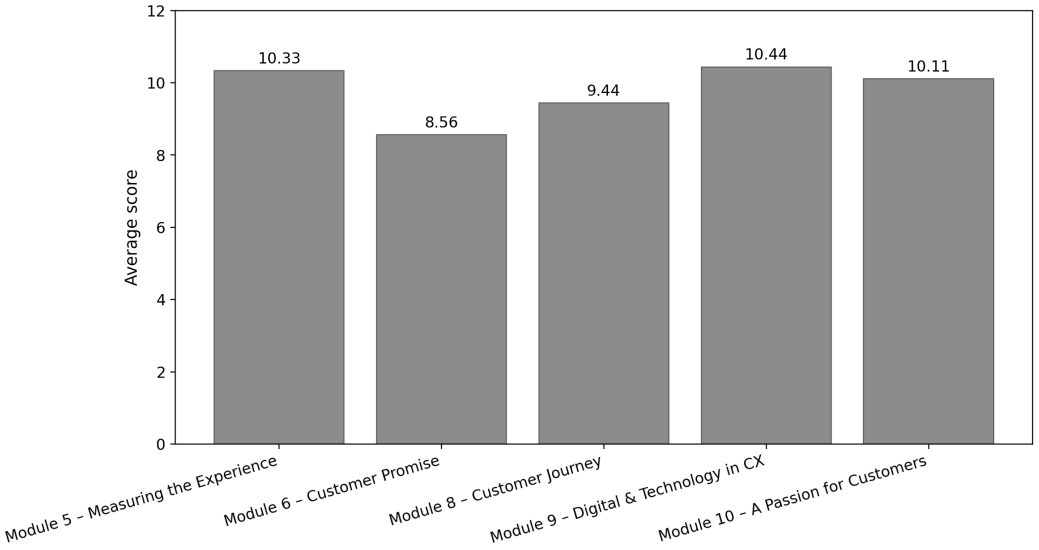
3.5 Culture and readiness

This section assesses organizational readiness for Customer Value Growth and primacy execution. The aim is not to evaluate culture abstractly, but to identify the behavioral routines that support or block end-to-end customer ownership, experimentation and learning loops, and consistent interfaces with control functions.

The readiness section draws on the internal customer-experience maturity assessment by module (Figure 16), the OCAI culture profile, interview evidence, and additional organizational signals. Supporting materials are provided in Appendices I Figures I1–I3.

Figure 19

Customer experience maturity by module (2025)



Note: Generated from PUMB internal customer experience maturity survey conducted by CX Unit, 2025.

For Customer Value Growth, this matters because Always-On lifecycle execution depends on consistent cross-functional behaviors. When priorities, ownership, and decision rules are unclear, the organization drifts toward vertical optimization and slower learning at the very points where customer rotation risk is highest.

The OCAI culture profile indicates that the current state is weighted more toward competitiveness and control, while the preferred state shifts toward collaboration and learning. This gap matters because primacy depends on consistent lifecycle execution and trust protection at rotation moments. That requires cross-functional ownership, faster learning under

constraints, and predictable behavioral routines at the interfaces between teams and control functions. Within the Competing Values Framework, the tension between control and collaboration helps explain why strong execution discipline can coexist with weak cross-functional customer ownership in the as-is model (Cameron, K. S., and Quinn, R. E., 1999).

Interview evidence reinforces the same diagnosis. Participants described leadership trust and access to decision-makers as accelerators, but also pointed to uneven cross-functional alignment, locally optimized KPIs, and weaker accountability at customer-moment level. Across interviews, the recurring pattern is that PUMB already has real delivery capacity, but not yet a fully integrated customer-level steering logic. As one executive interview summarized:

> Collaboration across teams has improved significantly, but without a shared definition of customer success across verticals, dependencies remain unclear and decision-making slows down. *(Sergiy Chernenko, CEO of PUMB, interview, 23 February 2026)*

Marketing and customer-facing inputs reinforce this conclusion from another angle: the current model remains too acquisition-led and product-led, while the target should move toward customer-value orchestration, unified segmentation and personas, respectful engagement, and clear prioritization of customer jobs. Summarized interview notes are provided in Appendix I, Table I1.

Employee engagement signals also support the diagnosis. The materials highlight customer focus, product relevance, perceived quality, and employees' ability to improve products and services as important behavioral conditions. The implication for the target model is therefore practical rather than symbolic: explicit routines are required to protect focus,

normalize hypothesis-led learning, and make customer-level trade-offs visible in everyday decisions. A summary of the engagement indicators referenced in this analysis is provided in Appendix I, Figure I2**,** I3 which illustrates how employees perceive customer focus, product relevance, service quality, and their ability to contribute to product and service improvement.

Customer centricity becomes operational only when behaviors are reinforced through leadership routines: how teams prioritize, how evidence is reviewed, and how exceptions are handled. In the as-is model, reinforcement mechanisms exist, but they are not yet consistently institutionalized around customer-level outcomes and shared evidence standards.

Feedback cycles, individual development plans, skills matrices, coaching routines, and role-selection mechanisms all provide useful building blocks. Assessment-center routines are also emerging. However, these mechanisms are still linked more strongly to local role development than to cross-functional customer outcomes. As a result, behavioral reinforcement remains uneven and can depend on local leadership engagement.

The readiness diagnosis therefore does not point to an absence of reinforcement mechanisms. It points to the need to connect those mechanisms more directly to customer ownership, experimentation discipline, and predictable coordination across teams and control functions.

In the as-is model, reinforcement routines already exist, but they are not yet consistently linked to customer-level outcomes and cross-functional ownership. Since 2024, leadership reinforcement has included annual 360-degree feedback, automated individual development plans, and structured follow-up conversations. Assessment-center routines are also emerging,

with IT pilots completed in 2025 and broader scaling planned for 2026. Skills matrices, coaching, agile rituals, and role-selection routines strengthen capability development and role clarity, but their application remains uneven and does not yet fully resolve cross-functional alignment, especially at control-function interfaces. Overall, the main building blocks are in place, but they are not yet consistently connected to the shared evidence standards and behavioral discipline required for CVM execution. Supporting people-development artefacts in the tribe model are provided in Appendix I, Figure I4.

The readiness evidence is best understood through reinforcing dynamics that sustain fragmentation. Two loops are most visible in the as-is model (Appendix J, Figures J1, J2).

First, when outreach is not coordinated across journeys and channels, contact pressure increases. This contributes to fatigue and opt-outs, which reduce trust and willingness to engage. Lower trust then weakens response quality and makes teams compensate with more outreach rather than better prioritization.

Second, when control-function review occurs late or with unclear success criteria, rework and cycle time increase. Teams respond by batching changes to reduce approval burden, but batching further reduces responsiveness and learning speed. Together, these loops explain why delivery activity can increase without customer-level outcomes compounding.

A practical example of local learning-loop effectiveness already exists in the customer-feedback and AML re-identification case, where complaint patterns were translated into process redesign and communication improvements, resulting in materially fewer complaints and higher satisfaction with resolution.

Overall, readiness is sufficient to support a step change in CVM capability because the delivery engine and transformation foundations are already in place. The constraint is not the ability to deliver change, but the routines that steer multiple teams toward shared customer outcomes.

Current governance and behavioral dynamics still amplify fragmentation through uneven decision rights, inconsistent evidence standards, and control-cycle friction. Chapter 4 should therefore translate these readiness gaps into explicit operating mechanisms: one-queue prioritization, standard evidence packs for stop–iterate–scale decisions, and compliance-by-design interfaces that protect both customer trust and execution speed.

3.6 **Evidence map**

Supporting artefacts for the as-is diagnosis are provided in Appendices F–K, including operating-model evidence, control-cycle and compliance friction evidence, CVM capability materials, performance and incentive evidence, and culture and readiness support.

To keep the diagnosis decision-oriented, Table 5 links the internal findings to the Customer Contract pillars and consolidates the main as-is gaps relevant for the capstone.

Table 5

Customer Contract and the main as-is gaps

	Relevance	**Respectful engagement**	**Proven outcomes**
What the pillar requires	End-to-end ownership of priority customer jobs and consistent journey logic	Customer-level prioritisation, suppression rules, and coordinated contact logic	Measurement-by-design, incrementality logic, and stop / iterate / scale discipline
Main as-is gap	Fragmented product agendas and inconsistent journey experience	Competing outreach and uneven prioritisation across teams	Activity metrics dominate and evidence discipline is inconsistent

Note. Author-developed synthesis based on Chapter 3 analysis; supporting artefacts are provided in Appendix E.

Taken together, the Chapter 3 diagnosis is clear. PUMB already has meaningful delivery capacity, credible CVM foundations, and sufficient readiness to progress. The principal constraint is the absence of integrated customer-level steering across journeys, channels, and control interfaces. That finding establishes the design brief for Chapter 4.

Chapter 4: Target model to-be: Customer Value Growth operating system

This chapter translates the differentiation hypothesis expressed through the Customer Contract - Relevance, Respectful engagement, and Proven outcomes - into an execution-ready target operating model for PUMB Retail Banking. It defines Customer Value Growth as a lifecycle system spanning acquisition, activation, habit formation, retention, and reactivation; specifies the capabilities required to operate that system; and shows how performance is governed through the KPI tree, scorecards, incentives, cadence, decision rights, and compliance-by-design.

In this capstone, Always-On refers to an operating model rather than a campaign frequency. Customer actions and communications are triggered by lifecycle signals and selected through a governed decisioning policy (next-best-action/offer) with embedded contact guardrails and evidence standards. This framing positions CVM as a repeatable execution system rather than a set of ad hoc campaigns.

The guiding principle is that, in a digital-hygiene market, differentiation is not created by more campaigns, more AI, or more messages. It is created by disciplined execution that consistently delivers the Customer Contract across touchpoints and teams under AML, compliance, risk, and operational constraints.

4.1 Target lifecycle system

The target Customer Value Growth model treats the customer lifecycle as a measurable system with explicit leakage points and intervention choices across five stages: acquisition, activation, habit formation, retention, and reactivation. At each stage, the operating model

specifies the leakage definition, the intervention library used to address it, and the measurement-by-design requirements needed for incremental impact evaluation.

To make the target model operational, the customer lifecycle should be understood not only as an analytical framework, but also as a sequence of governed customer journeys. In practice, this means that selected lifecycle moments are managed through defined milestone logic, communication sequencing, customer-level guardrails, and explicit outcome windows rather than through isolated campaigns. A worked example of this logic is provided in Appendix L, Figure L5, which illustrates how reactivation can be managed as a structured journey over time rather than as a one-off intervention.

The lifecycle logic and key leakage points were introduced in Chapter 1. In Chapter 4, that logic is translated into a target operating system with defined interventions, decisioning rules, and measurement requirements. Its purpose is to align Retail, Marketing, Product, IT, and Risk and Compliance around the same lifecycle outcomes.

4.2 Decisioning and orchestration engine

The Customer Contract pillars become system requirements for three capability domains: customer-level decisioning and experimentation, data and measurement enablement, and a governance model able to coordinate cross-functional execution. The target is not more communication but a disciplined customer-level system that selects the most useful next step, protects attention and trust, and proves value through outcomes.

The target state introduces a customer-level decisioning layer that continuously selects the next best action based on lifecycle context, encoded eligibility, and explicit value-risk trade-offs

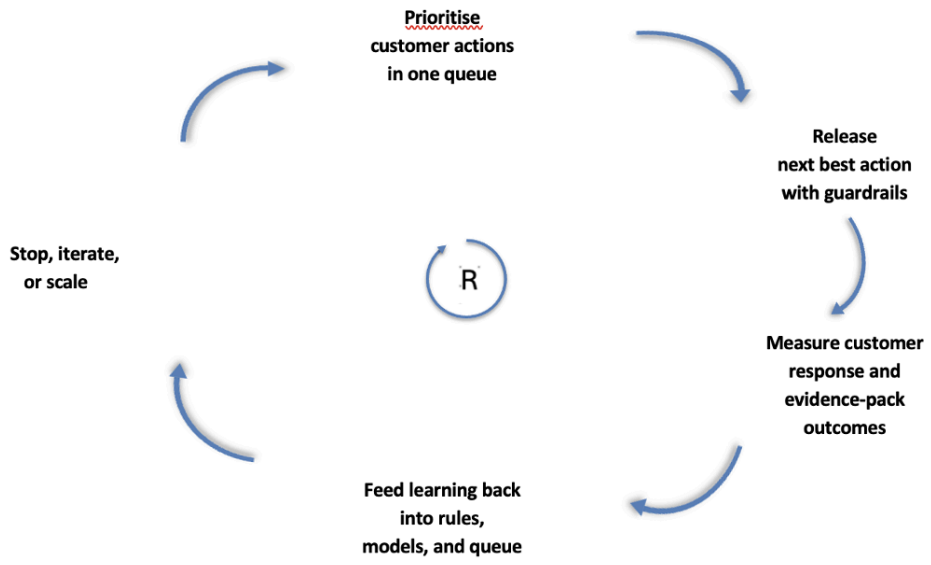
while preventing competing product agendas from generating conflicting outreach. A single ranked queue of eligible actions resolves trade-offs across journeys and channels; suppression rules, sequencing rules, caps, and customer controls protect attention and trust; and every intervention is treated as a testable hypothesis with a defined stop-iterate-scale routine. The ranked queue therefore determines not only the next action, but also the sequence of actions across the customer journey, allowing lifecycle interventions to reinforce one another over time.

Chapter 3 established why customer-level steering is required. The target response is a unified decisioning and experimentation capability that ranks eligible actions, applies guardrails before release, and records customer-level outcomes for learning, control, and scaling decisions.

