

## SMILING AT THE BANK IS GOOD FOR YOU

by [Steve Brown](#)

After exchanging some emails with a community banker recently, we both agreed the industry had become too negative. Articles, conferences, speeches and regulation were weighing down the positive attitudes of community bank executives everywhere and no end appeared to be in sight. We do our best to change that this morning and hope the break does you some good as you start your day. We begin with a bit of education around the smile. You see, it is an emotional response where data flows to the brain, resulting in raised excitement in the left anterior temporal region. That triggers muscular movement in the face, which pulls the lips upward and squeezes the outside corners of the eye. Scientists have found that over the years, those who see a smile usually respond by smiling back. That's the science behind the smile, but are there any benefits? There are benefits if you want to look younger. A recent study by a research scientist in Germany and printed in the Journal of Psychology and Aging indicates people tend to underestimate the age of people who smile, considering them more positive, more attractive and younger. If for no other reason, lose the frown and start smiling to become the younger happier person you once were before all of this credit crisis nonsense started. There are benefits to your body and mind. Studies find smiling drives multiple benefits. These can include changing your mood (it is hard to be angry when you are smiling), reduces stress, boosts your immune system, lowers your blood pressure and generally makes you feel better (releases endorphins and serotonin in the body). There are benefits to your job and getting the next promotion. We have all worked with someone who seemed to be carrying around the weight of the world. The problem is that no one wants to be around constant sighing, frowning or frustrated people. It just isn't fun. So, if you want to make friends and influence people, smiling is the answer. It draws people in to you and studies have shown it makes people seem more successful. The more confident you appear, the more likely you are to be promoted and the better people will react to the ideas you float out in meetings. There are benefits if you can tell a real smile from a false one. We all know that smiles can indicate happiness, but they can also be used to mask other feelings. To help you out when you are trying to detect who is real and who may be hiding something it isn't about the mouth, but rather take a close look at the eyes. Here, researchers conducted a study at a university in Wales and found out people preferred to deal with genuinely smiling people rather than those that only politely smiled, even if the politely smiling ones could deliver a higher chance of a monetary pay out. As humans, we are drawn more toward genuine smiles than false or polite ones. The key, based on other supporting research, comes from the area around the eyes. In a real smile, small wrinkles appear at the corners of the eye produced by the orbicularis oculi muscle that tends to be triggered by true emotions. In addition, the skin between the eyebrows and the upper eyelid will move slightly down when the smile is genuine, but will not move when the smile is being faked (because people cannot easily control the muscle that surrounds the eyes). Now you know, so the next time you want to know if a smile is fake or real, don't stare at their mouth and instead look to the orbicularis and their eyebrow skin. Thanks to the banker who pointed this out to us and given all the pain in the industry right now, it is time to smile. Heck, the worst case for bankers comes from a 2008 study reported in the Scientific American. It found that people who frowned during an unpleasant procedure reported feeling more pain than those who smiled. So, the next time you have an examination, reduce the stress and the pain by just cracking a smile.

**Related Links:**

[Bank Enterprise Award List](#)

## BANK NEWS

**Competition**

BofA CEO Brian Moynihan at a banking conference expressed his view that slower growth and increased compliance regulation mean that the "new normal" in retail banking will be less profitable than before. Moynihan reviewed his 2012 strategy with the crowd that includes reduced operating expenses, focusing on the top 20% of profitable customers and culling (or increasing profitability) out those customers that don't overcome their "cost-to-serve." Cross-selling wealth management, mortgages and credit cards are also in focus for next year.

**CU Victory**

Deutsche Bank and Citigroup agreed to pay, \$145mm and \$21mm, respectively, to settle claims with the NCUA over proper disclosure in connection with the sales of mortgage-backed securities to credit unions that later failed. Suits are still outstanding with Goldman, RBS and JP Morgan.

**Bank Enterprise Award**

The Treasury announced 77 banks that do an exemplary job at supporting economically distressed communities. These banks will receive an average of \$275k for a total of \$22mm to support their respective service areas. A list of the banks can be found by following the link in our Related Links section on this page.

**An "A" for Marketing**

A school in Colorado will start selling advertisements on student report cards in order to raise cash to keep vital programs.

**Equities**

High frequency trading accounts for about 75% of stock trading volume compared to only 10% just a decade ago.

**Job Cuts**

Citigroup is reportedly considering firing 3,000 more employees, as the bank works to maintain profitability.

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