

CRESTLINE

BANK

ILLUSTRATIVE ASSESSMENT

Customer Leakage Intelligence Assessment

A connected view of where customer, operational and commercial evidence disagrees - and what leadership should address first.

ASSESSMENT PERIOD

12 months ending 30 June 2026

DOCUMENT STATUS

Fictional institution - Non-client sample

EXECUTIVE CONCLUSION

Crestline is meeting important service targets while customer value weakens after three critical transitions: approval, complaint closure and apparent retention.

PURPOSE AND STATUS

A worked example of how the assessment reaches a management decision.

The report connects customer, operational and commercial evidence to show where apparently healthy performance is concealing loss.

WHAT THIS REPORT DEMONSTRATES**● Joined evidence**

Feedback, journey events, service contacts, balances and product holdings are read together rather than as separate performance stories.

● Written interpretation

Each chapter states what was found, why the evidence supports that conclusion, what it means for management and what should happen next.

● Defensible exposure

Deposit movement is kept separate from annual contribution, and recoverable opportunity is narrower than total exposure.

● Controlled action

Recommendations include owners, safeguards, comparison groups and a decision gate before any intervention is scaled.

SAMPLE DISCLOSURE

Crestline Bank is a fictional institution created for this sample. The analysis is internally consistent and is included solely to demonstrate how the assessment would work in practice.

HOW TO READ THE CONCLUSIONS

Established findings are separated from estimates and matters that still require management validation. Association is not presented as causation unless competing explanations have been tested.

RELATIONSHIP TO THE CASE BRIEF

The case brief records the symptoms visible before the assessment. This report shows how those symptoms are resolved into three diagnoses, an exposure range and a controlled management response.

EXECUTIVE NAVIGATION

Read the conclusion first; use the appendix to challenge the evidence.

01	Executive decision brief	Conclusion, decisions and management interpretation	04-07
02	How the assessment reads	The standard applied to every finding	08
03	Finding 1 - Activation	Manual review weakens intent after approval	09-13
04	Finding 2 - Recovery	Closure occurs before customer recovery	14-18
05	Finding 3 - Value erosion	Value moves before retention measures react	19-24
06	Enterprise response	Shared causes, 90-day plan and governance	25-28
07	Validation and close	Limits, decisions and next step	29-31
08	Technical appendix	Definitions, detailed exhibits and exposure builds	32-48

RECOMMENDED EXECUTIVE ROUTE

Read pages 4-8, then the five or six-page chapter for each priority finding. The technical appendix contains the detailed cohorts, methodology, definitions and calculations.

EXECUTIVE CONCLUSION

The bank is recording success before customer value is secure.

Crestline's headline experience measures are credible. The leakage occurs after the point at which three important journeys are treated as complete.

79

/100

WHAT THE CONNECTED EVIDENCE SHOWS

Account approval does not guarantee activation. Complaint closure does not guarantee recovery. An open account does not guarantee retained value. The three gaps concentrate contribution exposure in cohorts the current dashboards do not bring together.

1

Manual-review activation gap

Evidence confidence: High

\$0.95m-\$1.73m

2

Complaint recovery gap

Evidence confidence: Moderate-high

\$1.50m-\$3.00m

3

Silent affluent value erosion

Evidence confidence: Moderate-high

\$3.40m-\$6.30m

ENTERPRISE EXPOSURE RECONCILIATION

\$5.3m-\$9.6m

The three finding ranges total \$5.85m-\$11.03m. A portfolio reserve of \$0.55m-\$1.43m removes likely overlap and uncertain attribution, producing the enterprise decision range.

DECISIONS REQUIRED

Four decisions can reduce exposure without waiting for a full transformation.

The first three decisions target the priority cohorts. The fourth changes the way Crestline defines success across all three journeys.

01

Protect affluent value before the relationship visibly exits

Approve an early-warning pilot for households showing relationship, service or value-migration signals.

Owner: Head of Affluent

0-30 DAYS

02

Recover momentum after manual verification

Create a named recovery owner and one status path for high-intent approvals held beyond 24 hours.

Owner: COO / Head of Retail

0-30 DAYS

03

Count recovery, not only complaint closure

Introduce a quality gate for payment-dispute and fraud-review cases before success is recorded.

Owner: COO / Head of Service

31-60 DAYS

04

Pair process measures with outcome measures

Read account opening, case closure and account status beside active use, repeat demand and retained value.

Owner: CX / Finance

31-60 DAYS

EXPECTED FIRST-YEAR OPPORTUNITY

The three pilot ranges total \$1.60m-\$3.67m. After a \$0.10m-\$0.27m portfolio reserve for overlap and delivery uncertainty, the planning range is \$1.5m-\$3.4m.

MANAGEMENT INTERPRETATION

Crestline does not have three isolated service problems.

It has one recurring management problem: success is recorded at an internal milestone before the customer outcome and commercial value are secure.

WHAT HAS GONE WRONG

Operational completion has become a substitute for customer outcome.

Account approval, complaint closure and an open account are legitimate process measures. The difficulty is that each measure stops before the event Crestline ultimately needs: active use, genuine recovery and retained relationship value.

The assessment does not dispute the bank's headline reporting. It shows that the reporting answers a narrower question than management believes it does.

WHY THIS MATTERS COMMERCIALY

The value is lost after the point that current accountability ends.

Acquisition spend has already been incurred when an approved customer fails to activate. Complaint handling cost has already been incurred when the customer must return. Relationship value has already begun moving when an account still appears retained.

WHY IT REMAINED HIDDEN

The evidence was available, but it was organised by function.

Acquisition teams saw approvals, service teams saw closed cases and relationship teams saw open products. No single view followed the same customer beyond those boundaries.

Feedback measures reinforced confidence because they remained positive at aggregate level and covered only the customers who responded.

WHAT THE EVIDENCE CHANGES

The bank can now define the loss as a transition problem.

The priority is no longer to improve a general experience score. It is to preserve customer intent, confirm recovery and detect value migration early enough for a controlled response.

CEO TAKEAWAY

Keep the process measures, but stop treating them as the final answer. Each must be paired with the later customer and commercial outcome it is intended to produce.

LEADERSHIP IMPLICATIONS

Extend ownership beyond the internal milestone and prove value before scaling.

The assessment points to defined cohorts and controlled interventions, not a broad transformation programme.

PRIORITY ORDER

Protect affluent value first; prove activation control fastest.

Silent affluent erosion is seen late and carries the largest exposure. It therefore deserves the first executive decision.

Manual-review activation offers the fastest proof because the affected cohort is identifiable and the control process need not be weakened.

ACCOUNTABILITY

A journey remains open until the intended outcome can be observed.

Named ownership should continue through active use, customer-confirmed recovery or a measured retained-value outcome. This changes the end point of accountability without removing functional expertise.

WHAT MANAGEMENT SHOULD AVOID

Do not answer a cohort problem with a blanket programme.

Relaxing verification controls, adding more complaint messages or matching every competitor rate would create new cost and risk without proving which mechanism matters.

The evidence supports targeted treatments with clear safeguards, comparison groups and a day-90 decision gate.

DECISION DISCIPLINE

Separate observed movement, exposure and recoverable opportunity.

Deposits moved are not revenue lost. Annual contribution exposure is not a forecast. The first-year opportunity is the smaller amount a defined intervention could reasonably protect.

THE MANAGEMENT QUESTION

Can Crestline intervene while intent or value is still recoverable, preserve necessary controls and prove the commercial effect before committing to scale?

FINDING STANDARD

Every conclusion must tell management what happened, why and what to do.

A score can direct attention, but it cannot substitute for a traceable diagnosis. The same written and analytical chain is applied to every priority finding.

01

What we found

State the affected customer, the point of leakage and its scale in plain language. The conclusion comes before the exhibit.

02

What it means

Explain why the pattern matters, why reporting missed it, which alternatives were tested and what remains uncertain.

03

What management should do

Define the owner, intervention, safeguards, proof measure and the point to scale, stop or redesign.

EVIDENCE STANDARD



Triangulate

At least two evidence families must agree.



Test

Plausible alternatives are compared.



Separate

Movement, exposure and opportunity stay distinct.



Validate

Uncertainty becomes a control before scale.

READING RULE

The main report carries the conclusion and decisive evidence. The technical appendix preserves the detailed tables, sensitivity ranges, data joins and case-reconstruction results used to challenge it.

PRIORITY FINDING 1

Approved customers are lost after manual review.



Leakage severity

WHAT WE FOUND

Crestline approved 6,480 applications through manual review, but only 1,724 became active within 90 days. The loss is concentrated after approval, where unclear status, repeated evidence requests and fragmented ownership weaken customer intent.

WHAT IT MEANS FOR MANAGEMENT

The bank does not need to relax verification controls. It needs to manage the customer transition around those controls and continue ownership until active use is secured.