To operationalize Customer Value Growth as a lifecycle system, the target model links each stage of the customer journey with explicit leakage definitions, intervention logic, and measurable outcomes. Figure 17 illustrates the target lifecycle loop and the intervention points through which the bank can influence acquisition, activation, habit formation, retention, and reactivation.

Figure 20

Decisioning and experimentation loop (test-and-learn operating cycle)



Note: Author-developed synthesis based on the stand-alone project logic and Chapter 4

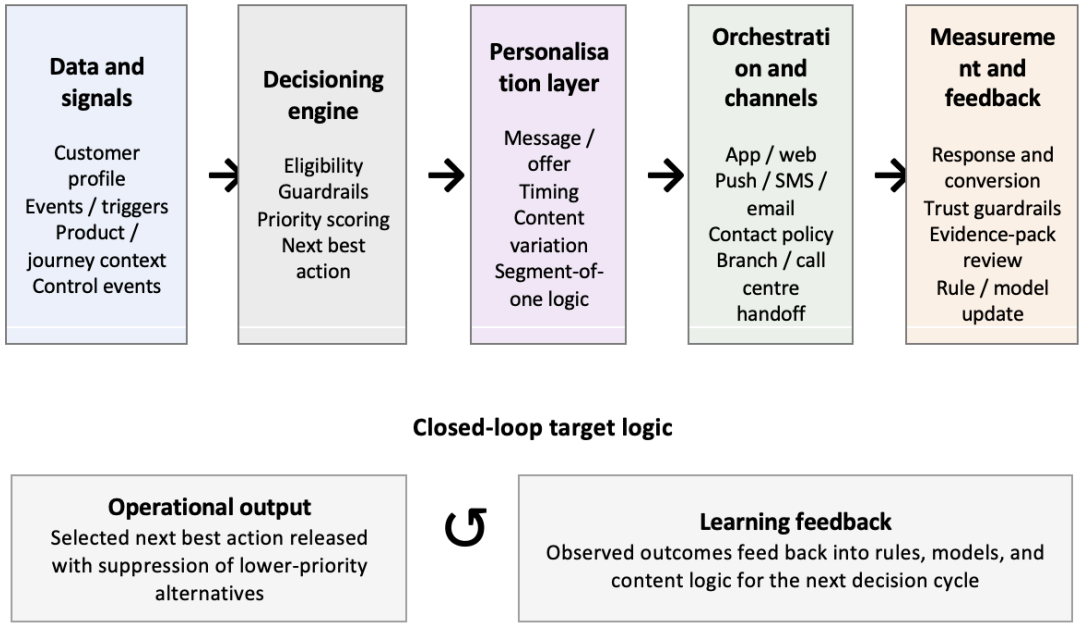
In the target state, Customer Value Growth is governed through a customer-level decisioning engine that continuously selects the next best action across lifecycle needs, service moments, and commercial opportunities. The engine decides what enters the queue, what is suppressed, what is deferred, and what is released now. It resolves trade-offs through common rules for eligibility, priority, contact safety, and expected value so that customer attention is allocated deliberately rather than locally.

The decisioning engine converts data, modelling, and MarTech components into governed customer-level action and creates an auditable trail showing which rule, model, or policy selected, delayed, or blocked an action and with what subsequent outcome. This is particularly important in reactivation, where value depends less on a single message than on the disciplined sequencing of interventions across a defined journey window.

Structurally, this means moving from many separate outbound choices to one ranked library of candidate actions per customer, separated by policy where necessary but resolved through a common prioritization logic. An action enters the queue only when minimum legal, risk, product, and data conditions are already satisfied; once eligible, it competes on lifecycle relevance, expected value, customer context, and trust guardrails. Figure 18 presents the target operating loop at a conceptual level. A detailed decision hierarchy showing eligibility, guardrails, prioritization, and release filtering is provided in Appendix L, Figure L2.

Figure 21

Simplified target stack for personalization and MarTech orchestration



Note: Author-developed based on the target CVM logic, *PUMB Internal CVM*

Always-On in the target model is an operating mode rather than a campaign calendar. Customer actions and communications are triggered by lifecycle signals such as onboarding

completion, first use, inactivity, credit decision outcomes, and monitoring or KYC events, and are then selected through the decisioning policy rather than launched as ad hoc waves. The design objective is sustained relevance at balanced frequency, supported by guardrails for contact pressure, sequencing, suppression, and channel balance.

The target model operationalizes personalization as a system capability rather than manual campaign tailoring. Eligible actions can be adapted by content, offer conditions, timing, and channel, while final selection remains governed through one customer-level queue and measurable outcome rules. In this design, personalization strengthens relevance without breaking contact discipline or evidence standards.

A key element of the target model is that retention and win-back are designed as structured lifecycle products with milestone logic, cross-channel sequencing, and explicit progression rules. Reactivation is therefore governed through predefined milestone states, channel sequencing, eligibility checks, and outcome windows rather than through isolated campaigns. Supporting journey and personalization artefacts are provided in Appendix L, Figure L5.

Positioning the decisioning engine as the core mechanism clarifies why the remaining target elements exist. Data and measurement enable customer-level eligibility, event triggers, exposure and outcome logging, and learning loops. Governance ensures that product teams contribute actions to a shared library while prioritization is performed at customer level. Performance architecture shifts the leadership discussion from campaign volume to learning quality, proven uplift, and reduced lifecycle leakage.

The decisioning capability is expected to evolve in stages, from a minimum viable prioritization logic to a more automated and adaptive system. An illustrative maturity roadmap is provided in Appendix L, Figure L6.

4.3 **Data, technology, and measurement enablement**

The target state requires minimum viable data, technology, and measurement enablement sufficient to support customer-level decisioning and proof of impact without assuming a full core-banking re-architecture in the first implementation wave. The design principle is actionability, not technical perfection.

The minimum target therefore includes a stable customer identifier; a usable customer profile including lifecycle stage, holdings, and priority attributes; digital event instrumentation on key channel surfaces; an action registry showing what was offered, where, when, and under which rule; and exposure and outcome logging aligned to KPI measurement windows. In addition, AML, KYC, monitoring, document refresh, decline, and manual-review events must be treated as measurable lifecycle moments rather than hidden back-office steps because they often shape trust, delay, and drop-off at the points where primacy can be won or lost.

Proven outcomes require more than dashboards: they require instrumentation that can show what the customer saw, what happened next, and what incremental effect can reasonably be attributed to the intervention. Measurement-by-design is therefore embedded into the target logic from the start. Minimum evidence standards include defined exposure windows, outcome windows, holdout or valid proxy logic where feasible, and a repeatable evidence pack for stop-iterate-scale decisions so that learning is comparable across interventions.

The target measurement framework includes four groups of indicators: outcome metrics linked to lifecycle leakage and value creation; customer-attention guardrails such as average contacts, limit exceedance, opt-outs, complaints, and green-zone balance; decision-system health indicators such as lifecycle coverage, model stability, and the share of predictive versus rules-based selection; and control-interface indicators such as monitoring-related drop-off, review cycle time, and release delays caused by unresolved compliance conditions. This makes the data and measurement layer an execution enabler for governance rather than only a reporting layer.

4.4. Target performance architecture and alignment

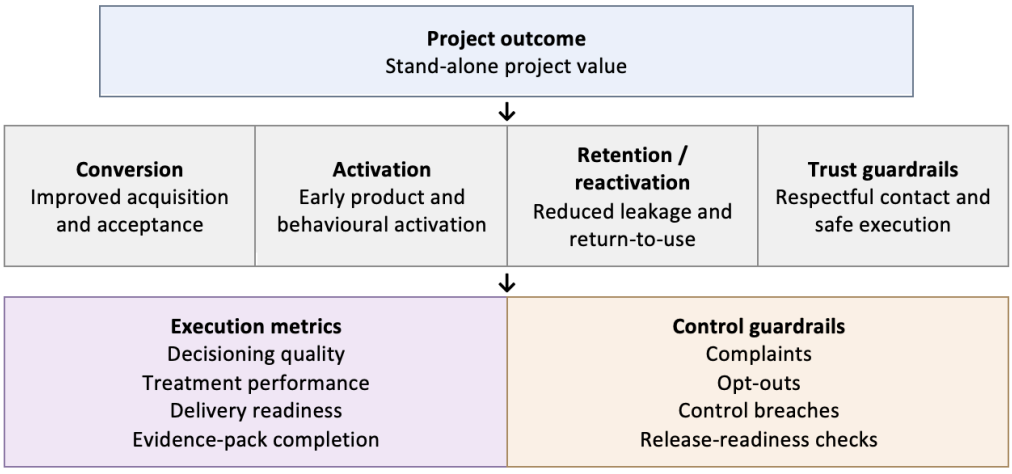
A Customer Value Growth operating model cannot function if performance mechanisms incentivize local activity over customer-level outcomes. In the target state, performance is organized within a stand-alone project architecture that connects the project outcome, customer outcome drivers, execution commitments, and control guardrails. Quarterly OKRs, named owners, and review routines translate this logic into disciplined delivery.

In the target model, project value is governed through four linked layers: the project outcome, the customer outcome drivers that explain it, the execution metrics that track delivery quality, and the control guardrails that protect trust, compliance-safe execution, and release discipline. Quarterly OKRs convert these priorities into time-bound commitments across the accountable stream and enabling functions, while review forums assess whether an intervention should be stopped, iterated, or scaled based on customer impact, evidence strength, deliverability, and control readiness.

Figure 19 presents the target performance architecture for the stand-alone project. Rather than reproducing a broader KPI tree, the architecture defines a focused project-level control system that links the project outcome to customer outcome drivers, execution metrics, and control guardrails. Its purpose is to ensure that project value can be governed, evidenced, and scaled within a clear project boundary. Only selected lifecycle drivers are monetized in the stand-alone project business case, while other indicators serve operational governance and execution monitoring.

Figure 22

Stand-alone project value



Note: Author-developed based on the stand-alone project logic and Chapter 4 target model.

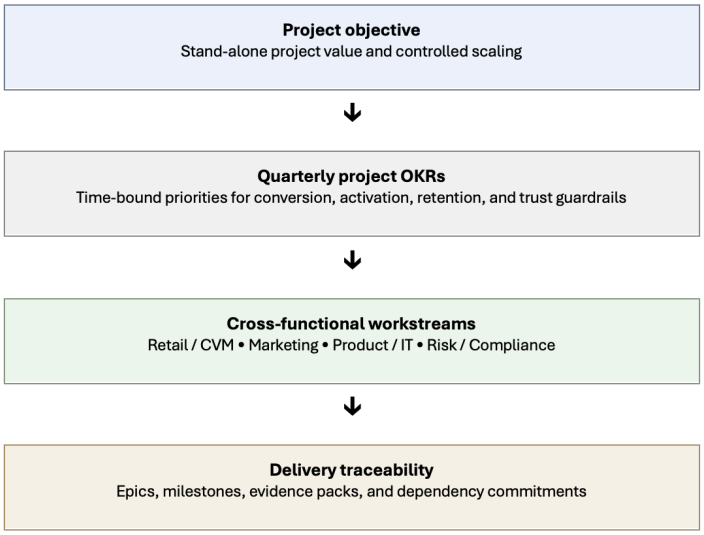
Quarterly OKRs translate the project outcome into time-bound execution priorities across the accountable stream and enabling functions. These OKRs define progress

commitments, dependencies, named owners, and the evidence required to move an intervention forward. Cross-functional dependencies are recorded through a standard register with explicit ownership and escalation triggers, while review forums assess whether an intervention should be stopped, iterated, or scaled based on customer impact, risk, deliverability, and evidence strength.

Figure 20 shows how the stand-alone project outcome is translated into quarterly OKRs, cross-functional workstreams, and traceable delivery artefacts. The purpose is to make priorities, owners, and evidence requirements visible without recreating a broader enterprise KPI cascade.

Figure 23

Project OKR cascade and delivery traceability



Note: Author-developed based on the target OKR logic in Chapter 4.

In the target model, cross-functional alignment is governed through a stand-alone project performance system that aligns Retail, Marketing, Product, IT, Risk, and Compliance

around one project-level outcome logic: stand-alone project value, customer outcome drivers, execution commitments, and control guardrails. Different functions retain role-appropriate metrics while still working within the same project boundary and shared outcome logic.

Quarterly OKRs translate the project outcome into time-bound delivery priorities across the accountable stream, enabling functions, and control participants. These OKRs are supported by named owners, explicit dependency commitments, and evidence-pack requirements for interventions that affect customer journeys, communication logic, or release readiness. Cross-functional trade-offs are surfaced through project OKRs, dependency commitments, and evidence-pack reviews.

Customer Value Management remains a coordinating capability within this arrangement: delivery stays with the accountable stream, while shared decisioning logic, evidence standards, and customer-attention guardrails preserve one customer-level steering logic across interventions. Table 6 and Appendix L, Figure L1 present the cross-functional alignment logic of the stand-alone project.

Table 6

Cross-functional alignment and escalation triggers

Alignment topic	Primary owner	Core Participants	Escalation trigger
Stream-level experiments and journey improvements	Accountable Stream Lead / Product Owner	Squad, Data and Analytics, Marketing, Risk and Compliance	Material control exception or unresolved cross-functional dependency
Cross-functional prioritisation and dependency commitments	Project Sponsor	Stream Leads, IT leads, Risk and Compliance	Capacity trade-off affecting quarterly delivery or blocked milestone
Conflicts exceeding project authority	Executive Sponsor	Relevant senior stakeholders	Material budget, risk appetite, or enterprise priority conflict

Note: Author-developed based on analysis in Chapter 3

In the stand-alone project, branch incentives are treated as part of the operating environment because branch behavior can either reinforce or undermine Customer Value Growth interventions. The first wave does not assume a full redesign of the branch motivation system. Instead, it introduces a limited alignment layer: branch execution should not reward behaviors that break contact guardrails, overload customers with product pushes, or conflict with decisioning-led lifecycle priorities.

