

TEXTING CEO/CUSTOMER PERFORMANCE IMPROVEMENT

by [Steve Brown](#)

A study done a few years ago found people who received monthly text messages from their bank about their savings goals saved 6% more on average than those who did not get such notifications. Beyond just the savings side of the bank, we also suggest you think about sending text (or email for that matter) messages to drive more consistency on the loan side as well. Doing so not only keeps your brand in front of clients (so maybe you get other business), but it can also alert you promptly to potential payment issues long before things get out of control, help customers remember important dates and ensure you have a clear and open channel of communication with your clients. To improve communication around the bank, we thought providing insight into the CEO's typical day (and for that matter, the rest of the executive team) might help. A study known as the Executive Time Use Project used time logs kept by personal assistants (yes, we know many banks no longer have such help, but stay with us for a moment anyway). Those logs tracked any task the CEO did during the day. For the study, researchers then focused in on those tasks that took more than 15 minutes, to see if any trends would become obvious. The first thing that popped out was that CEOs spend about 18 hours of a 55 hour workweek in meetings - about 33% of their time. These meetings could be one on one or in groups, but it is clear from the data that communication is important to this position (and other executives). That isn't surprising, given one key thing all CEOs are supposed to do is to stay engaged with executives, other employees and customers. Other areas this study surfaced where time is spent included working alone (11%); having business meeting meals (9%); attending or speaking at public events (4%); making conference calls (4%); and making other phone calls (4%). The remaining time was spent on miscellaneous items (such as traveling to see customers or other appointments and other activities). As reflected in this analysis, the CEO position often follows a thread primarily focused on engaging with clients, employees and executives, as the tone and direction of the bank and its culture are set from the top. Strong CEOs work very closely with their management teams, consulting them often about what direction the bank should take, where to invest and where it may be time to pull back. This constant state of movement is built around current and future risk/return expectations and includes driving company efforts forward, setting strategy and making decisions on the overall course of the bank. For those CEOs and other executives reading this publication today, consider another study by IBM. It asked employees what factors they felt were important keys to success for their CEO and the management team these days. This research found the top trait employees felt was important was to utilize a collaborative approach (75%). The old days of dictating things from the top, without seeking input from those who must make it all happen, just don't get the same results and alienate employees. Embrace an inclusive management style to increase your bank's opportunity for success. Rounding out other key factors employees felt deliver C-Suite success include being communicative (67%), embracing creativity (61%) and being flexible (61%). These traits also make sense, particularly when you consider how fast things are changing. People want to know what is happening, as soon as it happens and to know the bank is making key decisions in an inclusive and creative way to adapt to changes. Other factors employees the IBM study also surfaced included seeking opportunities (54%), being analytical and quantitative (50%), staying on top of technological changes (41%), having specific goals (41%) and being assertive (25%). If you are in the management ranks, consider setting up a text or email message reminding you of key things to do to

build employee loyalty and engagement. Who knows, doing so might just improve your bank's results by 6%.

BANK NEWS

Remittance Clarification

Our story yesterday on this stated the "CFPB raised the limit for applicability on its final remittance transfer rule from 25 to 100 per year." To clarify, note that the CFPB limit applies to consumer remittances only (primarily for personal, family or household purposes) and commercial / business accounts are already exempt from the new rules. So in short, if it's sent from a personal account (as opposed to a business one) it is subject to the rule.

M&A

Financial (\$4B, SC) will purchase Savannah Bancorp (\$956mm, GA) in an all-stock deal valued at \$67mm, or about 1.0x tangible book value.

Basel III

Federal banking regulators extended the comment period for Basel III capital impact from Sep. 7 to Oct. 22.

CU Biz Lending

The NCUA announced an easier process for federal CUs to gain their "low-income" designation. Such a designation removes the small business lending cap and more than 1k credit unions would be eligible for the new designation because of their geographic location.

PHH

In keeping with a recent trend, the largest non-bank mortgage lender said it will cut its correspondent lending and stop purchasing mortgages from banks and credit unions (due to increased buyback claims from FNMA).

Citigroup Landlord

The Bank rolled out a program where eligible delinquent homeowners can rent back their home if they agree to keep rent current and sign over the deed in lieu of foreclosure proceedings.

Copyright 2018 PCBB. Information contained herein is based on sources we believe to be reliable, but its accuracy is not guaranteed. Customers should rely on their own outside counsel or accounting firm to address specific circumstances. This document cannot be reproduced or redistributed outside of your institution without the written consent of PCBB.