High
Evidence confidence

Qualitative assessment

\$0.95m-\$1.73m
Annual contribution exposure

Decision range

6,480 approvals
Primary cohort

Assessment focus

WRITTEN FINDING

Manual review is preserving control but losing customer intent.

The acquisition problem begins after approval, when the customer still has several operational hand-offs to cross before becoming an active relationship.

WHAT THE EVIDENCE ESTABLISHES

The manual-review route is the clear outlier after approval.

Of 6,480 approved applications routed through manual review, only 1,724 reached active use within 90 days. The remaining 4,756 account for more than a third of all approved customers who failed to become active, even though the route produced only one fifth of approvals.

The gap widens at each later step: opening, funding, recurring use and product activation. Crestline is therefore paying to attract, review and approve customers whose commercial relationship never takes hold.

WHY THIS IS NOT ONLY LOW INTENT

A recoverable subset continues to signal commitment.

2,180 inactive manual-review customers showed at least two strong intent signals, including payroll setup, an initiated transfer, debit-card activation or completed product selection.

WHAT IS CAUSING IT

The control is necessary; the transition around it is unmanaged.

Customers who remain inactive experience longer periods without clear status, more repeated evidence requests and more changes of queue or owner. No single team owns the outcome from approval through meaningful use.

Product fit and lower intent explain part of the route's performance, but they do not explain why high-intent customers facing the same review reason are materially less likely to activate after repeated effort.

WHY CRESTLINE DID NOT SEE IT

Acquisition reporting ends too early.

The executive funnel records approval and opening, while 90-day use is reviewed elsewhere. The route-level difference is diluted by stronger branch and straight-through results.

MANAGEMENT MEANING

The answer is not to weaken verification. Crestline should continue ownership through activation for approved customers whose intent remains visible, while preserving the same control decision.

DECISIVE EVIDENCE

Manual review changes the economics of an approved application.

The branch and straight-through routes retain substantially more customer momentum after approval. Manual review is the outlier at every later step.

Approval route	Approved	Opened	Funded by 90 days	Active by 90 days	CSAT
Branch assisted	6,040	5,919 98.0%	5,013 83.0%	4,349 72.0%	89%
Digital straight-through	18,900	18,050 95.5%	13,608 72.0%	12,285 65.0%	86%
Digital plus manual review	6,480	5,210 80.4%	3,059 47.2%	1,724 26.6%	77%
All approved	31,420	29,179 92.9%	21,680 69.0%	18,358 58.4%	84%

4,756

Manual-review approvals not active

73.4% of the route

-38.4pts

Gap versus straight-through

26.6% vs 65.0%

77%

Manual-review onboarding CSAT

Positive, but weakly predictive

WHAT THIS EXHIBIT TELLS MANAGEMENT

The bank's 58.4% aggregate active-use rate hides a route problem. Manual review produces 20.6% of approvals but 36.4% of approved customers who remain inactive. A positive CSAT score does not offset the observed loss of customer momentum.

EXPOSURE ESTIMATE

The bank is exposing both relationship contribution and acquisition effort.

The estimate applies only to inactive manual-review customers with continuing intent signals. It does not treat all 4,756 inactive approvals as recoverable.

2,050-2,650
Recoverable account range

Intent-adjusted

\$29m-\$48m
Potential deposits

Not revenue

\$0.95m-\$1.73m
Annual contribution exposure

Decision range

Assumption	Low	Base	High
Recoverable inactive accounts	2,050	2,350	2,650
Average deposit potential	\$14,000	\$16,000	\$18,000
Deposit potential	\$28.7m	\$37.6m	\$47.7m
Annual contribution per account	\$350	\$430	\$510
Relationship contribution exposure	\$0.72m	\$1.01m	\$1.35m
Avoidable acquisition / handling cost	\$0.23m	\$0.30m	\$0.38m
Total annual contribution exposure	\$0.95m	\$1.31m	\$1.73m

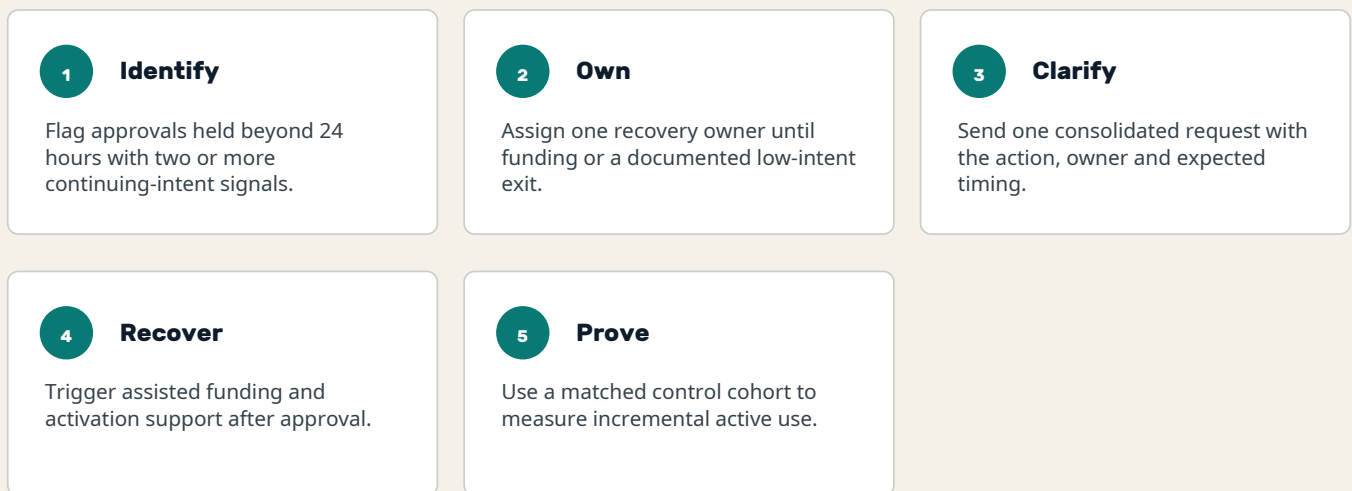
MANAGEMENT INTERPRETATION

A targeted pilot that improves manual-review activation without weakening control could protect approximately \$0.35m-\$0.72m in first-year contribution. The smaller opportunity range assumes only a portion of the identified cohort responds.

MANAGEMENT RESPONSE

Create a controlled recovery path for high-intent manual reviews.

The intervention changes ownership and communication around the control process. It does not change the control decision itself.

PILOT DESIGN

PROOF MEASURES AND SAFEGUARDS

Measure	Current	Pilot threshold	Safeguard
Active use at day 90	26.6%	34%-38%	Control exceptions unchanged
Median time to open	2.6 days	<1.5 days	No weakening of review
Evidence resubmission	29%	<15%	Complete request retained
Status inquiry	42%	<25%	Contact consent observed

DECISION GATE AT DAY 90

Scale only if active use improves after controlling for review reason, segment and intent, with no deterioration in fraud loss or control exceptions. If the outcome fails, redesign ownership and communication before increasing pilot reach.

PRIORITY FINDING 2

Complaint closure is not the same as customer recovery.



Leakage severity

WHAT WE FOUND

Although 91% of complaints are closed within target, 22% generate related repeat contact within 30 days. Case reconstruction shows that most repeat demand follows an incomplete action, fragmented ownership or an unclear outcome.

WHAT IT MEANS FOR MANAGEMENT

Closure speed remains useful, but it must be paired with proof that the linked action is complete, the customer understands the outcome and later behaviour has stabilised.

Moderate-high

Evidence confidence

Qualitative assessment

\$1.50m-\$3.00m

Annual contribution exposure

Decision range

16,840 cases

Primary cohort

Assessment focus

WRITTEN FINDING

Crestline closes complaints faster than it completes customer recovery.

The bank meets the administrative target in most cases, but a significant group returns because the linked customer outcome remains unfinished.

WHAT THE EVIDENCE ESTABLISHES

Closure speed and recovery are giving management different answers.

Ninety-one per cent of complaints are closed within target, yet 22% generate a related repeat contact within 30 days. Payment disputes and fraud or verification cases account for 54% of repeats.

Customers who return are also more likely to reduce balances, close products or complain again. Matching narrows those differences but does not remove them.

WHAT IT MEANS

A case can be complete for the bank and incomplete for the customer.

The current target rewards workflow completion. It does not confirm that a refund posted, access was restored, a verification hold cleared or the customer understood the outcome.

WHAT IS CAUSING IT

Linked actions and ownership continue outside the case record.

A structured review of 480 repeated cases found that 39% followed an incomplete linked action, 24% followed fragmented ownership and 21% followed an unclear closure message or expectation.