Branch alignment in the target model follows three principles:

• branch behavior should not conflict with customer-level prioritization and contact guardrails

• the 2026 project focuses on execution alignment rather than full incentive redesign

• deeper incentive changes can be considered later if lifecycle evidence shows material impact.

For 2026, the target is limited alignment. Selected customer-outcome indicators, journey-compliance guardrails, and coaching-based quality controls are linked to branch execution so that branch actions do not conflict with digital lifecycle interventions or customer-level prioritization. The aim is to prevent local incentive mechanics from undermining the project's customer-attention and trust rules, not to redesign the full branch motivation model.

4.5 Target governance, reinforcement and staged scale-up

Governance is designed to prevent the Customer Value Growth operating system from fragmenting into siloed initiatives. In the target model, governance defines formal decision rights, a predictable cadence of forums, and compliance-by-design routines that ensure customer relevance and respectful engagement under regulatory and operational constraints.

Decision rights are allocated to balance delivery speed with control readiness inside the stand-alone project. Lifecycle interventions and experimentation decisions are owned within the accountable stream, with explicit participation of Risk and Compliance in prioritization and release routines. Cross-functional prioritization, capacity allocation, and material trade-offs between customer outcomes, technology constraints, and control conditions are owned by the project sponsor through defined governance forums. Only conflicts that exceed project authority, materially affect enterprise objectives, or require major budget or risk-appetite decisions move to executive escalation.

The governance cadence integrates operational execution with evidence-based review. Execution proceeds through two-week sprint cycles with routine demonstrations. Monthly

forums focus on evidence review, prioritization refinement, dependency resolution, and OKR check-ins covering objective progress, deliverable status, and blocking issues. Quarterly forums review project progress, confirm cross-functional commitments, and decide whether interventions should be stopped, iterated, or scaled. This makes governance part of execution discipline rather than a separate reporting layer.

Data discipline is treated as a governance control. KPI and OKR status should be updated on an agreed cadence from defined source artefacts, and missing updates should be treated as governance exceptions because they weaken prioritization and escalation decisions. This directly addresses the Chapter 3 finding that learning is too often absorbed as local optimization rather than translated into shared customer-level steering.

Compliance-by-design embeds AML, KYC, and risk controls into journeys, eligibility rules, decisioning logic, and evidence routines rather than treating compliance as a post hoc approval step. In the target model, an action should not enter the ranked queue unless minimum legal, policy, and risk conditions are already encoded; communication around monitoring, verification, or review moments should be generated through safe templates and status logic rather than generic selling pressure; and releases should be reviewed against a standard evidence pack so that control functions assess known criteria rather than reopen design questions late in the cycle. Customer-level decisions remain auditable through logged selection, suppression, blocking, reason codes, and outcomes.

The target state requires the existing people and capability mechanisms to be redirected toward customer-level execution. Chapter 3 shows that the bank already has the building blocks

for reinforcement - 360 feedback, automated IDPs, follow-up conversations, assessment-center routines, chapter skills matrices, coaching, role-selection routines, Customer Lab, and Service Design support - but these mechanisms are not yet consistently linked to customer-level outcomes, shared evidence standards, and cross-functional ownership.

The target model therefore introduces a small number of practical capability interventions. First, a recurring CX Lab x PO/CVM working routine should be institutionalized for priority journeys so that customer insight is translated into executable hypotheses, prioritized fixes, and evidence-pack-ready interventions. Second, structured customer-shoes reviews should be run for the most critical lifecycle moments - onboarding, first use, monitoring/KYC, problem resolution, and reactivation - to test whether the intended experience is understandable, low-friction, respectful, and consistent with the Customer Contract before release. Third, existing assessment-center logic, skills matrices, and role-selection routines should be extended to the roles most relevant to Customer Value Growth execution, including PO, CVM, journey owner, analytics lead, and selected control-interface roles.

Taken together, these changes do not create a broad HR redesign. They adapt existing mechanisms so that the stand-alone project can operate through one customer-level steering logic rather than through local optimization.

Chapter 3 shows that customer centricity becomes operational only when behaviors are reinforced through leadership routines: how teams prioritize, how evidence is reviewed, and how exceptions are handled. The current state already includes agile rituals, coaching, and

formal feedback mechanisms, but their application is uneven and too dependent on local leadership engagement.

The target state therefore requires a limited set of explicit reinforcement routines. Monthly evidence reviews should become a standard routine for the stand-alone project, ending with explicit stop-iterate-scale decisions. Coaching should be structured around customer-level trade-offs, evidence-based decisions, respectful engagement, and handling dependencies or control friction. Customer-centricity should be embedded into sprint reviews, retrospectives, and follow-up conversations through a small set of required prompts on solved customer problems, remaining friction, trust guardrails, learning, and escalation needs. Structured follow-up conversations linked to existing 360-feedback and IDP routines should reinforce customer-level ownership, learning discipline, cross-functional cooperation, and compliance-safe execution.

In practical terms, the target culture is reinforced through a small set of repeated routines that translate customer focus into everyday execution discipline. The most important are:

- CX Lab x PO/CVM working sessions to convert customer insight into prioritised hypotheses and evidence-based interventions;
- customer-shoes reviews to test critical journeys from the customer perspective before release;
- coaching on trade-offs and judgement to reinforce customer-level discipline in decisions;
- sprint and retrospective routines that explicitly include customer relevance, trust outcomes, and learning signals.

The target state is staged so that the stand-alone project can move from a controlled minimum viable model to broader, evidence-based scale. In 2026, the objective is to establish the core elements required for Customer Value Growth execution: a usable measurement foundation, minimum viable decisioning, a limited set of priority lifecycle interventions, standard evidence packs, and compliance-safe execution for sensitive journeys. If the 2026 wave demonstrates stable execution, acceptable guardrail performance, and credible evidence of value, the model can be extended in 2027 to additional journeys, broader omnichannel integration, and selected local alignment mechanisms where experience shows that they materially constrain Customer Value Growth outcomes.

Chapter 5: Stand-alone business case and measurement logic

This chapter translates the Chapter 4 target model into a stand-alone project business case for Retail Banking and defines the measurement logic required to govern value creation. The financial model evaluates the economic impact of improved lifecycle execution using a Project-minus-Base comparison within a bounded project scope.

5.1 Business-case boundary and attribution logic

The model converts improved lifecycle execution into financial value through a transparent sequence: conversion into signed customers, growth of active customers by acquisition vintage, and the resulting income generated by those cohorts relative to the Base scenario.

The model includes three cost layers: CAPEX required to establish the minimum viable solution, fixed OPEX required to operate it, and variable OPEX linked to scaled usage. Project costs are structured as CAPEX required to establish the solution and OPEX required to operate it, including both fixed operating capacity and variable processing costs linked to scaled usage. These cash flows are then discounted to assess project value through NPV and IRR. The planning logic is intentionally bounded and conservative so that the business case can support investment discussion, evidence review, and later stage-gate decisions within the stand-alone project.

Within this capstone, value is defined as the incremental financial effect created by the stand-alone Customer Value Growth project relative to the Base scenario. The boundary includes customer conversion uplift, the resulting increase in active-customer stock by vintage, and the income generated by those active cohorts, net of project costs. Wider enterprise effects may

exist, but they remain outside the model unless they can be directly attributed to the project through the same customer-level evidence logic.

This boundary matters because the target model is designed to improve lifecycle execution, but not every possible effect should be monetized immediately. The business case therefore prioritizes levers that are visible, auditable, and governable within the project scope. This makes the financial case more credible and easier to review through the evidence routines defined later in the chapter.

Customer Value Growth is treated as the economic result of better lifecycle execution rather than of isolated campaign activity. In this logic, value is created when more acquired customers become active, remain active for longer, and generate stronger economics through customer-level relevance, respectful engagement, and proven outcomes. The business case therefore reflects Customer Value Management not as a communication engine alone, but as a cross-functional execution system that improves conversion, stabilizes active-customer stocks, and increases realized value per customer.

5.2 Value-driver chain

To increase the analytical transparency of the stand-alone business case, the financial model is expressed through a limited set of explicit hypotheses that connect the three selected journey builds and the first wave enabling layer with measurable economic effects. These hypotheses define the pathway through which lifecycle execution influences signed-customer conversion, active-customer stock, customer-value realization, and project economics within the bounded project perimeter.

Table 7

Financial hypotheses underlying the stand-alone business case

Hypothesis	Customer-level mechanism	Model variable affected	Financial translation	Evidence logic
H1. First-wave journey improvement increases conversion into signed customers	Clearer onboarding, activation logic, and next-step sequencing increase the share of customer inflow that converts into signed relationships within the selected journey perimeter	Signed-customer conversion	Higher signed-customer volumes expand the entry cohort from which future active-customer value is generated	Visible improvement in signed-customer conversion against the Base path within the defined exposure and outcome windows
H2. Stronger activation and early habit formation increase active-customer stock by acquisition vintage	Improved activation quality and stronger early repeated use increase the share of acquired customers who remain active after onboarding and early lifecycle stages	Active customers by acquisition vintage	A larger and more durable active-customer stock compounds over time and strengthens the income base of the project case	Stronger carry-forward of active cohorts by vintage relative to the Base scenario
H3. Better customer-level execution increases realized customer value per active cohort	Shared prioritization, stronger routine use, more relevant follow-up actions, and better-controlled release improve value realization within the active customer base	Annual value realization per active customer	Higher realized value per active customer increases the economic output of each active cohort in the project case	Directional improvement in customer-value realization metrics for the selected journey cohorts
H4. Structured reactivation restores part of inactive customer value within the bounded project scope	Selected inactive customers return to measurable activity through a staged reactivation journey with milestone logic and controlled sequencing	Restored contribution to active-customer stock and value realization	Reactivated customers contribute additional realized value within the stand-alone project perimeter	Reactivation cohorts show resumed activity and persistence sufficient to support inclusion in the project logic
H5. Project economics remain positive after full recognition of build and operating costs	The project requires one-time build investment and ongoing operating cost to sustain the first wave enabling layer, including decisioning, evidence review, coordinated execution, and sponsor-led progression routines	CAPEX, fixed OPEX, variable OPEX, NPV, IRR	Incremental customer-value realization exceeds the discounted cost of implementation and operation across the modeled horizon	Positive NPV and acceptable IRR in the base scenario, supported by bounded scope and evidence review

In the base scenario, these hypotheses are translated into project value through the modeled changes in signed-customer conversion, active-customer stock by acquisition vintage, realized customer value, and project CAPEX and OPEX, as presented in Table 7 and Appendix K.

The sensitivity analysis indicates that the business case is most exposed to variation in the customer-side drivers that determine how many additional active customers the program creates and how much value each of those customers generates after activation. The strongest effect is visible in the value-per-extra-active-customer scenario, while changes in activation, churn improvement, and reactivation factors also materially affect project value. By contrast, the case is less sensitive to a moderate increase in operating cost. This result supports the logic of the capstone: financial value depends primarily on successful execution of the selected first-wave journeys and on the ability of the operating model to convert customer-behavior improvement into measurable economic contribution.

The stand-alone project business case follows a five-step value-driver chain that connects lifecycle improvement to financial value within a bounded and measurable project scope:

1. Improved conversion increases the number of signed customers relative to the Base scenario.
2. Higher acquisition volumes increase the stock of active customers by acquisition vintage as improved cohorts are carried forward over time.
3. Active customers generate annual gross profit per customer.
4. Improved activation and customer usage contribute to realized customer income within the project scenario.
5. After deducting project CAPEX and OPEX, discounted cash flows produce the stand-alone project NPV and IRR.

The purpose of this chain is to keep the business case transparent: each step connects an operational improvement to a measurable economic consequence inside the stand-alone project boundary.

Table 7 summarizes the project business-case logic, the key driver assumptions, and the measurement implications. It should remain the main governance table for this chapter, while detailed calculations and scenario assumptions continue to sit in Appendix K and the supporting Excel model.

Table 8

Business case governance metrics

Metric group	Metric	Definition	Baseline / input	Scenario / target
Customer funnel	Conversion to active MOB1	Share of newly acquired customers becoming active after onboarding	Current conversion level	Improvement scenario
Customer base	Active customers by vintage	Number of active customers carried across periods	Current active base trajectory	Projected base under scenario
Unit economics	Profit per active customer	Average annual income contribution generated by active customers	Current income profile	Project scenario assumption
Investment	CAPEX	Project implementation investments	Project budget estimate	Implementation scenario
Operating costs	Variable OPEX	Usage-based decisioning and processing costs	Current cost baseline	Scenario cost assumption

Note. Author-developed synthesis based on the stand-alone business case and supporting financial model; detailed calculations and scenario assumptions are provided in Appendix K.

5.3 Business case governance and evidence logic

The stand-alone business case is governed through measurement-by-design rather than through ex post interpretation. What counts as evidence must therefore be defined in advance. At minimum, the project requires visibility into what the customer was exposed to, what action was taken, what happened next, and what outcome can reasonably be attributed to that intervention within the agreed measurement window.

This requires defined exposure windows, outcome windows, and, where feasible, holdout or valid proxy logic. It also requires a repeatable evidence pack that allows interventions to be reviewed on a stop-iterate-scale basis rather than through activity counts alone. In this way, the business case is not only a financial model; it is also a governance mechanism for deciding which interventions deserve further investment.

