



Learning New Tricks About Mentoring

by [Steve Brown](#)

We have all heard the saying - "you can't teach an old dog new tricks," but is it true? We were interested in knowing more so we did some digging and found a recent study from the University of Vienna that seems to cast doubt. In fact, it found older dogs did better than younger dogs in certain reasoning tasks. This leads us to believe what is true for canines must also be true for people. Perhaps that is why so many banks are starting to connect younger staffers with older ones to teach both groups a new trick or two.

Over the past several years, a number of companies have adopted the technique of "reverse mentoring." These companies (which run the gamut from banks to health care, automobile manufacturers, insurers, consulting firms and other), are seeking to share advice from younger staffers on issues pertaining to technology, social media and the like. The goal is to try and encourage innovation and help older workers better adapt to the fast pace of technology and change.

The counter is also true, where many banks (and other companies worldwide) have long established mentoring programs that leverage older workers to help guide younger ones.

Our focus today though is around the former - reverse mentoring. It seems the concept of reverse mentoring is slow to get off the ground, with only a few larger banks taking the lead. BNY Mellon, for instance, piloted a program 3Ys ago. Around the same time, Citi reportedly teamed up with the University of Miami to match college students with a number of senior executives. More recently, Barclays launched a reverse mentoring initiative this past summer.

Reverse mentoring has many benefits. For one, it helps younger staffers boost their confidence, as it makes them feel like an integral part of the team. At the same time, it helps older team members build a solid relationship with younger employees. This collaboration can go a long way in helping to retain both seasoned and newer members of your bank.

Starting a reverse mentoring program doesn't have to be overly complicated. Begin by identifying what skills or gaps that you may be looking to fill within your senior management team. Be as specific as possible, so these goals can be communicated effectively to younger employees.

Next, decide which younger staffers you think would work well with upper management. For reverse mentoring relationships to work, both parties have to make a real effort to be respectful and try to understand how the other side thinks. Not every personality will mesh, so you have to be mindful about whom you pair up.

Once you have decided on a match, ask the senior team member to approach the younger employee directly to discuss next steps. Have them decide together how often to meet, as well as when and where. Scheduling regular meetings will be most effective to ensure both parties are prepared. Both sides are likely juggling busy calendars. However, if they don't carve out time to meet, the established goals won't be accomplished.

If you're still on the fence about reverse mentoring, consider that Millennials recently surpassed everyone else as the largest generation in the US labor force and by 2020, Millennials are predicted to make up more than 50% of the nation's workforce.

Forward-thinking banks will recognize that younger workers can be a wealth of knowledge and that pairing them with more seasoned professionals can be enormously beneficial for everyone. Collaboration is a timeless effort, and it's never too late to learn some new tricks.

ECONOMY & RATES

Yesterday

Yields fell 2bp as investors shrugged off Fed Powell's comments and latest economic data.

Rates As Of: 11/30/2016 11:33AM (PST)

| Treasury | Yields | MTD Chg | YTD Chg |
|-----------|--------------|----------|---------|
| 3M | 0.48 | 0.00 | 0.00 |
| 6M | 0.60 | 0.00 | 0.00 |
| 1Y | 0.77 | 0.00 | 0.00 |
| 2Y | 1.11 | 0.00 | 0.00 |
| 5Y | 1.83 | 0.00 | 0.00 |
| 10Y | 2.37 | 0.00 | 0.00 |
| 30Y | 3.03 | 0.00 | 0.00 |
| FF Market | FF Target | Fed Disc | |
| 0.00 | 0.50 | 0.00 | |
| Prime | Unemployment | Oil | |
| 3.50 | 0.00 | \$0 | |

[More Market Rates](#)

BANK NEWS

M&A Activity

1) IBM Southeast Employee Credit Union (\$947mm, FL) has filed an application to acquire Mackinac Savings Bank (\$110mm, FL) for an undisclosed sum.

Fintech Charter

The OCC indicates it will determine by this Friday whether or not it will create a special charter for financial technology (fintech) companies.

Compensation Warning

In what seems to be an obvious consequence of the Wells Fargo account opening debacle, the CFPB has issued a new warning to financial companies around sales incentives. The CFPB said it expects companies to set realistic sales targets for employees; create robust compliance management systems that include oversight by management and the board; have an independent compliance audit; have a system in place to monitor employee performance and detect outliers; quickly take corrective action when necessary; make sure incentives operate to reward quality customer service; create incentive programs that are transparent and "reasonably attainable"; and give employees comprehensive ethics and compliance training.

Debit Cards

TSYS research of consumers finds the number of debit cards held is 1 (71%), 2 (16%), 3 (6%) and 4 (4%).

Smaller

Research by the Kauffman Foundation on small businesses finds those with 1 to 4 employees represent 53.1% of all small businesses vs. 49.5% back in 1996.

Historical Numbers

FDIC data finds over the past 10Ys the number of commercial banks with assets <\$100mm has declined 58%, while those \$100mm to \$1B has slipped about 11%.

Baby Savings

Research by PwC finds 50% of baby boomers have \$100,000 or less saved for retirement, but 25% have

already taken money out of retirement accounts to cover expenses and 36% say they will need to do so in the future.

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