Only 16% were best explained by a genuinely new factor or irreducible complexity.

WHY CRESTLINE DID NOT SEE IT

The dashboard counts elapsed time, not later customer demand.

The closure target is reported at aggregate level. Repeat contact and 90-day relationship behaviour sit in different systems and are not used to qualify the original closure result.

MANAGEMENT MEANING

Do not remove the closure target. Pair it with proof that the linked action is complete, the customer understands the outcome and related contact does not recur.

DECISIVE EVIDENCE

Meeting the closure target does not predict full recovery.

The highest repeat-contact and subsequent balance-reduction rates sit inside categories that management currently considers substantially resolved.

Complaint group	Cases	In target	Repeat within 30 days	Balance reduced*
Card and payment disputes	4,820	93%	1,350 28%	8.6%
Account access	3,540	90%	850 24%	6.1%
Fees and charges	2,890	94%	607 21%	4.8%
Fraud / verification review	2,120	85%	657 31%	10.2%
Other	3,470	91%	243 7%	2.8%
All complaints	16,840	91%	3,707 22%	5.0%

*Material balance reduction within 90 days of closure. The sequence is observed; the controlled comparison tests whether case mix explains it.

WHAT THIS EXHIBIT TELLS MANAGEMENT

Closure performance looks healthy across most categories, but payment disputes and fraud review combine high repeat demand with the highest later balance reduction. Speed is therefore a process result, while repeat contact and later behaviour indicate whether recovery held.

EXPOSURE ESTIMATE

Preventable repeat demand creates service cost and relationship risk.

The estimate annualises H1 activity and applies the case-review preventability range. Relationship exposure is probability-adjusted; it does not attribute every subsequent loss to the complaint.

4,080-4,720 Preventable repeat cases Annualised range	\$13m-\$24m At-risk deposit movement Reported separately	\$1.50m-\$3.00m Annual contribution exposure Decision range
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Component	Assumption	Range
Annualised preventable repeat handling	4,080-4,720 cases x \$75-\$105	\$0.31m-\$0.50m
Product / fee contribution at risk	Probability-adjusted closure and reduced use	\$0.54m-\$1.05m
Relationship contribution at risk	Matched balance and NPS movement	\$0.65m-\$1.45m
Total annual contribution exposure	Does not include deposit principal	\$1.50m-\$3.00m
First-year recoverable opportunity	30%-40% response to targeted fixes	\$0.45m-\$0.95m

Deposit movement is not revenue. Only the bank's expected contribution from those balances enters the exposure range.

MANAGEMENT INTERPRETATION

The visible handling cost is comparatively small. The larger exposure sits in product use and relationship behaviour after weak recovery. The pilot must therefore measure both repeat demand and later customer value.

MANAGEMENT RESPONSE

Introduce a customer-recovery gate before closure is counted.

Start with payment-dispute and fraud-review cases. They represent 41% of complaint volume and 54% of related repeat demand.

CLOSURE QUALITY GATE

- 1 Primary issue**
 The original issue is resolved or the next dependency is explicitly recorded.
- 2 Linked action**
 Refund, access, verification or downstream product action is complete.
- 3 Customer understanding**
 The customer has a clear outcome, owner and expected timing.
- 4 Recovery signal**
 High-value or vulnerable cases receive a short confirmation check.
- 5 Outcome tracking**
 Related contact and 90-day behaviour remain linked to the case.

PILOT PROOF MEASURES
30-day related repeat

22% **17%-19%**

Closure within target

91% **>=89%**

Customer-confirmed recovery

Not used **>=75%**

90-day product closure among repeat contacts

5.9% **<4.5%**

DECISION GATE AT DAY 90

Scale if the pilot reduces related repeat contact and matched adverse behaviour without materially weakening the closure target. If closure slows without better recovery, redesign the workflow rather than abandoning the outcome measure.

PRIORITY FINDING 3

Satisfied customers are quietly moving value elsewhere.



Leakage severity

WHAT WE FOUND

14,620 affluent households reduced deposits by at least 20%, yet the cohort retained a positive NPS and many customers kept an active checking account. Crestline therefore records retention after the economic relationship has already weakened.

WHAT IT MEANS FOR MANAGEMENT

The response is not a blanket retention offer. It is an early-warning model that distinguishes relationship, service, rate and external causes and tests treatment against a holdout.

Moderate-high

Evidence confidence

Qualitative assessment

\$3.40m-\$6.30m

Annual contribution exposure

Decision range

72,400 households

Primary cohort

Assessment focus

WRITTEN FINDING

Crestline is retaining accounts after it has begun losing the relationship.

Affluent customers can remain satisfied, keep an active checking account and still move deposits and products elsewhere.

WHAT THE EVIDENCE ESTABLISHES
Commercial behaviour and experience scores separate poorly.

Of 72,400 affluent households observed, 14,620 reduced deposits by at least 20%, representing \$612m of gross movement.

The affected cohort retained a positive NPS of +43, 61% had not complained in the prior year and 46% kept an active checking account. Standard satisfaction and retention reporting therefore continued to look healthy.

WHAT THE BANK IS LOSING
The exposure is share of wallet before it becomes full attrition.

The affected households reduced deposits by 31.4% on average and held 0.41 fewer Crestline products. The bank remains present, but it is no longer the primary financial relationship.

WHAT IS CAUSING IT
The movement has several causes and should not receive one treatment.

Rate-led movement is the largest gross cohort, but relationship and service-friction cohorts show the clearest bank influence. Life-stage movement is largely external and should not be labelled a customer-experience failure.

The decisive operating gap is that service, relationship and balance signals are not assembled into a household-level warning before value moves.

WHY CRESTLINE DID NOT SEE IT
Retention is defined as account status, not retained economic value.

The reporting system reacts to complaints, detractors and closure. Those are late signals for a customer who quietly transfers balances while leaving a transactional account open.

MANAGEMENT MEANING

The response is not a blanket retention offer. Crestline needs an early-warning model that distinguishes relationship, service, rate and external causes, then proves treatment value against a holdout.

COHORT SEGMENTATION

Deposit movement has several causes, and they are not equally addressable.

The 14,620 material reducers were classified using transaction patterns, product changes, service events, relationship activity and available feedback.

Best-fit cohort	Households	Deposit reduction	Controllability	Evidence confidence
Rate-led migration	5,420	\$278m	Medium	Moderate-high
Relationship / advice gap	3,760	\$171m	High	Moderate
Service or channel friction	2,430	\$91m	High	High
Life-stage / external need	1,650	\$52m	Low	Requires validation
Unclassified	1,360	\$20m	Unknown	Requires validation
Total	14,620	\$612m	-	-

WHAT THIS EXHIBIT TELLS MANAGEMENT

The bank should not treat all \$612m as preventable. Relationship and service-friction cohorts account for \$262m of gross movement and show the strongest evidence of controllable leakage. Rate-led movement requires selective treatment; external and unclassified movement require caution.

COHORT INTERPRETATION

What separates the cohorts is the pattern before the money moves.

The classifications are working hypotheses built from joined behaviour. They guide the pilot; they are not a substitute for management validation.

RATE-LED MIGRATION

Large transfers occur near rate changes or maturities, with fewer service events. Treatment must protect margin and should not default to rate matching.

RELATIONSHIP OR ADVICE GAP

Long contact gaps, declining product holdings and unmet advisory needs appear before movement. A named relationship review is plausible.

SERVICE OR CHANNEL FRICTION

Access failures, repeated contacts and unresolved service sequences precede outflow. The first action is to fix and confirm recovery.

LIFE-STAGE OR EXTERNAL NEED

Property, retirement, relocation and other visible uses explain movement that the bank may not reasonably prevent. Avoid intrusive intervention.

MANAGEMENT IMPLICATION

The classification changes the decision from 'retain everyone' to 'intervene only where the evidence indicates a bank-influenced cause and a practical response route.'

EXPOSURE ESTIMATE

Only a portion of gross deposit movement enters the decision range.

The estimate separates deposit principal, annual contribution and the smaller first-year opportunity that a targeted response might realistically protect.

\$612m Gross deposit reduction Observed movement	\$155m-\$225m Potentially addressable deposits After cohort and portfolio discounts	\$3.40m-\$6.30m Annual contribution exposure Decision range
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Component	Assumption	Range
Cohort-adjusted deposit range	Attribution and controllability by cohort	\$188m-\$269m
Portfolio reserve	Cross-cohort overlap and model conservatism	Less \$33m-\$44m
Potentially addressable deposits	Cohort range less portfolio reserve	\$155m-\$225m
Deposit contribution	1.55%-2.05% annual contribution assumption	\$2.40m-\$4.60m
Product contribution	Reduced holdings and associated fee / margin	\$1.00m-\$1.70m
Total annual contribution exposure	Deposit plus product contribution	\$3.40m-\$6.30m

MANAGEMENT INTERPRETATION

Deposit principal is not revenue. The exposure range converts only expected annual contribution from potentially addressable balances and product holdings. The first-year recoverable opportunity is \$0.80m-\$2.00m after pilot reach, response and margin guardrails.