A simple worked example illustrates the logic. If an intervention improves signed-customer conversion in the digital funnel, the uplift first appears as additional signed customers, then as higher active-customer stock by vintage, and only then as incremental income after customer-level economics are applied. Once the relevant costs are deducted and the cash flows are discounted, the project contribution can be evaluated against the stand-alone NPV and IRR criteria. This sequence shows why lifecycle execution must be linked to evidence and customer-level measurement rather than judged only by communication volume or campaign response.

5.4 Chapter close

Chapter 5 therefore establishes a bounded and governable financial case for the stand-alone Customer Value Growth project. It links lifecycle improvement to auditable value

creation, defines what evidence counts, and provides the financial anchor required for investment review. Detailed calculations and scenario assumptions are provided in Appendix K with the supporting Excel model. Appendix K contains the master business-case calculation sheet used for the financial evaluation presented in this chapter.

Chapter 6. Program design and implementation plan

Chapter 6 translates the Chapter 4 operating model into a bounded implementation program for 2026. It defines the first-wave scope, the delivery structure, the governance routine, and the control conditions required to put Customer Value Growth into practice. The purpose of the program is to establish customer-level prioritization, disciplined lifecycle execution, and measurable evidence review within a defined operating perimeter.

The program design follows three implementation principles. Customer-level prioritization defines how actions are selected and released. Measurement and evidence standards are embedded into delivery routines from the start. Governance and release logic operate within existing regulatory and risk-control requirements.

6.1 Implementation scope and logic

The implementation program is organized around a bounded first wave that defines the 2026 delivery scope for Customer Value Growth. Within this boundary, the program combines three selected journey builds with one shared enabling layer. The selected journeys define where Customer Value Growth is applied first, while the enabling layer provides the minimum operating capabilities required for disciplined execution, evidence review, and controlled release. This structure gives the first wave a clear implementation focus and links the program directly to the lifecycle points where customer-value leakage is most material.

The first-wave journey scope includes three selected builds. The first is new-to-bank activation and first-90-day habit formation, focused on strengthening early activation quality and repeated use after acquisition. The second is recurring-use and primary-account shift, focused on increasing the share of routine financial activity conducted through PUMB among rotationally active and under-valued active customers. The third is structured reactivation, focused on restoring activity through a staged return-to-use journey with defined progression logic for selected inactive cohorts. Together, these journeys create a bounded but strategically material perimeter for the 2026 program.

The first-wave MVP defines the minimum operating system required to run the selected journeys in practice. It combines a limited set of operating deliverables with the routines needed to support their use, governance, and control. Table 8 summarizes the MVP structure of the first wave.

Table 9

First-wave MVP: operating deliverables and supporting routines

First-wave MVP deliverable	Supporting operating routine / mechanism
One-queue minimum viable logic for the selected journeys	Shared prioritization and release rules, applied through journey working cells and sponsor-backed decision rights.
Pilot green-zone contact policy	Sequencing and suppression rules used to protect customer attention and reduce contact conflicts.
Action registry with exposure and outcome logging	Structured action logging, exposure definition, and outcome tracking for journey-level measurement.
Standard evidence-pack template	Named metric ownership, common review format, and use in monthly stop / iterate / scale decisions.
Named journey working cells	Weekly cross-functional working cadence for trigger quality, intervention readiness, release decisions, and dependency review.
Monthly sponsor-led evidence-review routine	Stage-gate logic for progression decisions, exception handling, and escalation of blocked issues.

Taken together, these elements define the minimum operating system required to run the first wave as a governed implementation program rather than as a set of isolated journey interventions.

The selected journey builds and their delivery focus are summarized below.

1. NTB activation and first-90-day habit formation

Target cohort. New-to-bank customers with incomplete early activation.

Strategic purpose. Strengthen early activation quality and establish repeated use during the first 90 days.

Core 2026 delivery focus. Activation checklist, first-use sequencing, early recurring-use prompts, and milestone-based nudges.

Primary outcome signals. MOB1 activation, MOB3 sustained activity, first card payment, repeated use, and early recurring inflow setup.

2. Recurring-use and primary-account shift

Target cohort. Rotationally active and under-valued active customers.

Strategic purpose. Increase the share of routine financial activity conducted through PUMB and strengthen everyday primacy.

Core 2026 delivery focus. Recurring transaction switch, salary and bill-routing prompts, light mission mechanics, and periodic reinforcement.

Primary outcome signals. Routine transaction rate, recurring payment adoption, monthly active use, and payroll or recurring inflow share.

3. Structured reactivation journey

Target cohort. Inactive customers within selected reactivation cohorts.

Strategic purpose. Restore active usage through a staged return-to-use journey with clear progression logic.

Core 2026 delivery focus. A structured 90-day reactivation journey, milestone logic, bounded sequencing, and controlled action release.

Primary outcome signals. Reactivation rate, transaction restart, active months after reactivation, inflow return, and retention after reactivation.

The enabling scope of the first wave is equally defined. It includes a decisioning minimum viable model for the selected journeys, a pilot green-zone contact policy with sequencing and suppression rules, an action registry with exposure and outcome logging, and a cross-functional governance routine with named owners, review cadence, and evidence-based escalation. Channel execution is initially concentrated in push, in-app, and email, with cohort-based deployment and controlled scaling logic.

The 2026 delivery perimeter remains deliberately bounded. Full portfolio-wide rollout, fully industrialized omnichannel orchestration, broad lifestyle campaigning, major MarTech redesign, and advanced adaptive personalization remain outside the first-wave scope. These elements can be considered in later stages if the first wave demonstrates stable execution, acceptable guardrail performance, and credible evidence of customer impact.

6.2 Program phases and governance

The delivery roadmap follows a phased structure that balances implementation speed with operational control. Phase 1 establishes the minimum decisioning and measurement capabilities required for experimentation. Phase 2 scales lifecycle orchestration across priority journeys. Phase 3 institutionalizes operating routines and governance structures.

The detailed program timeline, milestones, and workstream dependencies are provided in Appendix M (Project Timing Plan)**.** In Appendix M, the three implementation phases are translated into a five-step stage-gate sequence: S0 Mobilize, S1 Diagnostic, S2 Design, S3 Pilot,

and S4 Scale decision. The appendix specifies milestones, major workstreams, and coordination points across business, technology, and control functions.

Program governance follows the operating principles defined in the target model. Strategic direction and prioritization are coordinated through a program steering structure that ensures alignment between customer lifecycle priorities, technology enablement, and regulatory oversight. Delivery execution is organized through cross-functional squads responsible for lifecycle journeys and supported by central capabilities for analytics, decisioning logic, and experimentation measurement.

Organizational strategy and adoption mechanism for the first wave

The organizational strategy of the first wave is designed to change how customer-level decisions are made, how priorities are resolved across functions, and how customer focus is reinforced in everyday work. Within the 2026 boundary, this requires one behavior-change system that connects executive direction, manager routines, team practices, and people mechanisms around the same customer-level operating logic.

The first-wave behavior-change system is summarized in Table 9 below. It shows what should be done at each level, through which instruments, and what those instruments are expected to change in routine execution.

Table 10

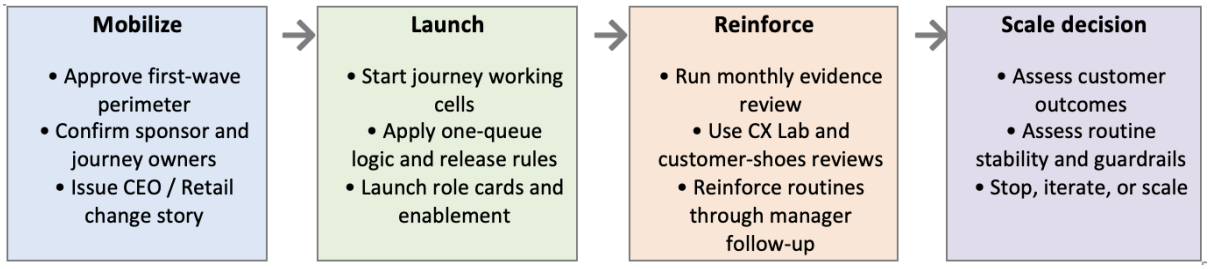
Behavior-change system for customer-centered execution

Level	What should be done	Key instruments	What it will change
Executive leadership	Set the change story, confirm the first-wave perimeter, approve key exceptions, and reinforce expected behaviors after each evidence review	CEO and Deputy Chair for Retail change story; sponsor forum; monthly sponsor message; visible recognition of teams that use the operating model well	Makes customer-level prioritization visible as the operating standard and reduces ambiguity around priorities, exceptions, and expected behaviors
Journey owners and managers	Run weekly working-cell reviews, monthly evidence reviews, dependency escalation, and customer-value checkpoints in sprint reviews; reinforce expected routines through follow-up and coaching	Journey owner; Product Owner; sponsor-led evidence review; manager cascade pack; coaching prompts; monthly manager calibration	Moves teams from local optimization to shared prioritization, evidence-based release decisions, and earlier resolution of blocked issues
Journey teams	Use one shared queue, common journey packs, evidence packs, CX Lab × PO/CVM sessions, customer-shoes reviews, and release-readiness checklists for critical releases	Journey working cell; customer-shoes review; CX Lab × PO/CVM; evidence pack; release-readiness checklist	Turns customer focus into repeatable working practices and makes friction visible before release rather than after customer impact occurs
Sales, service, and assisted channels (within first-wave scope)	Apply journey priorities and contact rules consistently in branch, contact-center, and service interactions for the selected cohorts in scope	Targeted enablement modules for in-scope roles, compatibility rules for selected assisted moments, and calibration for trust-sensitive interactions	Reduces conflict between journey logic and local channel behavior during the pilot period and supports more consistent customer treatment and assisted moments
People and performance mechanisms	Define what good customer-level execution means for the roles in scope and reinforce it through enablement, goal setting, coaching, and follow-up	Role cards; role-based enablement; journey-level OKRs; customer-value prompts in performance conversations; sponsor recognition of desired routines	Reinforces customer-centered judgment, guardrail discipline, and repeatable operating habits during the pilot period

Figure 21 summarizes the change stages of the first wave as a simple progression from mobilization to scale decision. It shows how sponsor action, operating routines, reinforcement, and progression review are linked within one implementation flow.

Figure 24

Change stages for the first wave



The expected behavior changes in the first wave should become visible in routine execution. Teams should prepare releases through the shared queue and evidence pack, managers should review evidence and blocked dependencies through the monthly governance cycle, and control-interface roles should enter earlier in design and release decisions. Customer-shoes reviews and CX Lab sessions should become standard pre-release routines, while branch and service teams in scope should follow journey priorities and contact guardrails in assisted moments. Issues outside the agreed routine should move through formal escalation rather than local workaround.

A limited performance-alignment layer should support these changes during the pilot period. Journey-level OKRs should combine one customer outcome, one execution-quality metric, and one trust or control guardrail. Role cards, role-based enablement, coaching, follow-up routines, and targeted recognition should reinforce what customer-level execution means in practice for the roles in scope.

By the end of 2026, the first wave should leave behind more than three pilot journeys. It should establish one repeatable operating discipline for customer-level prioritization, evidence review, controlled release, and customer-centered execution across the teams and channels included in the program boundary.

6.3 Measurement, risk and control integration

The program embeds the measurement logic defined in Chapter 5. Each intervention must specify exposure conditions, expected behavioral outcomes, and measurement windows. Where feasible, holdout logic or valid proxy measurement is used to determine incremental impact. Evidence packs produced through these routines support decision gates for scaling, modifying, or discontinuing interventions.

Risk management is embedded in the first-wave delivery logic because progression depends on whether the selected journeys are adopted in practice, supported by credible evidence, and released through stable control interfaces. Appendix N provides the full register. Within the capstone body, the most material implementation risks are those that can delay progression from bounded pilot to broader scale: behavioral adoption, measurement credibility, control integration, and business effect.

These risks are reviewed through the monthly evidence cycle and are linked directly to the stage-gate logic of the program. The purpose of this risk view is to preserve disciplined progression inside the first-wave boundary and to ensure that broader rollout follows demonstrated operating use, credible evidence, and acceptable customer and control outcomes.

Main implementation risks and downside scenario

For the first wave, the risk view is intentionally concentrated on the four risks that are most material for implementation discipline and scale decisions. They capture the points at which the program can lose momentum, evidence strength, customer relevance, or progression credibility.

The pessimistic scenario is a slower and more constrained first-wave path in which behavioral adoption remains uneven, evidence credibility reaches only a partial standard, control integration continues to create release friction, and customer uplift in activation, recurring use, or reactivation develops below the expected direction. Under these conditions, the managerial response remains within the design of the program: the initiative stays inside the bounded first-wave perimeter, selected journey logic is revised, reinforcement routines are intensified, and progression to broader scale is deferred until customer outcomes, evidence quality, and control conditions are sufficiently strong.

In this design, risk review supports disciplined progression. The first wave should scale only when customer impact, execution stability, and control readiness are sufficiently strong.

