Independent Banker
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Columns

[tag] From the Top

[quote]

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When it comes to the community bank relationship banking model, the relationship we describe is as much about our connection with our employees as it is with our customers. Without committed, happy and engaged staff, we have little chance of meeting the needs of our customers, stockholders and communities.

So, as we enter another budget cycle, in a tight economic environment, we still need to place compensation and benefits near the top of our priority list. But it can’t be an exercise of placing a lump sum in a salary line and leaving it at that. Just as we structure individualized opportunities for our customers based on their needs, so too do we need to take the time to understand what our employees seek and what will keep them deeply engaged with our banks. It’s hard to define, but sometimes it’s more about the feeling than the facts.

For example, some employees prioritize knowledge, and offering them more training dollars and time to take courses shows them that you are willing to invest in their growth. Some want to see advancement opportunities early on, so developing and helping them fulfill a career path speaks to their needs. Others seek support from the bank so they can tend to their families—aging parents, young children and more—and providing flexible work schedules makes all the difference. A bank that demonstrates it truly understands and cares about individual needs will create a meaningful relationship with that employee and strengthen retention in the process.

Of course, there is the reality of compensation. Our employees care about making a difference and took jobs with us because they see the impact we have in the community. But if they can’t meet their financial needs, they will seek higher-paying options. That reality has to be reflected in our budget. In fact, my bank recently undertook compensation studies to determine where we needed to make market level increases. It’s something we all need to do consistently to be sure we are being fair to the key people we want to keep.

Yet, the deciding factor in someone’s decision to join or remain a part of our banks comes down to whether they truly feel a part of it. So, continue to extend that relationship banking approach to your employees. Connect with them and make them a part of your bank family. Provide them with the same individualized attention you give to your customers. Those actions speak volumes, and when it comes to compensation, they are worth their weight in gold.

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*Quote of the month*

“Don’t tell people how to do things; tell them what to do and let them surprise you with their results.”

—George S. Patton, general in the U.S. Army