



Using Your Brain to Find Good Bankers

by [Steve Brown](#) Topics: [human resources](#)

Summary: BAI research found branch and call center turnover at many banks exceeds 30%. Strategies to keep your bank's turnover down.

The brain is a curious thing. Look no further than a study from New York University. It found the brain automatically decides what is important as you interact with the world and it will forget details to make sense of a bigger picture, as it largely ignores the small differences that surface on a day to day basis. It then updates the information during sleep by assimilating specific memories into broader knowledge.

Community bankers continually test the full extent of their brain capacity - especially given so many cross currents impacting the industry these days. Perhaps that is also one reason why good bankers can be hard to find and equally hard to keep. That's also why talent acquisition and retention is so important to success.

Research by BAI found branch and call center turnover at many banks exceeds 30%, while business and wealth management turnover runs 15-20%. As HR teams and managers know, replacing talent is costly and time-consuming. A high turnover rate can also sap morale and overall customer service levels.

While some turnover can be healthy, it is important to understand when turnover rates are unhealthy. For most banks, it is safe to say that losing 30% of your front line tellers on an ongoing basis would not be a good thing for cost control, customer service, or morale.

No matter the department, high turnover rates can be especially damaging to community banks. After all, community banks are seen as more community- and customer-friendly than larger and more impersonal banks. High employee turnover can diminish a community bank's image, while also making it harder to maintain quality customer service.

A number of strategies are available to community bankers to help with retention of good employees.

Support Employees - Banks can provide support and tools to help employees succeed and advance. Doing so also gets employees more connected with the brand.

Communicate - While effective training is important, so is collaboration and communication. Doing so helps employees know they are participating and are part of a team and that drives deeper engagement.

Hire Right - Of course, one of the most important elements to retention is effective hiring. It begins with the application process, which needs to be easy to navigate for the prospective employee, while also being specific enough to provide useful information to the hiring manager. It is important to maintain search pools large enough to provide a good group from which to select.

Onboard Right - People like being part of a team, so once an employee is selected, do all that you can to make them feel welcome and to get them engaged. The onboarding process should be thorough and welcoming to ensure that the new employee has both a positive initial experience and gains a good introduction to the company and the job.

Mentor Staff - People like to learn and grow. Given the demographic shift underway, it is important to pass along institutional knowledge from more seasoned employees to others. Setting up a mentoring program helps build company connection and teamwork within the bank.

Appreciation - Everyone wants to know they are doing a good job, so keep your eyes open and tell your managers to do the same. Then, when you see someone do something right, be sure to call them out. A little appreciation, positive energy and noticing someone's efforts can go a long way.

As your brain assimilates this today and decides what to keep tonight, we hope we have imprinted a gentle reminder that your employees are what make your bank special.

ECONOMY & RATES

Friday

Yields ended flat following mixed economic data.

Rates As Of: 11/06/2017 11:29AM (PST)

Treasury	Yields	MTD Chg	YTD Chg
3M	1.18	0.05	0.68
6M	1.30	0.02	0.69
1Y	1.48	0.06	0.67
2Y	1.61	0.01	0.42
5Y	1.98	-0.03	0.05
10Y	2.32	-0.06	-0.13
30Y	2.80	-0.08	-0.27
FF Market	FF Target	Fed Disc	
1.16	1.25	1.75	
Prime	Unemployment	Oil	
4.25	4.10	\$58	

[More Market Rates](#)

BANK NEWS

Regulatory Warning

The SEC has issued a warning over celebrity encouragement through social media channels encouraging the public to purchase Initial Coin Offerings (ICOs). ICOs are an unregulated way using crowdfunding to raise capital for entities using cryptocurrencies like Bitcoin.

Non-Bank

CNBC reports only 40% of the top 10 home lenders by volume are banks. The remaining group is getting more business in this area as they do not have to follow strict banking rules post crisis and as such is offering more creative structures, better terms and looser underwriting.

IT Investments

A Gartner survey finds financial industry CIOs cited the following investment priorities for their organization: digitization and digital marketing (22%), business intelligence and analytics (18%) and cyber and information security (13%). Interestingly, blockchain technology didn't make the top 10.

20TH ANNIVERSARY TRIVIA

To celebrate our 20 years of service, we wanted to provide you with some interesting trivia. Look for these facts the first Monday of the month. This month's trivia:

Higher Salaries: 20Ys ago the FDIC reports institutions with assets <\$1B paid a combined \$20B in salaries and employee benefits vs. \$22B for Q3 annualized 2016 - an increase of about 10%.

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