Table 11

Main implementation risks, mitigation logic, and downside implication

Main risk	How the risk appears in the first wave	Primary mitigation logic	Downside implication if unresolved
Behavioral adoption risk	Teams continue local product and campaign habits instead of applying shared prioritization, journey discipline, and evidence routines	Use sponsor-backed decision rights, named journey ownership, role cards, weekly journey working cells, and monthly evidence review with explicit follow-up actions	Program discipline remains formal, customer actions continue to compete, and the first wave stays within a tighter pilot perimeter until the working model is used consistently
Measurement credibility risk	Exposure logic, outcome windows, or evidence packs do not provide sufficiently credible proof for stop, iterate, or scale decisions	Apply one standard evidence-pack format, pre-agreed exposure and outcome windows, named metric ownership, and holdout or valid proxy logic where feasible, with evidence quality reviewed through the monthly governance cycle	The program can continue in pilot mode, but progression to broader scale is deferred until evidence quality is strong enough for reliable decision-making
Control-integration risk	Risk, Compliance, AML, or monitoring interfaces enter too late, creating rework, delay, or customer friction at trust-sensitive moments	Use compliance-by-design templates, release-readiness criteria, early participation of control-interface contacts, and escalation of unresolved control issues through the sponsor forum	Journey releases slow down, customer relevance deteriorates, and sensitive moments require redesign before additional scale is approved
Business-effect risk	The first wave improves operating discipline, yet customer uplift in activation, recurring use, or reactivation remains below the level required for scale	Keep the first-wave scope bounded, define minimum success thresholds by journey, review early customer and business signals through the monthly evidence cycle, and refine trigger logic, intervention design, or cohort scope before any scale decision	The first wave remains a bounded operating pilot, with selected journeys refined and scale deferred until customer impact is stronger and more stable

6.4 Program outcomes

The implementation program therefore operationalizes the Customer Value Growth model by combining lifecycle orchestration, decisioning governance, and measurable

experimentation. Together with the financial logic presented in Chapter 5 and the operational architecture defined in Chapter 4, the program provides a practical pathway for translating the capstone concept into institutional execution.

Chapter 7. Learning reflection on MBA learning journey

This capstone was both a business project and a practical test of how the MBA program changed the way I frame problems, structure decisions, and lead under ambiguity. The project began as a broad concern about growth in a multibanking market and evolved into a more disciplined management question: what operating model would help PUMB Retail Banking convert acquisition into sustained customer value through better decisioning, lifecycle orchestration, and measurable execution? The main value of the MBA was not in isolated frameworks, but in the ability to connect strategy, operating model design, measurement, finance, risk, change management, and leadership into one coherent response.

7.1 MBA tools and models that shaped the capstone

Several MBA courses directly shaped the capstone. Strategic Management and Beyond Strategy helped me understand fragmentation not simply as an execution problem, but as a strategy-cascade problem created when choices, metrics, incentives, and decision rights are not aligned. Leadership in Organizations, Organizational Behavior, and Mastering Digital Leadership shifted my attention from formal structure to the behavioral conditions required for execution. Project Management, Operations Management, and Risk Management helped translate the target model into streams, stage-gates, deliverables, and control-safe implementation logic. Economics and accounting courses strengthened the business-case chapter by improving my ability to define a bounded financial logic and assess whether the proposed solution was economically credible. Together, these courses made the capstone more integrated, practical, and decision oriented.

7.2 Learning process

The learning process was not linear. An important lesson was the need to narrow the problem repeatedly and protect the capstone boundary. Early drafts were too broad because they attempted to address customer primacy, multibanking, CVM, agile ways of working, GenAI, branch incentives, compliance friction, and culture at the same time. The work became stronger once I accepted that not every relevant issue needed to be solved inside one project. A second lesson was methodological discipline. Over time, I became more careful about the sequence from external logic to internal diagnosis, target model, financial validation, and implementation. A third lesson concerned evidence. The capstone pushed me to separate intuition from proof and to ask more consistently what exactly supports a claim, which metrics are steering metrics, and which indicators can be credibly linked to business value.

One of the most valuable outcomes of the MBA was learning how to learn in a more disciplined and interdisciplinary way. The program required movement across strategy, finance, operations, marketing, leadership, governance, and risk, and this was especially valuable in the Ukrainian context. In a turbulent environment, management decisions cannot rely on one stable model or one functional lens. They require synthesis, adaptation, and judgement under pressure. For me personally, this strengthened resilience, intellectual flexibility, and confidence in dealing with uncertainty. For my organization, it increased my ability to connect functions, translate insight into action, and frame business problems in a way that is realistic for a Ukrainian bank operating through volatility, regulatory intensity, and war-related disruption.

7.3 Personal growth and leadership reflection

The strongest personal learning from the MBA and from the capstone is that leadership is less about having immediate answers and more about making better choices under constraint. My reflections repeatedly returned to the same themes: strategy as trade-offs, coherence between objectives and governance, the tension between speed and control, and the need to protect trust while still driving performance. The program also clarified both my strengths and my development areas. I became more confident in connecting strategy, people, governance, and implementation, but I also recognized the need for stronger confidence in financial and risk interpretation, greater comfort with constructive challenge, and more discipline in simplifying complexity earlier. An important part of this learning was understanding that transformation depends not only on structure and technology, but also on adaptive leadership, cross-functional collaboration, and behavioral change.

7.4 Final reflection

Overall, the capstone became a practical synthesis of the MBA journey. It required analytical depth, solution design, implementation logic, and self-reflection. More importantly, it showed me that the value of MBA education lies in the ability to connect different tools into a coherent management response to a real problem. I leave the program with a stronger ability to define the right management boundary, make clearer choices, and build a coherent path from diagnosis to action.

Disclaimer of AI Usage

This capstone project was prepared with limited support from AI-based tools used solely for wording refinement, proofreading, and the creation of visual schemes and system diagrams based on my own analytical inputs. All substantive analysis, interpretations, conclusions, and strategic recommendations are my own and reflect my independent work, judgement, and full responsibility.

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Appendices

Appendix A

Supporting Chapter 1

Table A1

Manager interview guide

Purpose. Capture cross-functional views on what has been achieved in the transformation to date, where execution still breaks down across functions and control interfaces, and which 2026 changes are most important for customer-level execution.

Participants. Retail Banking leaders and key change agents across Retail, Marketing, CX, Product, IT and Compliance, anti-money laundering, and selected enabling functions.

Output. A structured qualitative input for the as-is diagnosis and target design, including operating strengths, bottlenecks, capability gaps, dependencies, governance issues, and priorities for 2026.

Core questions (ask all participants)

- What has the transformation improved most in your area, and what has become faster or easier in real delivery?
- Where do customer outcomes still fragment across products, teams, or channels?
- Where is ownership clear, and where is it still unclear at customer-moment level?
- How do KPI or OKR structures help or hinder shared customer-level execution?
- Which interfaces with Risk, Compliance, Financial Monitoring, or other control functions create the most friction for customer journeys?
- Where is the current operating logic still acquisition-led or product-led rather than lifecycle-led?
- What would need to change for customer-level prioritization and one queue logic to work in practice?
- What evidence or measurement standards are needed before automated or decision-engine-led interventions can be scaled?
- What are the highest-priority changes for 2026, and what support is needed from executive leadership to make them feasible?

Appendix B

Supporting Chapter 2

Table B1

Selected NBU bank-level market indicators relevant for Retail Banking position

Bank	Total assets (UAH bn)	Loans to individuals (UAH bn)	Funds of individuals (UAH bn)	Number of branches
PrivatBank	941.6	103.8	525.8	1058
Oschadbank	517.6	26.9	231.2	1131
Ukreximbank	327.3	0.1	29.1	23
Raiffeisen Bank	265.5	7.7	82.9	292
PUMB	235.0	24.0	66.6	219
Universal Bank (monobank)	222.5	63.3	104.8	14
Ukrsibbank	191.7	3.8	57.3	217
OTP Bank	143.0	7.1	31.7	66

Note: Author-developed summary based on National Bank of Ukraine supervisory statistics. Total assets, loans to individuals, and funds of individuals are reported as of 01.02.2026; number of branches is reported as of 01.01.2026. Values are rounded to one decimal place in UAH billions.

Figure B1

PUMB market position and growth highlights (Retail Banking, 2023–2025)

Lending growth outpaces market • Net credit market share increased from 7.1% (2023) to 9.2% (2025) • Credit portfolio expanded from UAH 9.8 bn to UAH 23.3 bn over 2023–2025 • PUMB ranks second by lending growth in 2025, with +52% vs market +34%	**Current accounts and daily banking** • Current accounts portfolio grew +31% in 2025 (market +18%) • Free balances in current accounts were a key growth driver (+5.3 bn UAH) • Competitive pressure is high for salary projects and active customer base growth
Liabilities and deposits • Deposits portfolio grew from UAH 16.0 bn (2023) to 19.3 bn (2025) • Current accounts grew from UAH 14.4 bn (2023) to 22.9 bn (2025) • PUMB moved to 4th place in total liabilities in 2025 (UAH)	**Strategic focus: retention and CVM** • Retention, reactivation and churn management are listed as top priorities • AML/KYC friction can block or delay customers; 106k active clients were blocked in 2025 • CVM relaunch emphasises personalised behavioural value management and AI-enabled automation

Market and Competition – Retail Lending

Net credit (wo mortgage)	2 023	2 024	2 025	Growth 2024 mln	Growth 2024 %	Growth 2025 mln	Growth 2025 %	CAGR %%
Market	**138.9**	**190.6**	**254.7**	***51.8***	***37%***	***64.1***	***34%***	***35%***
Privatbank	55.8	72.5	91.2	*16.7*	*30%*	*18.7*	*26%*	*28%*
Monobank	27.9	40.8	62.0	*12.9*	*46%*	*21.1*	*52%*	*49%*
FUIB	**9.8**	**16.3**	**23.3**	***6.5***	***66%***	***7.1***	***43%***	***54%***
A-Bank	7.7	14.9	15.5	*7.1*	*92%*	*0.6*	*4%*	*41%*
Oschadbank	8.7	10.5	12.7	*1.8*	*21%*	*2.2*	*21%*	*21%*
Sens	7.9	8.1	10.6	*0.2*	*2%*	*2.5*	*31%*	*16%*
Raiffeisen	3.9	5.3	7.3	*1.4*	*35%*	*2.1*	*39%*	*37%*
Idea	3.8	4.9	7.0	*1.1*	*30%*	*2.1*	*43%*	*37%*
Agricole	2.8	3.9	5.2	*1.1*	*42%*	*1.3*	*34%*	*37%*
Ukrgas	1.2	0.8	0.7	*-0.5*	*-37%*	*-0.1*	*-13%*	*-26%*
FUIB share (%)	***7.1%***	***8.5%***	***9.2%***					

FUIB – the fastest-growing bank in the system over the past two years
+54% CAGR

MARKET POSITION CONTUNIE TO GROW FASTER

Business direction	FUIB share grows 2025	Market grows 2025	FUIB market share		
			2023	2024	2025
Loans w/o mortgage	+43%	+34%	7,1%	8,5%	9,2%
Liabilities, UAH	+23%	+18%	4,3%	4,3%	4,5%
Current Accts, UAH	+31%	+18%	3,1%	3,3%	3,7%
POS turnover*	+14%	+11%	4,8%	5,6%	5,8%
POS transactions*	+12%	+9%	3,4%	4,1%	4,2%

Note: Author-developed summary based on *PUMB internal market position deck and management materials,* 2025

Table B3

Primacy drivers by bank: salary and convenience as "main app" anchors

Driver (why this bank is main app)	Overall	PrivatBank	MonoBank	PUMB	Oschadbank
Main income received in the bank	28%	34%	9%	24%	56%
Convenience (overall)	23%	17%	39%	28%	13%
Most frequently used bank / most operations	11%	13%	9%	10%	7%

Note: Author-developed summary based on CBR research, *PUMB internal presentation Materials,* 2025

