

## SLEEPING AT THE BANK CAN HELP

by [Steve Brown](#)

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Studies show the average person in the U.S. gets 6.9 hours of sleep each night, about 14% less than their body actually needs (about 8 hours is ideal).

We know this only too well, since our average probably runs about 25% below ideal. In fact, about 50% of all people in the country regularly operate on less than the ideal amount of sleep. Most banks probably don't see a lack of employee sleep as any big deal, since it often shows up in the form of employees working longer hours and in theory being more productive. The question bankers need to ask themselves is whether or not longer hours improve productivity and if there is any negative impact on the bank if sleep is missed.

To begin, we all know that tired people can be cranky, crabby, sluggish and slow. But we rarely consider (since we are often tired ourselves) that tired people can also negatively impact company morale, be poor decision-makers and have a hard time remembering things. We don't know about you, but employees that continually forget to do things are not those usually considered to be the best ones in the organization. Sleep is so important that the National Commission on Sleep Disorders estimates sleep deprivation costs \$150B a year in increased stress and lower workplace productivity.

Beyond the cost, bankers should also know that people who do not get enough sleep have been known to do morally reprehensible things. Scientists say that is probably because the prefrontal cortex of the brain is needed to reason things out and it is very sensitive to the loss of sleep. Believe it or not, people that have not had much sleep have indicated in testing that they see no problem throwing old people out of lifeboats or stealing money from their company. Amazing as this sounds, bankers should understand the risks and educate employees accordingly.

Losing sleep also increases healthcare costs. Studies show sleepy people tend to weigh about 2.5 pounds more than those who get enough sleep. Scientists attribute this to the production of 2 hormones that control appetite, which drop off when people don't get enough sleep. Even scarier, studies show people who fail to get enough sleep or sleep at odd hours have a higher incidence of major illnesses, including cancer, heart disease, diabetes and obesity. Given the high cost of healthcare to every single community bank, it makes sense to encourage employees to get enough sleep.

A lack of sleep also impacts business development officers (BDOs). Studies find employees in sales functions can be particularly ineffective since a lack of sleep can impair speech and basic communication. Sleepy people not only find it harder to find the right words to say what they are thinking, but they also tend to speak in a monotone. We all know that customers dislike a monotone sales delivery, so making sure BDOs get enough sleep can boost results and profits for the bank.

Finally, management can do its part by being more careful when meetings are scheduled. Studies show people tend to get tired in the middle of the afternoon and again late at night. Community bankers should know that the very worst time to schedule a meeting is in the late afternoon, usually right after lunch and again from 2pm to about 4pm. If you know of a coworker who seems tired or just not themselves, perhaps some of these expert tips will help. Get 20 minutes of sun each morning

(your body needs vitamin D), do not check emails before going to bed (your brain needs to shut down), do not watch the news before going to bed (ditto), cut out caffeine late in the afternoon (duh) and get exercise.

Since we put this publication together each morning beginning at 4:30am, we leave you now so that we can crawl under the desk and squeeze in a bit more sleep before everyone comes in and starts asking questions - Zzzzzzzzzzzzzz

## BANK NEWS

## CFO Survey

A survey by Duke University and CFO Magazine finds CFOs expect the economy will improve in 2010. CFOs also expect to cut their work forces by 1.6%; 75% said they cut jobs last year and 67% say it will take until 2011 before employment returns to pre-recession levels.

## Flying Doves

A parade of FRB speakers made the rounds on Weds with dovish comments such as: "the fed funds target rate will remain exceptionally low for an extended period" (Atlanta President Lockhart) and "rates are very low-in my opinion, totally appropriately" (Boston President Rosengren).

## Doing Just Fine

According to a regulatory filing, Wells Fargo's top 5 executives each received compensation worth more than \$11mm in 2009. Meanwhile, CEO John Stumpf received a package valued at \$21mm.

## Unemployment

One reason the FRB isn't overly worried about inflation is because the math shows that returning the economy to a 5% unemployment level would take 5Ys of 5% GDP growth. Since that isn't expected, unemployment is likely to remain high.

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