***Independent Banker***

**Columns: From the Top**

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[tag] **From the Top**

[byline] **Brad M. Bolton**

Chairman, ICBA

*Brad M. Bolton is president and CEO of Community Spirit Bank in Red Bay, Ala.*

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The people behind a community bank make it what it is. Our relationships with our customers begin and end with us, so it’s our obligation to ensure our employees embrace our values and care about the community. To do that, we need to draw in team members who are not only seeking nine-to-five jobs but also are striving to become community continuators.

Engaging this higher caliber of employee doesn’t come without a cost. As bankers, we’re forced to look at efficiency ratios, and personnel generally tops the list of non-interest expenses scrutinized by regulators. While we certainly have to be careful here, we also have to account for the fact that we’re in a service industry. If our efficiency ratio creeps up to 75%, and that’s what we need it to be to effectively manage our customer relationships, we have to go there. Because, at the end of the day, what’s best for our customers is what’s best for us.

However, in managing that line item, employee retention comes into play. Keeping our best and brightest on board has to be a priority, both to save on hiring and recruiting costs and to strengthen our banks.

For example, covering obligations for your strong performers to attend banking schools not only helps your bank gain more knowledgeable employees; it also helps them excel. Or, creating flexible “soft” benefits that meet your employees in the stage of life they’re in can help them shine at work while still prioritizing their family situation. As a bonus, those employees will be more loyal to your bank for providing them with these opportunities.

I’ve found small acts of kindness go a long way. I recently had a team member who went above and beyond to get a loan closed out; I sent her a personal note to show my appreciation and compliment her efforts. Her response? “Thank you. I needed to hear that.” It cements that those thank yous matter, and we, as leaders, need to take the time to offer them.

So, as you read this month’s budget and compensation issue, I encourage you to think about your team in a different light. Community bank employees fill a special role, unlike no other position in the market today, and we must do a better job of telling that story. We need to continually recognize the role that community continuators, such as you and your teams, play, and the impact we all make on the communities we serve.

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Connect with Brad **@BradMBolton**

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**My top three**

**Employer rules to live by**

1. Tailor your benefits to the employee’s season of life.
2. Focus on the people who make up your efficiency ratio.
3. The Apostle Paul never failed to thank people; follow his lead.