Appendix C

Supporting Chapter 2

Figure C1

Trust to banks

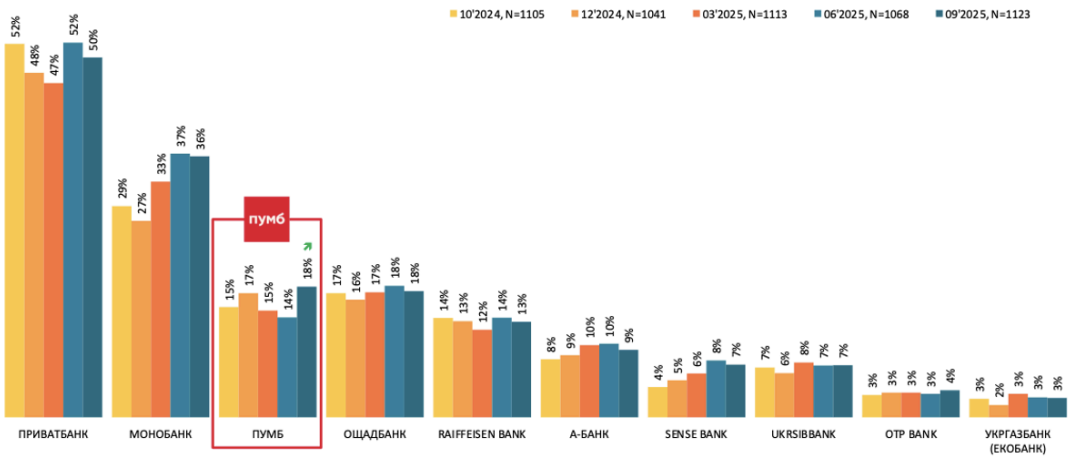


Figure C2

Collaboration and main bank

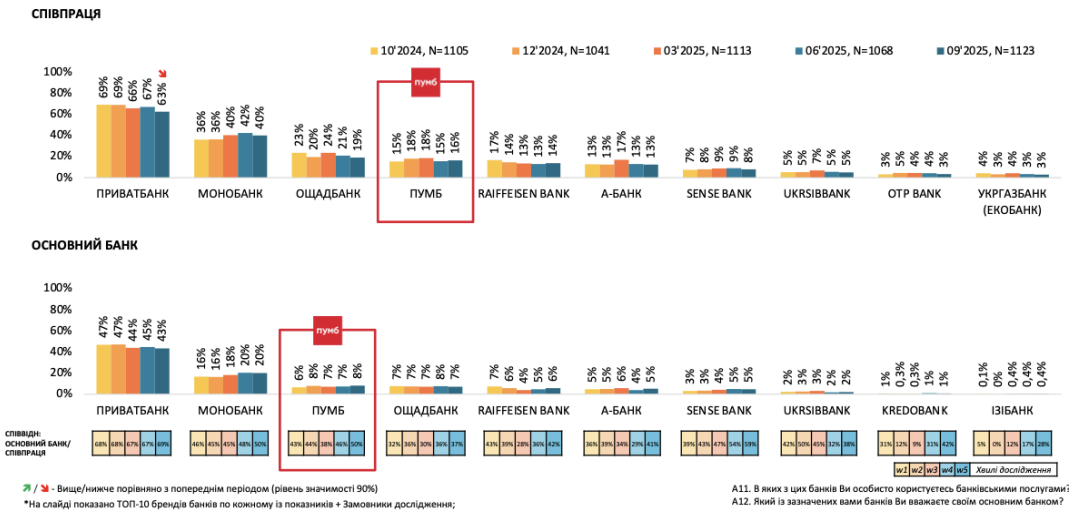
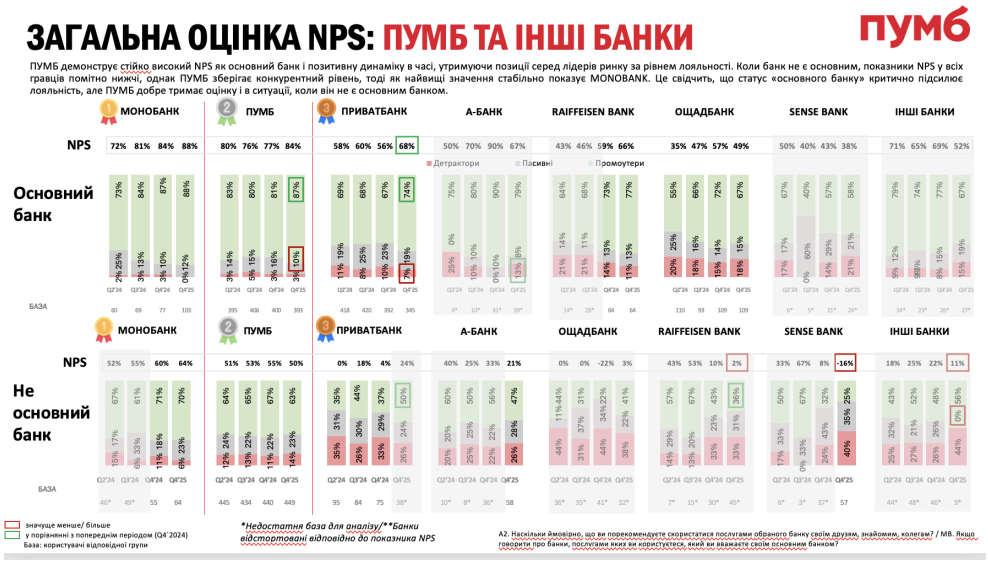


Figure C3

Main bank choice and relative NPS by bank



Note: Adapted from PUMB NPS population report, 2025–2026

Figure C4

Resilience and customer trust context

Note: Adapted from Reputational Activists ranking, *PUMB Internal Presentation,* 2025

Figure C7

GenAI opportunity map

Customer-facing GenAI use cases (value growth)	**Risk, compliance, and control (trust and safety)**
• Always-on personalised lifecycle journeys (NBA/NBO content, timing) • Conversational onboarding & guided completion (reduce drop-off, improve MOB0) • Next-best-action coaching for Contact Center / branch (assisted-to-digital) • Win-back dialogues for inactive customers (state-based journeys) • Proactive financial wellbeing nudges (trust and primacy signals)	• Explainable decisioning + audit trails (why action was chosen) • Content safety: approved templates, redaction, PII controls • Fraud/deepfake response: playbooks and monitoring • Model risk governance: testing, drift monitoring, human override • Compliance-by-design evidence packs integrated to delivery
Operations and productivity (cost-to-serve)	**Data and technology capabilities required**
• Agent assist: summarise history, draft responses, recommend compliant actions • Automated knowledge retrieval (policies, product rules, scripts) • Document processing: extraction, classification, pre-fill forms • Ops automation: case triage, routing, exception explanations • Analytics copilots: faster insight generation and experiment readouts	• Unified customer profile + event stream (lifecycle signals) • Decisioning engine (ranking, eligibility, constraints) • Personalisation layer (content, offer terms, channel, timing) • Experimentation and measurement (incrementality, holdouts) • Secure-by-design SDLC, model governance processes

Note: Author-developed synthesis based on Chui et al. (2023), Agarwal et al. (2024).

Appendix D

Supporting Chapter 2

Table D1

Jobs-to-be-Done clusters and rotation triggers relevant to primacy

Job cluster (moment of need)	Typical customer goal	What customers evaluate (choice criteria)	Rotation triggers (why the job moves)
Everyday money movement (payments, transfers)	Complete transactions quickly and safely	Speed, reliability, low effort, clear confirmation	Failed or slow payments, unclear steps, weak recovery after errors
Income and daily control (salary, balances, budgeting)	Receive income and keep control over spending	Convenience, trust, visibility, predictable rules	Delayed postings, hidden fees, confusing limits, low transparency
Liquidity and credit access (credit limit, loan, refinance)	Access liquidity when needed with clear conditions	Approval speed, clarity of terms, trust, support in stress moments	Declines, long approval cycles, rework, KYC/monitoring friction
Savings and security (saving, safety, fraud)	Protect money and feel secure	Security, reassurance, transparent protection, fast issue resolution	Security incidents, slow dispute resolution, unclear protection steps
Problem resolution (service recovery, disputes)	Solve problems quickly with minimal effort	Responsiveness, clarity, respectful guidance, accountability	Unresolved issues, repeated contacts, inconsistent answers, contact fatigue

Note: Author-developed summary based on CBR research and Lanka.CX research for PUMB*, PUMB internal presentation,* 2025

Table D2

Jobs-to-be-Done and switching-trigger evidence

Moment / stage	Job-to-be-done (JTBD)	Switching trigger (from research)	Contract requirement	Implication for capabilities (Ch.3–5)
Everyday payments and transfers	Move money quickly and confidently	Convenience elsewhere; saving fees/commissions	Relevance + Proven outcomes	Frictionless end-to-end flows; clear fee/value explanation; measurement of successful completion and repeat usage
First months after onboarding	Set up banking 'as my default' (cards, limits, routines)	Previous bank habit is stronger; unclear benefit to switch routines	Respectful engagement + Proven outcomes	Lifecycle playbooks; supportive education; value statements; test-and-learn on activation drivers
Credit / instalment decision moment	Get financing that fits my situation	Bank cannot offer higher limit; conditions worsen	Proven outcomes + Relevance	Eligibility/offer decisioning; transparent terms; fast, predictable approval journey; risk/compliance-by-design
Family / life event (child card, education payment)	Solve a new need with minimal hassle	Institution dictates, 'everyone uses another bank'	Relevance + Respectful engagement	Cross-functional ownership of journeys; clear instructions; consistent support across channels; reduce handoffs
Unexpected liquidity stress	Cover shortfall and stay in control	Not enough to live; need immediate solution	Proven outcomes + Respectful engagement	Event-based triggers; supportive assistance; protect attention (no pressure); measure outcomes (stability, retention)
Trust/safety moment	Avoid risk and problems; keep money safe	Fear of financial monitoring issues; bank 'let me down'	Relevance + Respectful engagement	Clear rules, explanations, and status; compliant yet humane flows; escalation paths; governance with Risk/Compliance/AML
Offer/benefit comparison moment	Get the best benefit without regret	Discounts elsewhere (e.g., retailers), perceived better value	Proven outcomes	Value curation logic; explain trade-offs; measure incremental impact on primacy behaviors and profitability
Churn risk / reactivation	Decide whether to keep using this bank	Bank becomes 'spare'; low habit and low perceived value	Respectful engagement + Proven outcomes	Early warning signals; win-back sequences with minimal pressure; evidence-based improvement/stop decisions

Appendix E

Supporting Chapter 2 and Chapter 3

Table E1

NPS themes mapped to Customer Contract implications

NPS theme (Retail 2025)	What customers expect	Implication for target model / Customer Contract
Digital reliability and usability	Stable daily banking; low error rate	Proven outcomes: reliability; monitor journey SLAs; prioritize reliability fixes
Transparency of value/conditions (loyalty, cashback, referrals)	Clear, predictable value	Relevance + Proven outcomes: explainable value; avoid 'surprise' moments
Payments and cash-in convenience	Habit-forming ease	Proven outcomes: frictionless everyday moments; lifecycle playbooks around 'daily banking'
Service recovery and support	Fast, competent resolution	Respectful engagement + Proven outcomes: recovery playbooks; guardrails on complaints/opt-out

Figure E1

Customer Contract evidence matrix

Evidence source	Relevance	Respectful engagement	Proven outcomes
CX research (internal)	Pain points by journey; friction	Tone and trust triggers	Driver impact patterns
Tribe demos / delivery evidence	Personalized targeting	Contact policy patterns	Experiment outcomes
CBR extracts / research	Switching triggers	Sensitivity to pressure	Proof points by segment
NPS reporting	Drivers by product	Detractors: transparency and fatigue	Outcome tracking and guardrails
CVM compendium (internal)	Best practice patterns	Governance patterns	Value measurement

Figure E2

Agile benchmark matrix: operating model maturity and value capture (banking benchmarks)

	Cross-functional team alignment to customer journeys (Low → High)	
Governance and measurement discipline (Low → High)	**Agile theatre** • Ceremonies without outcomes • Local metrics, unclear decision rights • Limited trust improvement	**Delivery engine** • Faster releases in pockets • Value not proven; prioritisation conflicts • Scaling stalls without governance
	Control-heavy optimisation • Strong controls, slow cycle time • Fragmented ownership across functions • Customer outcomes lag	**Outcome system** • Clear product ownership and one prioritisation queue • Evidence standards and stop/scale cadence • Improved customer outcomes, speed, and productivity

Figure E3

Relative NPS performance and implications for primacy

IMPACT - ТОП-10 ХАРАКТЕРИСТИК

пумб

Найбільше на NPS впливають мобільний застосунок, робота відділень і умови по картках. Для ПУМБ головний внесок дає digital-досвід і карткові продукти, тоді як негатив частіше пов'язаний з інфраструктурою та сервісними процесами.

	ДАНІ ЗА 4 КВАРТАЛ (ПОТОЧНА ХВИЛЯ ДОСЛІДЖЕННЯ)								ДИНАМІКА, У ПОРІВНЯННІ ІЗ ПОПЕРЕДНІМ ПЕРІОДОМ							
	ПУМБ	ПРИВАТБАНК	МОНОБАНК	ОЩАДБАНК	RAIFFEISEN BANK	А-БАНК	SENSE BANK	ІНШІ БАНКИ	ПУМБ	ПРИВАТБАНК	МОНОБАНК	ОЩАДБАНК	RAIFFEISEN BANK	А-БАНК	SENSE BANK	ІНШІ БАНКИ
Мобільний застосунок інтернет-банкінгу	16%	14%	47%	-6%	13%	16%	10%	8%	-10 в.п.	1 в.п.	-11 в.п.	-2 в.п.	8 в.п.	-19 в.п.	-2 в.п.	6 в.п.
Робота відділень банку	11%	21%	1%	17%	7%	9%	0%	11%	-2 в.п.	5 в.п.	1 в.п.	-4 в.п.	-8 в.п.	5 в.п.	-7 в.п.	-3 в.п.
Розцінки \ умови користування на кредитні картки	6%	0%	4%	0%	0%	3%	-2%	3%	2 в.п.	-2 в.п.	1 в.п.	0 в.п.	-1 в.п.	2 в.п.	-4 в.п.	0 в.п.
Розцінки \ умови користування на зарплатну картку	5%	3%	1%	2%	4%	1%	-4%	14%	4 в.п.	3 в.п.	1 в.п.	2 в.п.	-3 в.п.	1 в.п.	-2 в.п.	8 в.п.
Розцінки \ умови користування на дебетову картку	5%	0%	5%	0%	-1%	4%	0%	0%	5 в.п.	0 в.п.	5 в.п.	0 в.п.	-1 в.п.	3 в.п.	2 в.п.	-1 в.п.
Розцінки \ умови користування розстрочкою \ оплатою частинами	3%	0%	1%	0%	0%	3%	1%	0%	2 в.п.	0 в.п.	1 в.п.	0 в.п.	0 в.п.	2 в.п.	1 в.п.	0 в.п.
Репутація банку\ довіра банку	3%	2%	1%	10%	0%	-1%	-1%	3%	2 в.п.	1 в.п.	0 в.п.	7 в.п.	-5 в.п.	-1 в.п.	0 в.п.	3 в.п.
Вибір \ асортимент \ різноманітність послуг та продуктів	2%	1%	4%	1%	1%	2%	1%	0%	2 в.п.	0 в.п.	4 в.п.	1 в.п.	1 в.п.	2 в.п.	3 в.п.	0 в.п.
Безпека	1%	3%	1%	1%	2%	1%	0%	-3%	1 в.п.	4 в.п.	0 в.п.	1 в.п.	2 в.п.	1 в.п.	0 в.п.	-4 в.п.
Інформування	1%	0%	0%	1%	1%	-1%	-1%	0%	1 в.п.	0 в.п.	0 в.п.	-2 в.п.	1 в.п.	-1 в.п.	-1 в.п.	3 в.п.
NPS	**66%**	**63%**	**79%**	**37%**	**39%**	**39%**	**0%**	**42%**	**0 в.п.**	**15 в.п.**	**5 в.п.**	**2 в.п.**	**-5 в.п.**	**-21 в.п.**	**-21 в.п.**	**3 в.п.**