MANAGEMENT RESPONSE

Pilot an early-warning and treatment model with a holdout group.

The intervention should distinguish rate, relationship and service needs rather than giving every customer the same retention offer.

RELATIONSHIP
Named outreach

Review goals, product fit and service gaps before proposing an offer.

SERVICE
Fix then recover

Resolve the friction sequence and confirm that normal use is restored.

RATE
Value-sensitive response

Use pricing guardrails, advice and alternatives; do not default to rate matching.

EXTERNAL
Respect the signal

Avoid unnecessary intervention where a life-stage need is already clear.

PILOT DESIGN AND PROOF

Treat 9,500 eligible households and preserve a 1,200-household matched holdout. Respond within 72 hours of a high-confidence trigger, test for 8%-12% lower outflow and apply contact-suppression and preference safeguards.

DECISION GATE AT DAY 90

Scale only if treatment protects contribution after offer cost, avoids harmful over-contact and performs better than the holdout within each cause cohort.

CROSS-ENTERPRISE DIAGNOSIS

The three findings share one operating pattern and four root conditions.

The journeys differ, but Crestline repeatedly ends accountability at a process milestone and assembles customer-value evidence too late.

Shared cause	Activation	Recovery	Value erosion
Success recorded too early	Approval / opening	Case closed	Account active
Outcome owner ends at boundary	Sales to review / operations	Service to product operations	Relationship / product / channel
Customer value arrives late	90-day use not joined	Behaviour after closure	Movement after erosion
Signal not assembled for action	Intent + queue + message	Case + contact + value	Service + relationship + value

ENTERPRISE ENABLERS

1 Outcome definitions Define active, recovered and retained value beyond process completion.	2 Named transition ownership Assign accountability until the customer outcome is reached.	3 Joined customer timeline Make event, contact, feedback and value signals visible in sequence.	4 Benefit controls Use holdouts, assumptions and Finance validation before declaring value.
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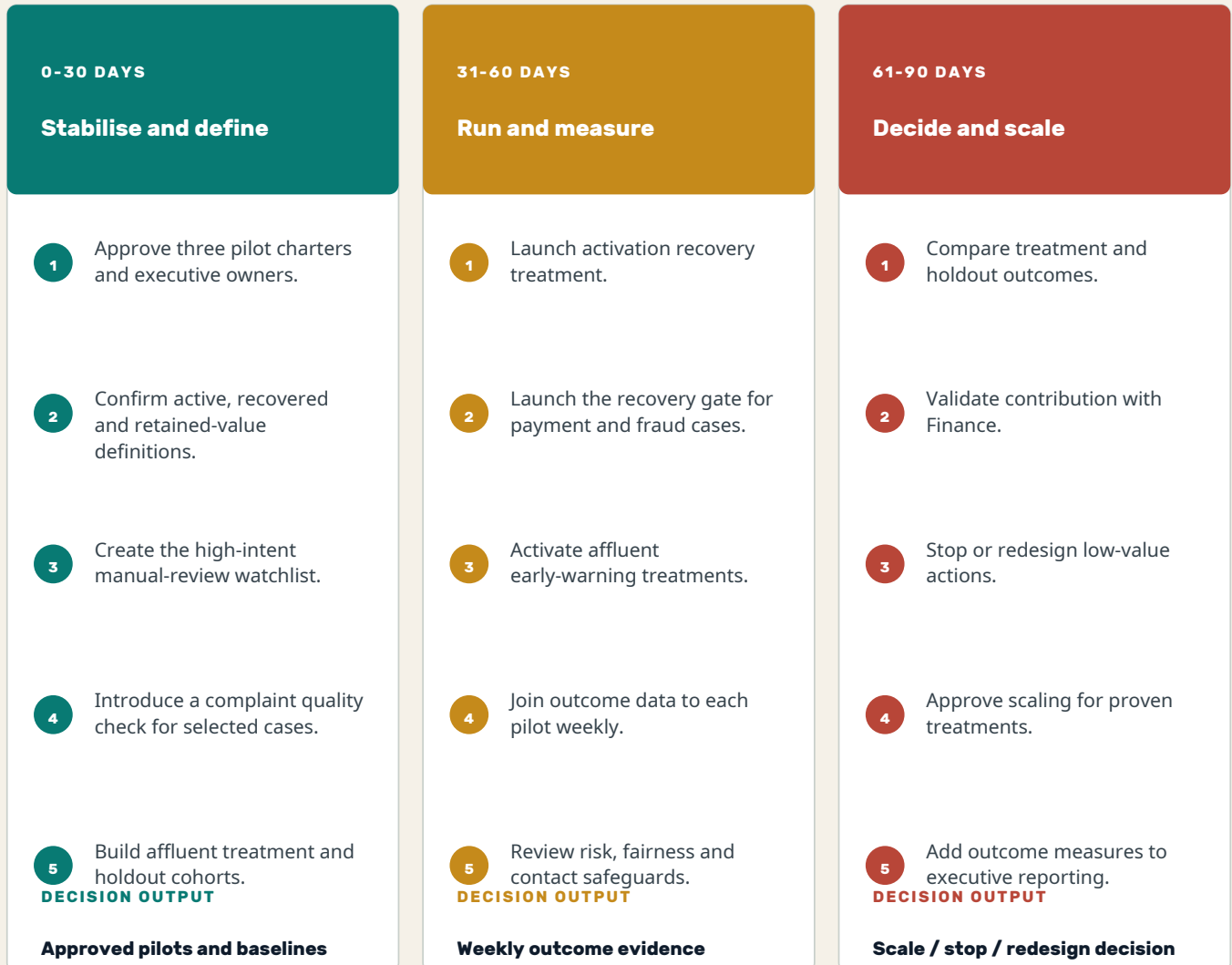
ENTERPRISE MEANING

Crestline needs three targeted interventions and one shared management system: outcome definitions, extended ownership, a joined timeline and disciplined benefit validation.

90-DAY PRIORITY PLAN

Sequence the work around proof, not activity.

The plan starts with definitions and pilot cohorts, then builds the joined operating view needed to scale what works.


MANAGEMENT DISCIPLINE

No workstream should claim benefit from activity volume alone. Each pilot requires a pre-agreed baseline, comparison group where practical, contribution assumption and named executive decision at day 90.

OUTCOME MEASUREMENT

Pair three process measures with outcome measures.

Existing operational measures remain useful. They should be read beside customer and commercial outcomes that show whether value was actually secured.

Journey	Current process measure	Required outcome	Commercial companion	Owner
Activation	Account opened	Active use at day 90	Approval route plus intent cohort	COO / Retail
Recovery	Closed within target	Related repeat within 30 days	90-day value behaviour	COO / Service
Retention	Account remains open	Relationship value retained	Balance plus product depth	Affluent / Finance

ACTIVATION

Did the approved customer establish meaningful use?

RECOVERY

Did the customer recover without returning?

RETENTION

Is Crestline retaining the economic relationship?

MINIMUM EXECUTIVE VIEW

Severity and exposure by finding | treatment versus holdout | outcome change | Finance-validated contribution | customer safeguard exceptions | decision required.

GOVERNANCE RHYTHM

Give each pilot a forum, an owner and a decision cadence.

Governance should expose cohort movement, data quality and customer safeguards before benefit claims reach the executive dashboard.

WEEKLY
Pilot working group

Review cohort movement, operational exceptions, contact safeguards and data quality. Resolve blockers while the intervention can still be adjusted.

MONTHLY
Executive leakage review

Review outcome trend, exposure movement, control exceptions and decisions that require cross-functional authority.

QUARTERLY
Value and control validation

Finance validates contribution, Risk confirms control outcomes and executives decide whether to scale, stop or redesign.

DECISION OWNERSHIP

The working group prepares evidence; it does not declare success. Named executives own the scale decision, while Finance and Risk retain independent validation roles.

ASSUMPTIONS AND LIMITATIONS

The assessment is decision-ready because its uncertainty is visible.

The figures support a management decision, but they should not be read as audited financial loss or proof that customer experience caused every outcome.

KEY ASSUMPTIONS
● Contribution ranges

Finance assumptions represent annual relationship contribution, not gross balances or revenue.

● Recoverability

Only customers with visible intent or controllable signals enter opportunity estimates.

● Complaint annualisation

H1 activity is doubled; seasonality is not separately modelled.

● Portfolio reserves

Enterprise and deposit ranges are reduced for overlap and uncertain attribution.

