



## Time For Happy Employees

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

**Summary:** As you reward your employees, time off may be a good incentive. See how community banks are doing this.

You have heard the saying it takes much fewer muscles to smile than to frown. The truth is that no one really knows. What we do know is that there are 43 muscles in the face, and until science tells us otherwise, it may be worthwhile to try to smile. At least, it will make you and others around you feel better.

To put a smile on your employees faces this time of year, most bankers go the vault, bring out a big pallet of money and start handing it out. That works, of course; it is the traditional way to reward good work, and it never goes out of style.

For those bankers trying to think of other ways to show employees you appreciate them, you might also want to try giving extra paid time off perhaps. This one is a popular and valued perk too and some large banks use it. But, could a program that uses time as the prize actually work for you and your employees?

It's worked for the 85 institutions on the 6th annual Best Banks to Work For list, compiled by American Banker magazine. Paid time off is a perennially popular reward, and 90% of the employees who work at the banks on the list say that they're happy with the amount of vacation time they get. In addition to standard amounts of vacation, banks have come up with creative ways to hand out the only commodity workers can't replace.

Certainly, it's always wise to reward performance. At a community bank in OH, bank managers nominate employees who have done exceptional work to come in late or leave early for full pay. Yet another bank in MO rewards a good rating on its annual FDIC examination by giving employees an extra personal day. Workers can recognize each other's good work at a PA community bank, where both winner and nominator get a day off with pay. Meanwhile, at a TX bank, peers elect the employee of the year, who gets \$1,000 and a paid day off.

It's could be worthwhile to recognize longevity, too. Many banks give workers who have been with them for at least 5Ys a combination of things. This could be an extra week of vacation, bonus time off between Christmas and New Year's Day, summer Fridays off, or paid birthday vacation.

Community banks know that it is important for employees to contribute to their communities. A community bank in ME awards five paid days off and a \$1,000 donation to the charity of the winner's choice to the top volunteer every year. In NH, a community bank gives workers 8 paid hours a year to do volunteer work, and every bank employee who contributes to charity is eligible to win an extra paid day off in an annual raffle. Last but not at all least, a community bank in OK gives employees 40 paid hours a year to spend volunteering.

Most employees are entitled to 12 weeks off when they become parents, but that leave isn't necessarily with pay. A bank in TX gives primary caregivers 12 paid weeks off and the parent who isn't the primary caregiver gets 2 weeks off with pay. Additionally, a community bank in ND offers employees paid parental leave and flexible hours to attend school events or take family members to the doctor.

Your bank may already be doing many of these things. But, if not, you may want to think about incorporating some of them into your employee benefits to keep your employees smiling.

# ECONOMY & RATES

Rates As Of: 11/28/2018 02:20PM (PST)

Treasury	Yields	MTD Chg	YTD Chg
3M	2.38	0.05	1.00
6M	2.52	0.03	0.99
1Y	2.67	0.02	0.94
2Y	2.81	-0.06	0.93
5Y	2.86	-0.11	0.66
10Y	3.06	-0.08	0.65
30Y	3.35	-0.05	0.61
FF Market	FF Target	Fed Disc	
2.20	2.25	2.75	
SOFR	Prime	Unemp	
2.19	5.25	3.70	

[More Market Rates](#)

## BANK NEWS

### DIF Reached

The FDIC's Deposit Insurance Fund (DIF) is projected to hit its minimum reserve ratio level of 1.35% no later than Q4. By reaching this milestone 2Ys ahead of schedule, banks will not have to pay as much into the fund, which should boost earnings some.

### More Cautious

Capital One and Discover are becoming more cautious about credit limits, balance transfers and issuing new credit, as they reduce risk in their credit card businesses. The new caution is partly in response to consumers taking on record levels of debt and concern that the credit cycle is long in the tooth at this point.

### Crypto Losses

[CNBC reports](#) the total market capitalization of all cryptocurrencies has declined by more than 80% from its peak reached early this year to around \$139B. Greater regulatory scrutiny and infighting related to bitcoin cash have been key drivers for the decline.

## DEPOSIT OPPORTUNITY YIELDING 2.30%

In an effort to expand our relationships, PCBB is pleased to offer community banks a money market deposit account rate of 2.30%, subject to availability. Contact [operations@pcbb.com](mailto:operations@pcbb.com).

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