Найвище значення у рядку | Найнижче значення у рядку | Значення 0% | Найбільше зростання у таблиці | Найбільше падіння у таблиці

Note: Adapted from PUMB NPS population report, 2025–2026

Appendix F

Supporting Chapter 3

Table F1

CVM capability baseline: as-is diagnosis and implication for primacy

Capability domain	As-is diagnosis	Why it matters for primacy	Status
Delivery model and execution base	Tribes, squads, cadences, backlogs, OKRs, demos, and cross-functional delivery routines already exist.	The bank does not start from zero. CVM can be layered onto an existing execution engine rather than built as a separate structure.	**Strong**
Data foundations	Customer data foundations are robust, but some source-system quality and design limits remain.	Data availability is sufficient for CVM, so the constraint is not raw information absence but conversion of data into live decisions.	**Strong**
Analytical modelling	Broad modelling coverage exists, but outputs are not yet systematically embedded into closed-loop campaign prioritization and learning.	The bank can score customers, but it does not yet use those scores as a consistent customer-level steering mechanism.	**Strong**
Dashboards and reporting	Measurement visibility is relatively mature, with automated dashboards and broad KPI coverage.	Visibility alone does not create steering. Reporting is stronger than actionability, so learning loops remain incomplete.	**Strong**
Personalization	Personalization exists mainly at segment-of-few level and is still manual and content-led.	This improves relevance at the margin but does not yet create always-on next-best-action capability across journeys and channels.	**Partial**

Communication governance	Contact governance exists mainly as local or quota-based limits rather than integrated sequencing and prioritization logic.	The bank can suppress some excess, but it cannot yet consistently decide what the best alternative action should be.	**Partial**
Cross-channel orchestration	Execution remains fragmented across channels and tools; call center and in-app integration are incomplete.	Without orchestration, competing messages and inconsistent timing reduce trust and weaken customer-level coherence.	**Partial**
Experimentation and evidence	Pilots and A/B tests are selective rather than institutionalized through one standard evidence pack and stop-iterate-scale routine.	This weakens comparability of decisions and slows learning across the portfolio.	**Partial**
Operating model alignment	CVM intent exists, but execution remains partly product-centric with fragmented customer ownership.	Local team optimization does not automatically produce primacy in customer jobs.	**Partial**
Decisioning engine	No true decisioning engine is in place; campaigns are restricted mainly by communications policy and pre-set hierarchy.	This is the central structural weakness because multiple competing actions are not resolved through one customer-level queue.	**Missing**
Dynamic prioritization	Event triggers can add campaigns, but the queue is not recalculated dynamically across existing actions.	High-value or time-sensitive actions can be crowded out by earlier campaign set-up logic.	**Missing**
Closed-loop actionability	Feedback is not yet automatically fed into models, campaign logic, and retraining at operational speed.	The system remains more campaigning-oriented than learning-oriented.	**Missing**

Note: Author-developed synthesis based on *PUMB Internal CVM Compendium*, 2025 and Chapter 3 as-is analysis

Figure F1

Tribe structure and cross-functional setup

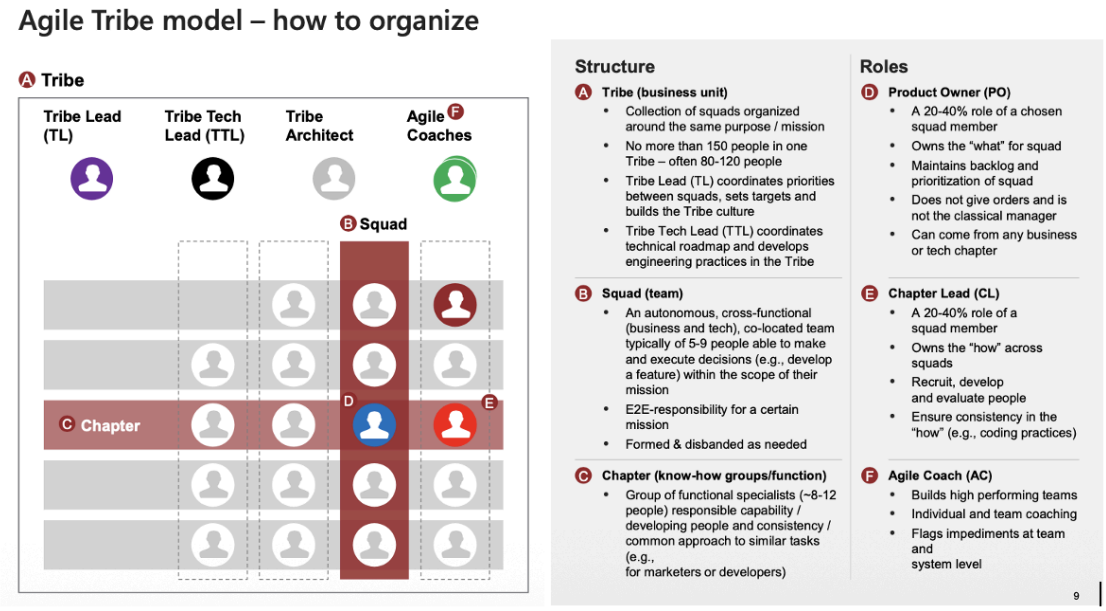
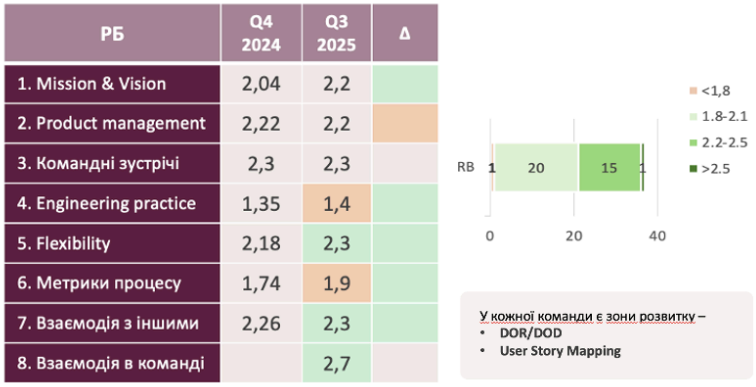


Figure F2

Tribes agile maturity assessment results example



РБ	Q4 2024	Q3 2025	Δ
1. Mission & Vision	2,04	2,2	
2. Product management	2,22	2,2	
3. Командні зустрічі	2,3	2,3	
4. Engineering practice	1,35	1,4	
5. Flexibility	2,18	2,3	
6. Метрики процесу	1,74	1,9	
7. Взаємодія з іншими	2,26	2,3	
8. Взаємодія в команді		2,7	

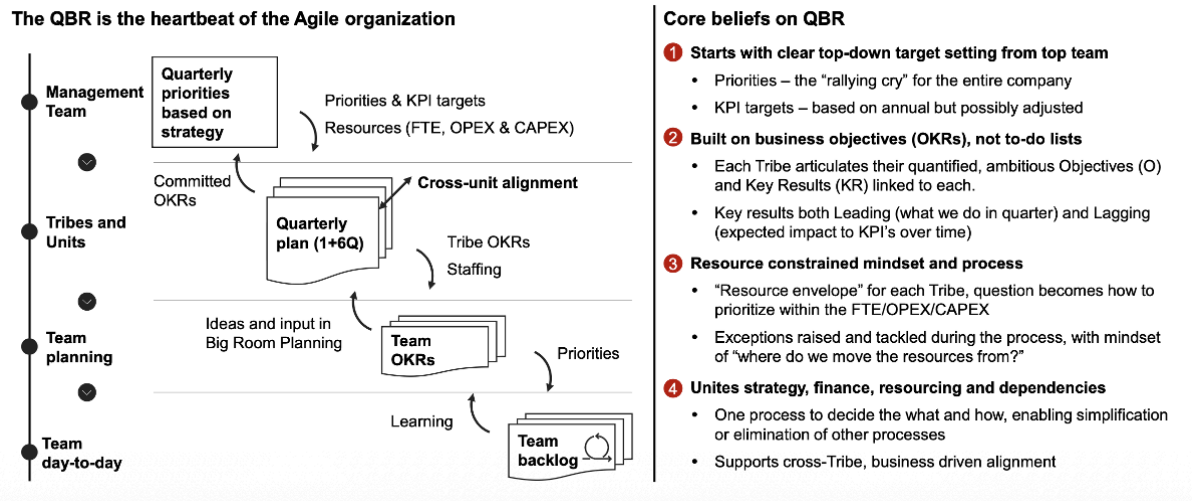
Note: Adopted from Agile Transformation materials**,** *PUMB Internal People Model Compilation***,** 2025

Appendix H

Supporting Chapter 3 and Chapter 4

Figure H1

OKR and KPI cadence



Note: PUMB Internal workshop material, 2025

Table H1

Branch incentive alignment constraints in the as-is model

Area	As-is pattern	Typical coordination risk	Implication for target model
Tribe incentives	KPI-linked bonus coverage is concentrated mainly on Tribe Leads and Product Leads; wider tribe roles do not have equivalent customer-outcome reinforcement.	Delivery teams can support local execution without shared economic reinforcement for cross-journey outcomes.	Broader reinforcement of customer-level outcomes is needed beyond selected leadership roles.
Branch monthly motivation	Bonus is based on points, a minimum threshold, base point value, and WAP/product-weight coefficients.	Encourages end-of-period optimization of point-generating actions and local plan attainment.	Target model should preserve performance discipline but add customer-level guardrails and lifecycle outcome logic.
Metric mix in branch scheme	Focus areas include credit production, active and new clients, deposits, and active cards.	Product/result categories can compete instead of being sequenced by customer need and lifecycle priority.	Target model needs common priority logic across sales, activation, retention, and trust guardrails.
Activation and offer-processing actions	The scheme rewards many post-sale and app-based target actions after consultation or campaign processing.	Can stimulate useful activation, but still through local action maximization rather than one customer-level queue.	Target model should convert these actions into governed next-best-action logic with suppression and sequencing rules.
Role-specific cadence and rules	Monthly, quarterly, and role-specific mechanics vary across branch, lending, managers, and leaders.	Assisted-to-digital coordination becomes harder when roles optimize under different time horizons and payout mechanics.	KPI/OKR and governance alignment should complement incentives so cross-channel execution is synchronized.
Quality and control modifiers	NPS, complaints, mystery shopper, and error penalties exist in some roles, but not as one unified customer-trust architecture.	Control and trust signals remain local modifiers, not shared steering criteria for lifecycle trade-offs.	Target model should embed trust guardrails and compliance-safe behavior into the core performance architecture.

Note: Author-developed synthesis based on the Retail Banking branch motivation scheme

Appendix I

Supporting Chapter 3

Figure I1

OCAI Culture Profile

	Current	Preferred
Collaborate	16.67	31.67
Create	8.33	33.33
Compete	46.67	24.17
Control	28.33	10.83

The OCAI profile suggests that the current Retail Banking culture is weighted more toward competition and control, while the preferred future state shifts toward collaboration and creation. This gap is relevant for the capstone because Customer Value Growth requires stronger cross-functional ownership, faster learning, and more adaptive coordination across teams and control interfaces. In practical terms, the result supports the need to reinforce customer-level prioritization, experimentation discipline, and shared outcome logic in the target model.

Note: Author- generated results based on the completed website assessment questionnaire (**https://www.ocai-official.com/**), 2025

Table I1

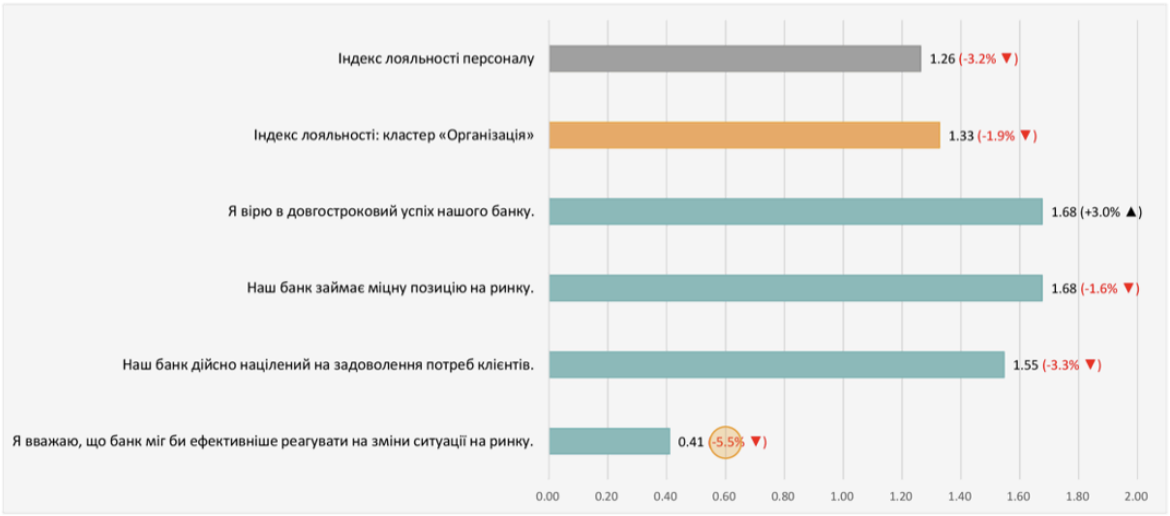
Interview synthesis and thematic coding summary