LIMITATIONS
● Unobserved causes

Matched comparisons cannot remove every unrecorded difference.

● Survey coverage

NPS describes respondents, not every household.

● Household linking

Some relationships may sit outside the consolidated view.

● External offers

Competitor pricing and advice are inferred unless recorded.

VALIDATION BEFORE SCALE
FINANCE

Confirm contribution and deposit-value assumptions.

RISK / COMPLIANCE

Confirm controls remain effective in redesigned paths.

DATA

Reconcile cohort counts, joins and missingness.

BUSINESS OWNERS

Confirm feasibility and customer treatment.

DOCUMENT STATUS

Crestline Bank is a fictional institution created for this sample. The analysis is internally consistent and demonstrates how findings, uncertainty and management controls would be presented in practice.

WHAT CHANGED

The assessment turns three contradictions into three accountable decisions.

Crestline began with credible performance measures and unexplained commercial movement. The joined evidence identifies where the disagreement sits and how management can test a response.

Original symptom	Assessment diagnosis	Management decision	Year-one opportunity
Approved, not active	Unmanaged manual-review transition	Recover high-intent approvals	\$0.35m-\$0.72m
Closed, not recovered	Linked action unfinished at closure	Introduce recovery quality gate	\$0.45m-\$0.95m
Retained, losing value	Late household warning	Pilot cause-based treatment	\$0.80m-\$2.00m

THE ASSESSMENT STANDARD

A useful finding should make the management question clearer, the exposure more defensible and the next decision easier to test.

THE DECISION NOW AVAILABLE

Crestline can act on three defined cohorts, measure later customer and commercial outcomes, and decide at day 90 whether each intervention should scale, stop or be redesigned.

FROM EVIDENCE TO ACTION

The value of the assessment is the decision it makes possible.

A live engagement would replace this internally consistent sample with management-validated evidence from the organisation's own journeys, customers and financial assumptions.

WHAT MANAGEMENT RECEIVES

A written diagnosis, not a collection of dashboard observations.

Each priority finding identifies the affected cohort, the disagreement in the evidence, the likely cause, the value exposed and the decision management should test.

WHAT REMAINS WITH MANAGEMENT

Validation, control ownership and the scale decision.

The assessment makes uncertainty visible so Finance, Risk and business owners can challenge the assumptions before benefit is claimed.

CONTINUE THE CONVERSATION

REVIEW THE STARTING PROBLEM

Open the Crestline case brief

customerleaklab.com

WHERE THE PROCESS STARTS

The first conversation clarifies the business question and available evidence.

The case brief can be used to compare Crestline's starting symptoms with the organisation's own experience before deciding whether a full assessment is appropriate.

WHAT THE NEXT STEP SHOULD ACHIEVE

A sharper question, not an immediate sales commitment.

A useful diagnostic call should leave leadership clearer about the commercial problem, the evidence needed and whether the assessment is the right next step.

DISCUSS YOUR ORGANISATION

Book a diagnostic call

customerleaklab.com/booking

TECHNICAL APPENDIX

Evidence behind the management conclusions

The main report states the findings and decisions. The appendix preserves the detailed analytical trail used to test, quantify and challenge them.

A**Assessment basis**

Definitions, scope, joins, method, confidence and severity

B**Activation detail**

Manual-review cohorts, event sequence, causes and exposure

C**Recovery detail**

Case reconstruction, matched comparison and exposure

D**Value erosion detail**

Warning signals, controllability and exposure reconciliation

USE OF THE APPENDIX

The exhibits support the decisions; they are not intended to replace the written interpretation in the main report.

APPENDIX GUIDE

Each exhibit answers a specific challenge to the conclusion.

Use this section to test definitions, concentration, alternative explanations and the construction of each exposure range.

A
Assessment basis
34-38

Definitions, scope, joining logic, confidence, severity and connected evidence.

B
Activation detail
39-42

Manual-review reasons, customer sequence, causal assessment and sensitivity range.

C
Recovery detail
43-45

Repeat-case reconstruction, matched comparison and exposure build.

D
Value erosion detail
46-48

Early-warning signals, controllability discounts and exposure reconciliation.

INTERPRETATION DISCIPLINE

Precision in an exhibit does not remove uncertainty from attribution. Read each table with the relevant finding, assumptions and management validation requirement.

DEFINITIONS

How to read the measures used in this assessment.

The terms below distinguish process completion, later customer behaviour and commercial value. They should be confirmed with management before a live assessment is finalised.

ACTIVE USE

An opened account with an initial deposit plus recurring qualifying activity or product use within 90 days.

MATERIAL BALANCE REDUCTION

A decline of at least 20% in the relevant balance over the observation period, after normal volatility rules.

ANNUAL CONTRIBUTION EXPOSURE

Expected annual margin or fee contribution associated with value plausibly at risk. It is not deposit principal or gross revenue.

FIRST-YEAR RECOVERABLE OPPORTUNITY

The smaller portion of contribution exposure that a defined intervention could reasonably protect in year one.

MATCHED DIFFERENCE

The remaining outcome gap after comparing customers with similar observed complaint and relationship characteristics.

HOLDOUT GROUP

A comparable cohort that does not receive the pilot treatment, used to estimate what would have happened without it.

PERCENTAGE POINTS

The arithmetic difference between two percentages. A change from 22% to 17% is five percentage points.

EVIDENCE CONFIDENCE

A qualitative judgement based on agreement across sources, stability of the pattern, alternative explanations and missingness.

LINKED ACTION

A refund, access restoration, verification clearance or product action required for a complaint outcome to be complete.

NPS / CSAT

Survey measures of recommendation and satisfaction. They describe respondents and do not by themselves measure retained value.

READING CAUTION

Observed movement, contribution exposure and recoverable opportunity are different amounts. Keeping them separate prevents a balance movement from being presented as revenue loss.

SCOPE AND EVIDENCE

The assessment connects records that were previously reviewed apart.

The analysis covers the twelve months ending 30 June 2026, with complaint recovery examined in greater detail for H1 2026.

48,200 Applications started Acquisition events	16,840 Complaints reviewed Cases closed in H1	72,400 Affluent households Balance histories	18,760 Relationship responses NPS linked to records
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Evidence family	What it contributes	Joining key
Application events	Start, submit, verification, approval, open, funding and active use	Customer plus event time
Manual-review records	Queue, reason, requests, reassignment, wait time and outcome	Application plus review
Complaint records	Issue, severity, closure, linked action and repeat contact	Customer plus case
Relationship history	Balances, products, inflows, tenure and relationship activity	Household plus month
Experience responses	NPS, CSAT, free text, journey and response date	Customer plus response
Control and cost data	Control exceptions, fraud loss, handling cost and contribution	Route / case / household

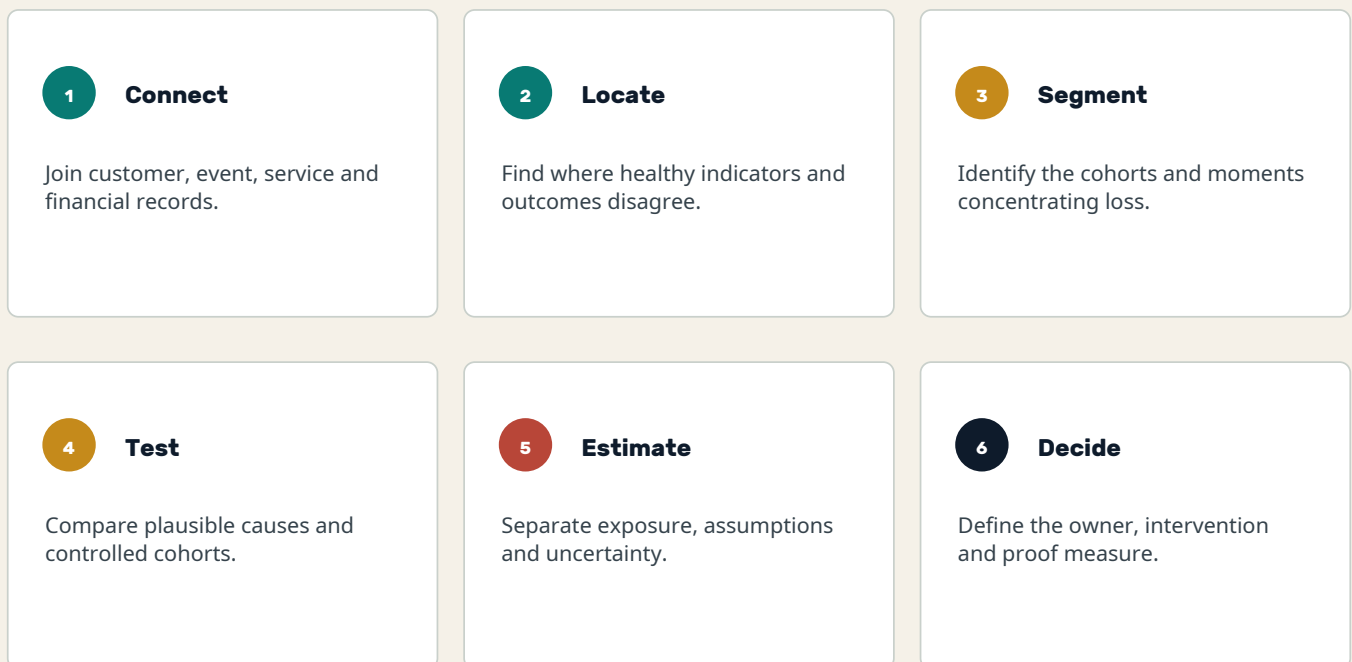
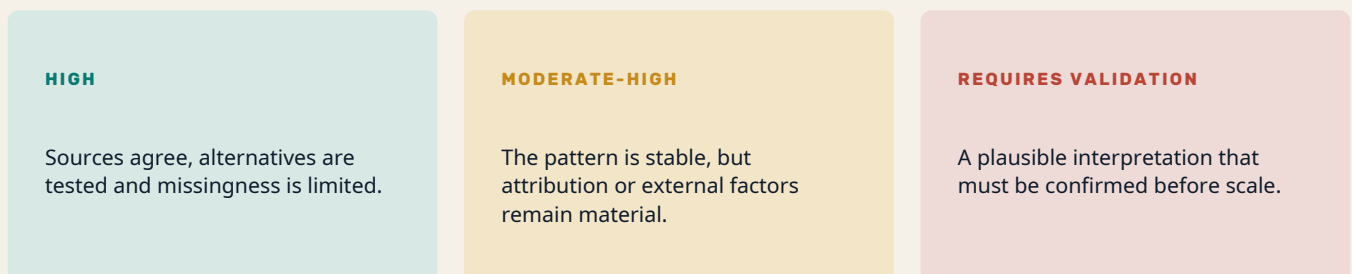
SCOPE BOUNDARY

