
Workplace Satisfaction

by [Steve Brown](#)

This year, Google again ranked #1 for the 2nd consecutive year on Fortune Magazine's ranking of the 100 best companies to work for. It's consistently been in the winner's circle since 2007, taking the top spot four times. It's not an accident that Google is a top-rated company, since the founders and their underlings have worked uber-hard to make it that way. Perhaps it is the great benefits or extracurricular perks, like subsidized massages, wellness centers or a 7 acre sports complex.

It goes without saying that community banks just don't have the money Google has to spend on providing employees with such a litany of best-in-class benefits you'd expect from such a large, multi-national company. However, when it comes to creating a positive working environment, the stakes are high, so exploring options is important for community bankers nonetheless. A 2012 study by Towers Watson found nearly 40% of respondents are bothered by excessive pressure on the job. The study wasn't targeted at banks, but the takeaway is nonetheless valid. If employee stress and anxiety are left unchecked, the ability of staff to cater to customers and your bottom line could suffer.

Taking some tips from Google's playbook may help you attain higher levels of employee satisfaction. For instance, make it a top-down effort as you seek to achieve greatness. Look for strong banks and other companies that can serve as role models. Meet personally with executives from those companies if possible and send a team of people to their headquarters to learn what they are doing and how it makes them a top-notch employer. While Google's roller hockey rink may not be in the budget, better flex-time policies, a comprehensive retirement plan with good matching provisions and a generous vacation policy might be.

Another point is to give employees a voice and an outlet. Google allows employees every Friday to through email or in the caf? the opportunity to ask questions directly to the co-founders and other executives. This keeps the management team in tune with issues and gives employees a platform to find out more. Giving employees a voice makes them feel like they have skin in the game and commits everyone to the customer as a result. The more opportunity to be heard, the more likely employees are likely to give their all to the bank.

Another possibility is to provide discretion when possible to the workplace schedule. While banks have more regulation than Google so flexibility may not be available in all departments, it should be considered. Google gives employees a fair amount of discretion to plan their workday schedule and employees love it. While it might not be possible for a bank teller to head to the gym at 10 a.m. in the middle of a rush, staggering customer facing teams, opening up opportunities to work from home for some groups and other such structures might be options to explore.

Your bank may not be big enough to make the Fortune 100 list like Google, but there are important lessons community banks can leverage. A positive attitude towards ensuring the well-being of employees can be infectious and profitable, as it separates your bank from those you compete against.

BANK NEWS

M&A

PacWest Bancorp (\$6.7B, CA) will acquire CapitalSource (\$8.7B, CA) for cash and stock valued at \$2.3B, or 1.69x tangible book. The deal creates the 8th largest bank headquartered in CA, with 96 branches and over \$15B in assets. This is the largest bank M&A transaction of 2013.

Auction

A bankruptcy judge has approved a plan allowing Capitol Bancorp (\$1.3B, MI) to auction off some of its remaining banks.

Layoffs

Wells Fargo will lay off 350 employees in its mortgage and retail lending businesses as it adjusts to a slowdown in mortgage activity.

FOMC

In recent testimony to Congress, Chair Bernanke made a few key comments community bankers should note. These included: playing down the weight of the unemployment rate as to when the Fed would raise rates, suggesting rates could stay low for some time (said reaching the 6.50% unemployment rate "would not automatically result in an increase in the federal funds rate target"), repeated his prior guidance about commencing tapering later this year and wrapping up bond purchases by the middle of 2014 (assuming economic data moves forward according to current forecasts) and said it was "important to monitor developments" around mortgage rates carefully (likely code for saying he won't let long-term rates rise too much if it slows the housing recovery).

Jobs 2015

A report by the KC Fed finds that at current growth levels, the jobs market won't return to normal levels until sometime around the summer of 2015.

Maybe 2016

Bloomberg reports PIMCO's Bill Gross does not think the FOMC will begin tightening until 2016 at the earliest.

Customers

Deloitte research finds 19% of retail bank customers have 3 or more products with their primary bank (where they have their primary checking account) vs. 49% who have 3 or more products with other financial institutions (other companies where customers have a financial relationship). Don't forget to keep asking for the business.

Retention

Capgemini research finds people are most likely to leave their bank in the first 4Ys. Research also finds customers who stay with their bank for 5Ys have an exponentially higher likelihood of staying. Do you have a program in place to keep customers beyond this key threshold?

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