Code / theme	Indicative evidence from interviews	Interpretation	Capstone implication
Agile delivery base	Leadership trust and direct access to top management accelerated decisions; metrics and monitoring improved delivery speed.	Agile is not absent. The organization has a real execution base.	Chapter 3 should treat the target model as the next maturity step, not a blank-sheet redesign.
Tribes and cross-functional work	Tribe structure helps team-level interaction but does not by itself create shared customer-outcome logic across verticals.	Cross-functional delivery exists, but customer-level integration remains incomplete.	Keep tribes/squads as foundation; add customer-level prioritization and clearer cross-tribe decision rights.
Ownership and one queue	Attempted "redistribution of clients" did not work without explicit ownership rules, system support, and agreement on who owns the customer outcome.	Ownership is the structural issue behind fragmented execution.	Use this as direct support for one owner per outcome and one customer-level queue.
Cooperation and KPI logic	Interviewees described KPI/OKR issues as deeper than dashboards: verticals optimize their own areas and lack one shared success logic.	The problem is governance discipline, not metric availability alone.	Strengthen the case for one KPI hierarchy and decision forums that resolve trade-offs.
Interfaces with Risk / Compliance / AML	Marketing cannot enter risk or monitoring processes directly; CEO notes also describe these interfaces as hard to align and often escalated.	Control interfaces remain a bottleneck for customer journeys and campaign execution.	Add standard interface contracts, templates, SLAs, and compliance-by-design rules in Chapters 4 and 6.
Customer focus and lifecycle shift	Marketing notes that the current focus is digital acquisition / lead generation rather than full always-on lifecycle orchestration.	The operating logic is still too product-led and acquisition-led.	Support the shift to lifecycle CVM, unified segmentation/personas, and Customer Contract-led engagement.
Clients, accessibility, respectful engagement	Interviews emphasize inclusive communication, accessibility, micro-personalization, and meaningful triggers such as "thank you" or "come back."	Customer value is shaped by relevance, tone, and ease, not only offer volume.	Use as evidence for the Respectful engagement pillar and customer-safe communication design.
Decision engine and evidence standards	CEO notes uncertainty about how well a decision engine will work without clear rules for what counts as effective and when to stop, iterate, or scale.	Automation alone is insufficient; evidence discipline is required.	Reinforce standard evidence packs, incrementality logic, and stop-iterate-scale governance.

Note: Author-summarized of 82 interviews, September 2025-January, 2026

Figure I2

Employee Engagement Survey customer-focus and service-improvement indicators



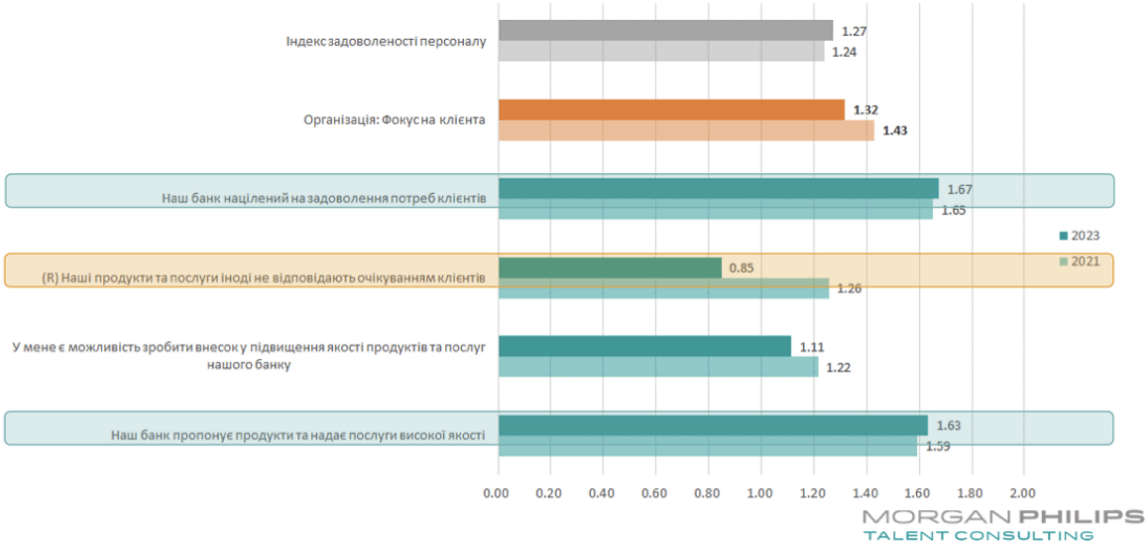


Figure I3

Brand Attributes: customer centricity

Note: Adapted from Employee Engagement Survey by Morgan Philips Talent Consulting, *PUMB Internal presentation,* 2023- 2025

Figure I4

Performance and development mechanism in the tribe model

Note. Adapted from PUMB internal tribe people-development materials, 2025

Appendix J

Supporting Chapter 3

Figure J1

As-is feedback loop: Contact pressure – Trust – Performance loop

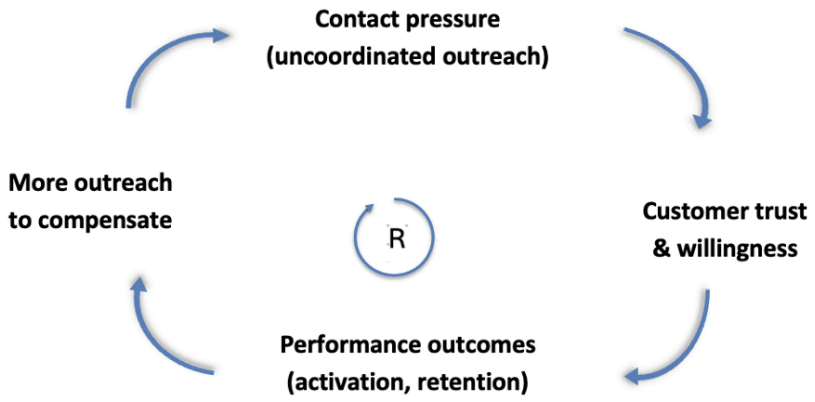
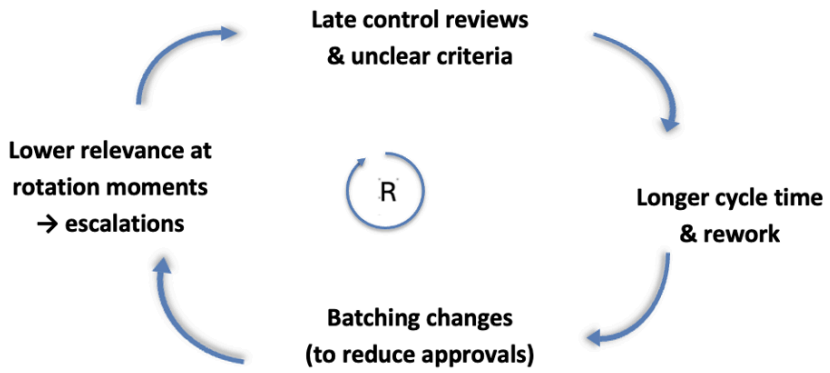


Figure J2

As-is feedback loop: Control-gate – Cycle time – Batching loo



Appendix L

Supporting Chapter 4

Figure L1

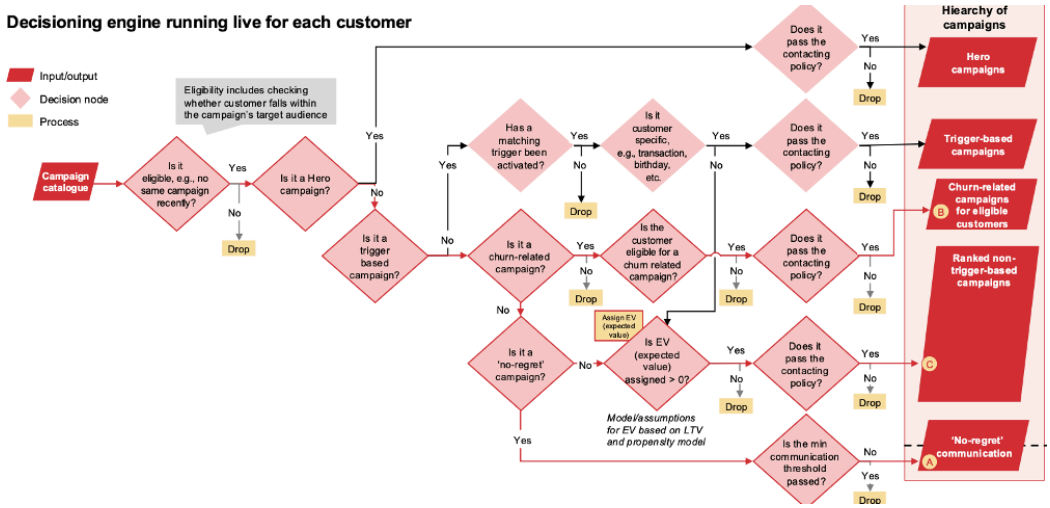
Cross-functional performance alignment and escalation path

Performance ownership	Integration mechanisms	Execution ownership
Project sponsor and accountable stream leads	Evidence-pack reviews	Tribes, squads, and enabling functions
Quarterly project OKRs and named owner	Dependency register Monthly alignment forum	Epics, milestones, and delivery commitments
Conflict signal:	**Resolution path:**	**Outcome:**
Competing priorities, capacity constraints, control dependencies	Team alignment → cross-functional forum → sponsor escalation	Re-prioritised OKRs, resourced milestone, or revised guardrail

Note: Author-developed synthesis based on Chapter 3 analysis.

Figure L2

CVM decisioning engine hierarchy



Note: Adapted from *PUMB Internal CVM Compendium*, 2025

Figure L3

90/180-day reactivation journey logic

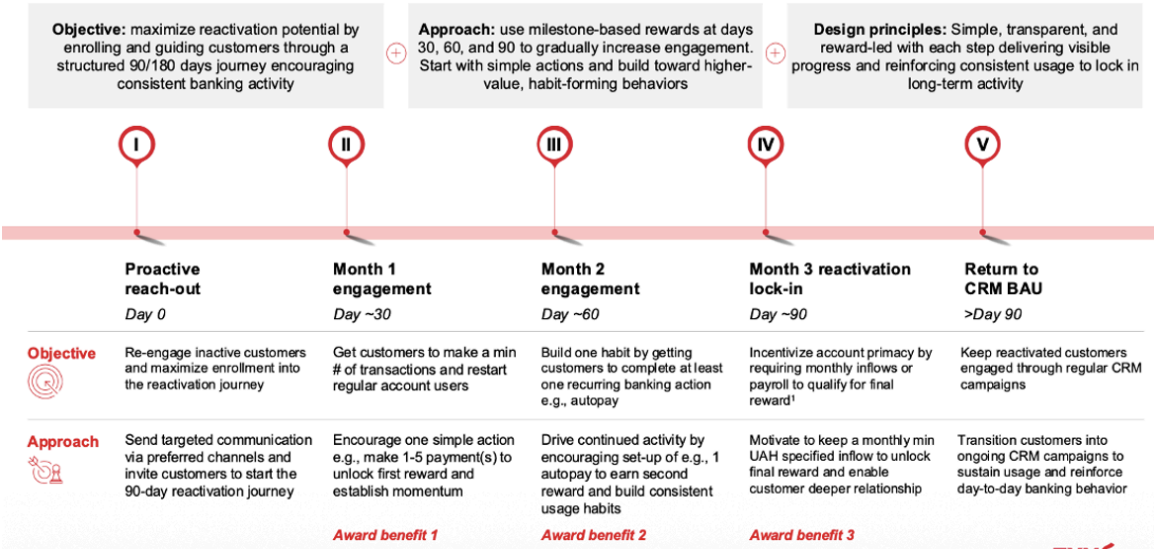
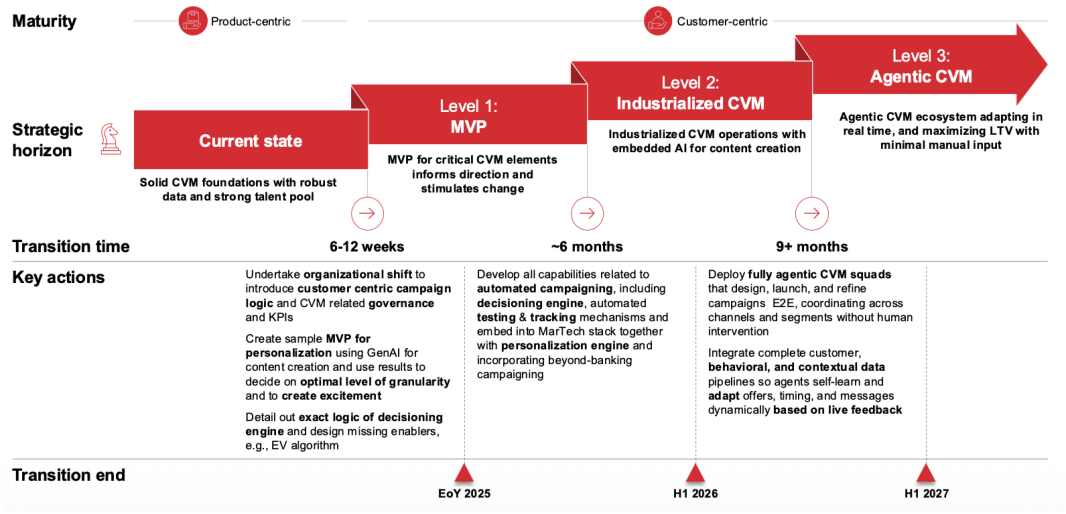


Figure L4

Decisioning engine maturity roadmap



Note: Adapted from *PUMB Internal CVM Compendium*, 2025