The assessment follows the customer beyond the operational milestone. It does not claim that every later movement was caused by the earlier experience; attribution is tested separately.

ASSESSMENT LOGIC

The method moves from disagreement to a decision.

A score can direct attention, but it cannot substitute for a traceable diagnosis. The analytical chain below is applied to every priority finding.

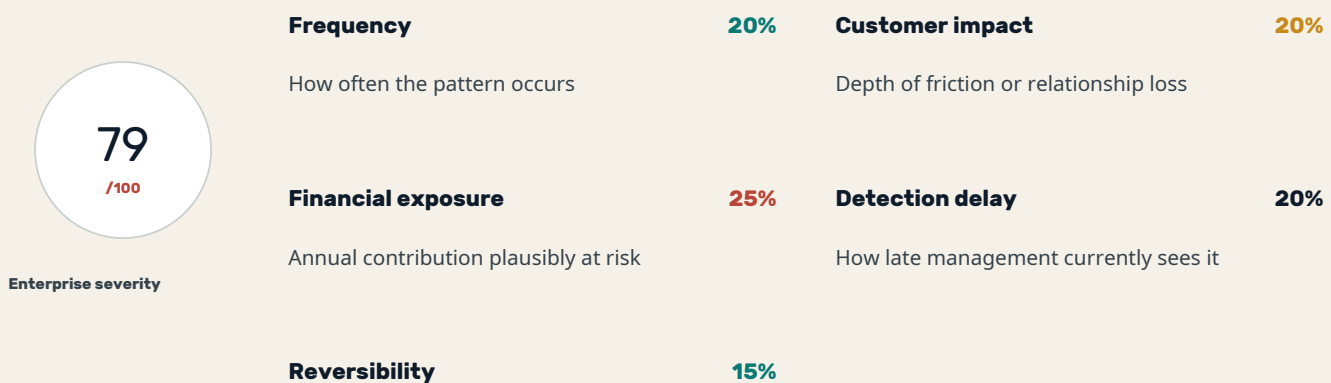

EVIDENCE CONFIDENCE

MANAGEMENT VALIDATION IS PART OF THE METHOD

It prevents an observed relationship from being treated as proven causation and forces the intervention to create the evidence required for a scale decision.

SEVERITY MODEL

Silent value erosion is the first priority, not the only priority.

Severity combines frequency, customer impact, financial exposure, detection delay and reversibility. It does not replace the written diagnosis.



Finding	Severity	Confidence	Contribution exposure	Response
Manual-review activation	72	High	\$0.95m-\$1.73m	Prioritise
Complaint recovery	76	Moderate-high	\$1.50m-\$3.00m	Prioritise
Silent affluent value erosion	86	Moderate-high	\$3.40m-\$6.30m	First priority

WHAT THIS EXHIBIT TELLS MANAGEMENT

The affluent finding ranks first because exposure is large, detection is late and the customer can appear retained while value moves. Activation and recovery remain priorities because their cohorts are identifiable and the response is comparatively controllable.

CONNECTED EVIDENCE MAP

The three losses occur after a function declares its work complete.

The evidence becomes useful when the bank follows the customer beyond the operational milestone and into later behaviour.

SUCCESS RECORDED
Account approval / opening
WHAT FOLLOWS

Manual-review customer remains unfunded or inactive

EVIDENCE JOINED

Application + review + 90-day use

SUCCESS RECORDED
Complaint closed in target
WHAT FOLLOWS

Customer returns and later reduces value

EVIDENCE JOINED

Case + contact + 90-day behaviour

SUCCESS RECORDED
Account remains open
WHAT FOLLOWS

Deposits and products migrate elsewhere

EVIDENCE JOINED

Household + service + balance history

COMMON MEASUREMENT DEFECT

Crestline reports process completion reliably. It does not consistently test whether completion changed later customer behaviour or protected the economic relationship.

MANUAL-REVIEW BREAKDOWN

Two review reasons create the weakest path to active use.

Income or source-of-funds review and fraud or verification review combine lower opening rates with the lowest active-use conversion.

Review reason	Approved	Opened	Funded by 90 days	Active by 90 days
Identity mismatch	2,310	2,020 87.4%	1,247 54.0%	739 32.0%
Income / source of funds	1,620	1,200 74.1%	632 39.0%	308 19.0%
Address / document	1,430	1,210 84.6%	729 51.0%	400 28.0%
Fraud / verification	1,120	780 69.6%	451 40.3%	277 24.7%
Total manual review	6,480	5,210 80.4%	3,059 47.2%	1,724 26.6%

OPERATIONAL SIGNALS IN THE ROUTE

42% At least one status inquiry	29% Evidence resubmitted	22% Changed queue or owner	18% Received two or more similar messages
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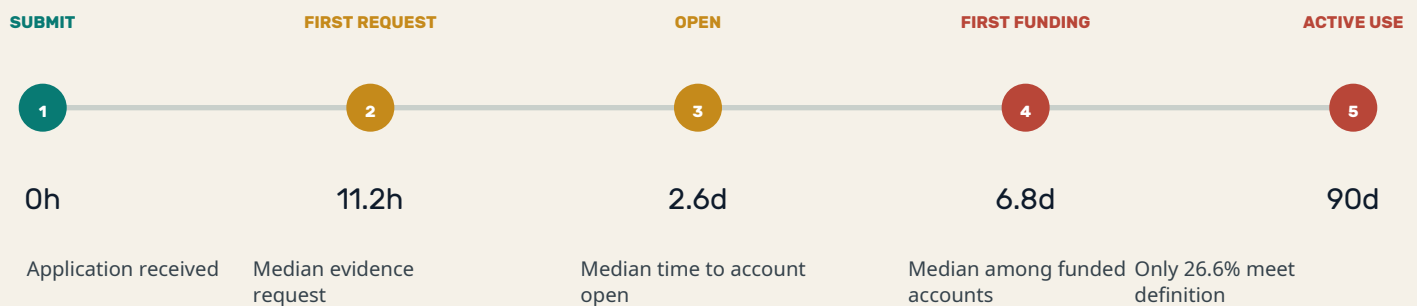
WHAT THIS EXHIBIT TELLS MANAGEMENT

The route contains both low-intent demand and recoverable customers. The operational signal percentages overlap and should not be added. Together they help identify a high-intent subset for targeted recovery.

CUSTOMER EVENT SEQUENCE

Momentum weakens while the customer waits without a clear owner.

The decisive difference is not only the duration of review. It is the combination of waiting, unclear status and repeated customer effort.


