

OCTOPUS ARMS AND IMPROVING BANKER EFFICIENCY

by [Steve Brown](#)

Everyone knows that an octopus has 8 arms, but some may not realize it has no internal skeleton. This allows the octopus to squeeze into narrow crevices under rocks, which can be used to flee from prey or as hiding places from which to launch attacks on smaller fish. The octopus can do many things at once, but bankers don't have as many arms, so multitasking can be more difficult for us.

To be clear, multitasking is defined here as the act of repeatedly switching from one task to another. Community bankers multitask because we feel it is a more efficient and effective way to complete tasks. Interestingly, research finds multitasking may not be all that it is cracked up to be.

Despite the prevalence and heavy usage of technology, the world around us remains complex. So, while multitasking may feel like it gives you 8 arms to get a lot done in a short amount of time; it has actually been shown to be 44% less effective than doing tasks separately.

In short, our brains are built to handle just so much information and it takes time to learn. Multitasking degrades performance, results in more mistakes and reduces efficiency as you switch among multiple tasks - particularly if they are complex. By focusing carefully on how you conduct daily business, better results can be achieved.

One way to shift away from multitasking is to start by focusing your attention on the task at hand. Try to either finish it or work for a predetermined amount of time. Rank tasks in order of priority, focus on them one at a time and minimize interruptions. Over time, this will improve performance, as tasks are completed and efficiencies are maximized.

Another tip for time-limited and weary community bankers is to try and group tasks together. For instance, return all phone calls at one time during the day. It helps focus the mind and efficiency increases.

Bankers may also want to set a time each day to read. Begin with this publication, obviously, but then move on and read the American Banker, Wall Street Journal and a few other industry-related publications all at once. Investing 30 to 45 minutes each day in this process helps keep you up to speed on the industry, focuses the mind and allows your creative juices to flow.

One of the biggest things we can do to improve our productivity and efficiency is to take a hard look at email. Start by getting yourself removed from group lists you don't need to be on. Next, make sure the emails you send are short and to the point. Third, don't forget the ancient technology sitting right next to you called the phone. If it takes you more than a minute or so to type up an email (or the subject is complex or heated), you are better off using the phone. Finally, keep your email closed and only open it 4x per day. Your phone still works, so people can still reach you, but distractions are minimized, focus is improved and efficiency will skyrocket. Studies find the average banker loses 1 to 1.5 hours each day due to personal visits, 1 hour or so dealing with phone interruptions and up to 2 hours responding to emails that really don't need to be sent in the first place.

While we will never be able to do as many different things at the same time as the octopus with its 8 arms, we can improve our workplace efficiency over time by focusing our efforts on one task at a time and reducing interruptions.

BANK NEWS

M&A

Wells Fargo will acquire Farmers State Bank of Fort Morgan (\$145mm, CO) for an undisclosed amount.

Fed Power

Treasury Secretary Paulson is calling for the Fed to assume more power. He asserts that while the Fed is tasked with the safety of the financial system, it has relatively little statutory authority to regulate and no mandate.

Can-Spam

New federal regulations go into effect in July, so banks should be doing final checks to ensure compliance. Single action ("one click") opt-out and a discernable sender are part of the new requirements.

Phone Service

MasterCard plans to roll out a Person-to-Person (P-to-P) service in 2009 that would allow electronic money transfers between individuals. MasterCard intends to link the service to mobile phones and funds could be drawn from debit, credit, pre-paid or checking accounts.

Federal Charges

In a span of 3.5 months, 400 people have been charged for mortgage fraud by federal prosecutors.

Access to Fed Loans

FRB Board Vice Chairman Kohn advocates permanent access to loans from the central bank to Wall Street securities firms. He said regulation needs to better pair Primary Dealer vulnerability to liquidity pressures. His comments extend beyond those of Fed Chairman Bernanke, who said the central bank would close lending to investment banks after the credit crisis.

Painful Trend

Experts say FNMA and FHLMC will likely post further losses in coming quarters, as the housing market deteriorates further.

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