DIFFERENT PATHS WITHIN THE SAME ROUTE

Signal	Active by day 90	Not active by day 90	Difference
Status inquiry	19%	52%	+33pts
Evidence resubmission	11%	38%	+27pts
Queue / owner change	8%	27%	+19pts
Clear next-step message*	77%	38%	-39pts
Median time to open	1.4 days	3.1 days	+1.7 days

*Message audit of 360 cases. Clear means the message stated the action, owner and expected timing.

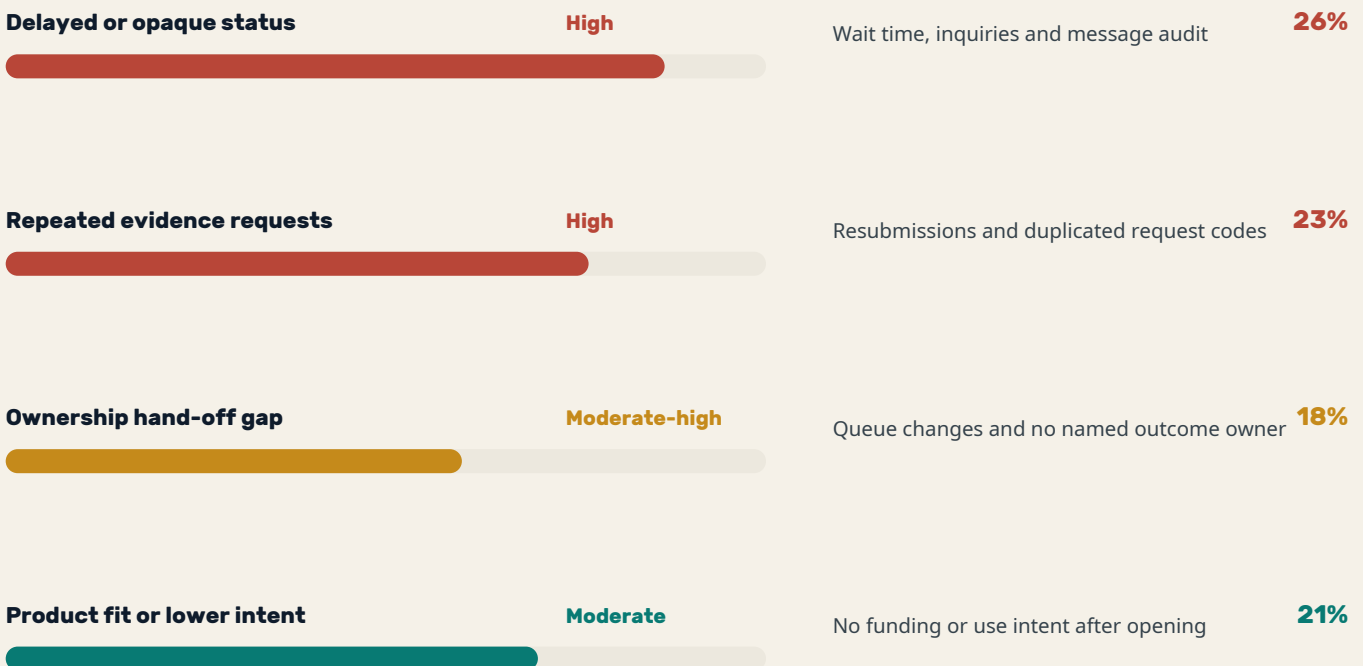
DIAGNOSIS SUPPORTED

Manual review creates leakage when the control becomes a sequence of disconnected requests rather than a managed customer transition. Approval remains valid, but no function owns the commercial outcome.

CAUSAL ASSESSMENT

The dominant causes are operational and recoverable.

Five explanations were tested against event timing, messages, queue changes and intent signals. The shares are mutually exclusive best-fit explanations and total 100%.


WHAT THE EVIDENCE RULES OUT

Lower customer intent explains part of the gap, but it does not explain the strong relationship between repeated effort, unclear messages and non-activation within the same review reason and segment.

MANAGEMENT VALIDATION REQUIRED

Confirm that the control environment permits a single customer owner, proactive status updates and consolidated evidence requests. Compliance controls remain unchanged.

SENSITIVITY BUILD

The activation range depends on recoverable accounts and contribution assumptions.

The model avoids treating every inactive approval as recoverable and keeps potential balances separate from annual contribution.

Assumption	Low	Base	High
Recoverable inactive accounts	2,050	2,350	2,650
Average deposit potential	\$14,000	\$16,000	\$18,000
Potential deposits	\$28.7m	\$37.6m	\$47.7m
Annual contribution per account	\$350	\$430	\$510
Relationship contribution exposure	\$0.72m	\$1.01m	\$1.35m
Avoidable acquisition / handling cost	\$0.23m	\$0.30m	\$0.38m
Total annual contribution exposure	\$0.95m	\$1.31m	\$1.73m
First-year recoverable opportunity	\$0.35m	\$0.52m	\$0.72m

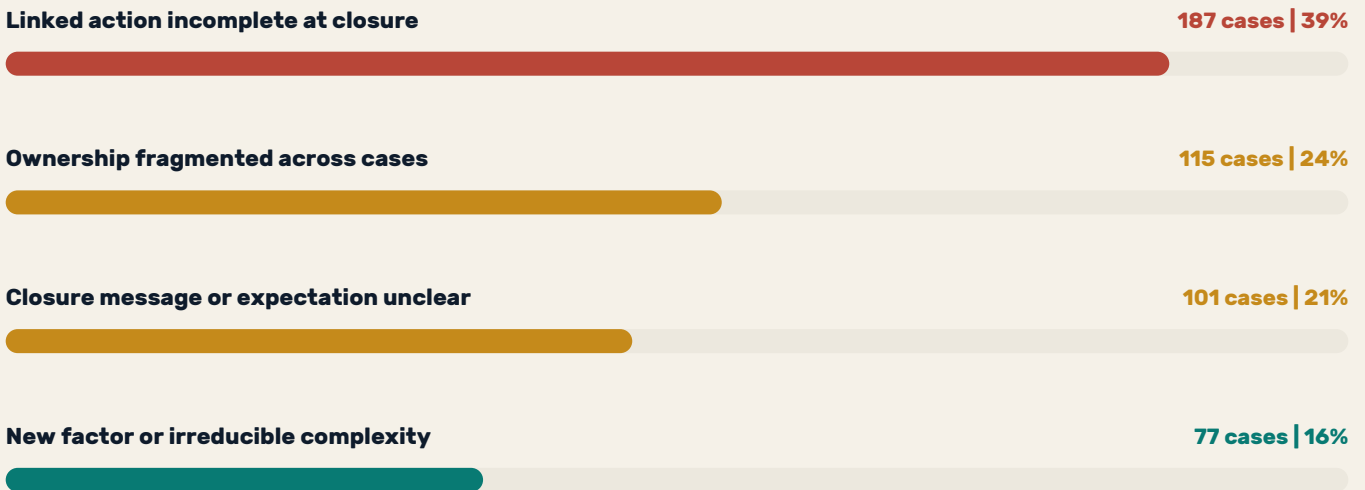
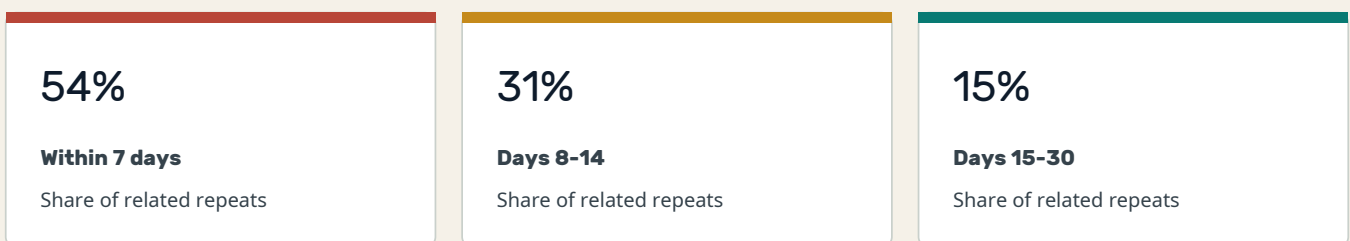
WHAT THIS EXHIBIT TELLS MANAGEMENT

Potential deposits of \$28.7m-\$47.7m are not revenue. The largest model uncertainty is how many inactive customers remain genuinely recoverable, so the pilot should update the account range before changing contribution assumptions.

CASE RECONSTRUCTION

Most repeat demand appears quickly and follows an unfinished sequence.

A structured review of 480 repeated cases traced the customer from the initial complaint through closure and the next related contact.

BEST EXPLANATION FROM THE CASE REVIEW

WHEN THE CUSTOMER RETURNS

THE PROCESS DEFECT

The case can close while a refund, access restoration, verification clearance or customer confirmation remains outstanding in another workflow.

DIAGNOSIS SUPPORTED

Incomplete linked action, fragmented ownership and unclear outcomes explain 84% of the reviewed repeats. The remaining 16% reflects new factors or irreducible complexity.

CONTROLLED COMPARISON

Repeat contact remains a risk signal after case complexity is considered.

Customers with and without related repeat contact were compared on complaint type, severity, tenure, segment, relationship value and prior service demand.

Outcome within 90 days	No related repeat	Related repeat	Raw difference	Matched difference*
Material balance reduction	3.1%	8.7%	+5.6pts	+3.4pts
Product closure	1.8%	5.9%	+4.1pts	+2.6pts
Further complaint	2.4%	11.6%	+9.2pts	+6.8pts
Relationship NPS decline	7.9%	18.3%	+10.4pts	+7.1pts

*The matched difference controls for observed case and customer characteristics. Unobserved factors may still contribute.

Balance reduction

+5.6pts raw +3.4pts matched

The association narrows but remains material.

Product closure

+4.1pts raw +2.6pts matched

The association narrows but remains material.

WHAT THIS EXHIBIT TELLS MANAGEMENT

Case complexity explains part, but not all, of the later behaviour gap. Repeat contact remains a useful warning signal and a practical target for a controlled recovery intervention.

EXPOSURE BUILD

Operational cost is visible; relationship exposure is larger.

The model annualises preventable repeat demand and probability-adjusts later product and relationship effects.

Component	Range	Basis
Annualised related repeats	7,414 cases	H1 cases x 2
Preventable repeat range	4,080-4,720 cases	55%-64% of annualised repeats
Avoidable handling cost	\$0.31m-\$0.50m	Cases x \$75-\$105
Product / fee contribution at risk	\$0.54m-\$1.05m	Adjusted closure and reduced use
Relationship contribution at risk	\$0.65m-\$1.45m	Matched balance and NPS movement
Total annual contribution exposure	\$1.50m-\$3.00m	Does not include deposit principal
First-year recoverable opportunity	\$0.45m-\$0.95m	30%-40% response to targeted fixes

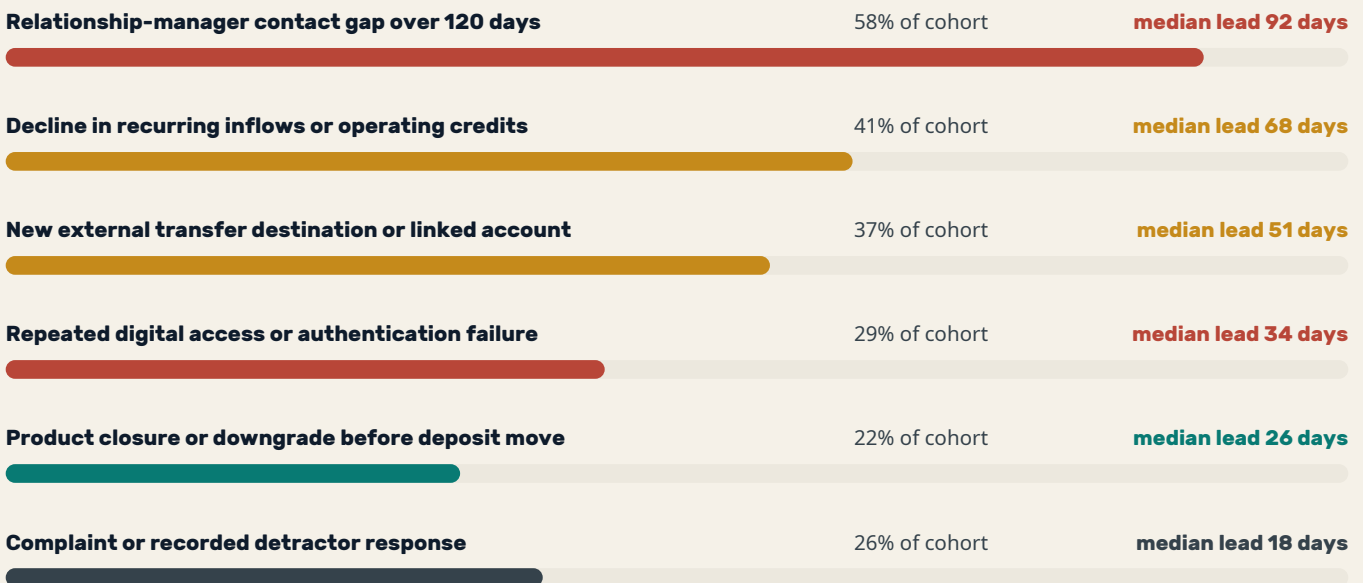
WHAT THIS EXHIBIT TELLS MANAGEMENT

The separate \$13m-\$24m balance range is not revenue. The pilot should be justified by the combined service and relationship effect, not handling cost alone, and Finance should validate contribution before any benefit is declared.

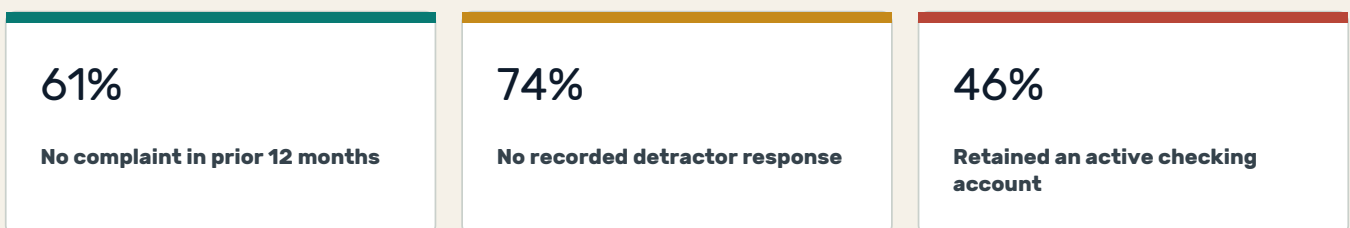
EARLY-WARNING SIGNALS

The strongest warnings appear before a complaint or detractor score.

For relationship and service-friction cohorts, joined data identifies several signals with enough lead time for a measured response.



Customers can show more than one warning signal. The percentages overlap and should not be added.

WHY THE MOVEMENT REMAINS SILENT

WHAT THIS EXHIBIT TELLS MANAGEMENT

Complaint and survey signals arrive late and cover only part of the cohort. Relationship contact, inflow and service patterns provide earlier warning and should be assembled at household level.

CAUSAL AND CONTROLLABILITY VIEW

The assessment narrows the addressable problem before estimating value.

Each cohort is discounted for evidence of bank influence and practical ability to change the outcome.

Cohort	Gross move	Bank-influence range	Control	Cohort-adjusted deposits	Response
Rate-led migration	\$278m	40%-55%	Medium	\$56m-\$84m	Selective rate / advice
Relationship / advice gap	\$171m	60%-75%	High	\$82m-\$109m	Proactive relationship
Service / channel friction	\$91m	65%-80%	High	\$47m-\$64m	Fix plus recovery
Life-stage / external need	\$52m	5%-15%	Low	\$3m-\$8m	Do not over-intervene
Unclassified	\$20m	0%-20%	Unknown	\$0m-\$4m	Validate first
Cohort-adjusted total	\$612m	-	-	\$188m-\$269m	Before portfolio reserve

WHAT THIS EXHIBIT TELLS MANAGEMENT

Act on relationship and service-led cohorts, act selectively on rate-led movement and avoid overreach in external or unclassified cases. The \$188m-\$269m cohort-adjusted range is an analytical input before a separate portfolio reserve, not an amount expected to be recovered.

EXPOSURE RECONCILIATION

The addressable range is narrower than the cohort estimates.

A final portfolio reserve removes cross-cohort overlap and model conservatism before the contribution range is calculated.

\$612m Gross deposit movement Observed	\$188m-\$269m Cohort-adjusted deposits After cohort discounts	\$155m-\$225m Potentially addressable deposits After portfolio reserve
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Step	Basis	Range
Gross observed reduction	Household balance movement	\$612m
Cohort attribution and controllability	Best-fit range by cohort	\$188m-\$269m
Portfolio reserve	Overlap and model conservatism	Less \$33m-\$44m
Potentially addressable deposits	Range entering contribution model	\$155m-\$225m
Annual contribution exposure	Deposit contribution (\$2.40m-\$4.60m) plus product contribution (\$1.00m-\$1.70m)	\$3.40m-\$6.30m
First-year recoverable opportunity	Pilot reach, response and guardrails	\$0.80m-\$2.00m

WHAT THIS EXHIBIT TELLS MANAGEMENT

The \$155m-\$225m range is now traceable to the cohort totals: \$188m-\$269m less a \$33m-\$44m portfolio reserve. Only annual contribution from that range enters financial exposure.