
A Small World Of Things That Count

by [Steve Brown](#)

If you've ever been to one of the Walt Disney theme parks around the world, you're undoubtedly familiar with the "It's a Small World" ride. People come from all over the world to climb aboard the musical boat tour hosted by nearly 300 traditionally dressed children fashioned out of papier-mâché, glitter and fabric. The 10-minute voyage takes you to the world's seven continents, where you are serenaded by children singing the famous theme song in their native languages.

The song--written and composed by an Academy Award-winning team of brothers Robert and Richard Sherman (of Mary Poppins fame) is a timeless classic (but it can also get stuck in your head and drive you insane). It reminds us that no matter how big we feel, the world is still small.

The ride and the song are a nice reminder of the importance of thinking small, at a day in age when so much is centered on bigger being better. We're a super-sized world in everything from food to cars to buildings to televisions. It's even true in banking where so much of our time is spent making big picture strategy decisions. Should we merge with another bank, or acquire this capability or that one? How can we benefit best from various economies of scale?

While it's very important for community banks to focus on these big ticket items, it's equally important to take a step back from time to time and remember the small things you do can have a big impact on customers. Even something as seemingly inconsequential as greeting a customer by name when he or she enters the bank branch, or handing out lollipops to children who visit the branch with their parents and grandparents, can make a lasting impression.

There's no shortage of "small things" you can do to promote goodwill with customers. For instance, we had an off the cuff discussion the other day with a family member who recently opened an account at a bank she hadn't done much business with before. She didn't open the account because the bank's rates were outstanding. She also didn't open the account because of the bank's commitment to stellar customer service. Rather, she opened the account because she liked the idea that instead of having to painstakingly roll her quarters, dimes, nickels and pennies, she could have free access to the change-counting machine in the bank's lobby.

Coincidentally, another relative was recently raving about the same bank because it makes a large stash of pens available to customers who do their banking within the branch. No doubt you're familiar with the frustration of trying to sign the back of a check or fill out a deposit slip using a pen that's attached to a chain that is out of ink. Not only are these pens awkward to use, but more often than not they don't work either. It may seem trivial, but something like setting out a large supply of bank-branded pens for customers to use and take home makes a big difference in their overall banking experience.

We certainly understand the need for banks to think big, but that doesn't mean you shouldn't also think small. Perhaps it is time to walk around the bank humming the song from "It's a Small World" to get your employees to think small as well. Sometimes even little things can make a big impression on your employees and your customers.

BANK NEWS

Bank Accounts

A survey by Javelin Strategy and Research finds 28% of ID thefts will result in the thieves taking over existing bank or credit card accounts vs. opening a new account, so bankers should continually remind customers to monitor transactions.

Time

A TD Bank survey finds people spend about 5 hours on average each month doing banking activities. If you consider a 30 day month and a 24 hour day, that equates to just less than 1% of time spent on banking. Meanwhile, the BLS reports people spend about 37% of their time working, 32% sleeping, 11% for leisure/sports, 5% caring for others, 5% eating/drinking and 4% doing household activities (the rest was other).

Risk Focus

A Deloitte survey of executives, directors and risk managers at companies worldwide finds: 94% have changed their approach to managing risks over the past 3Ys. Areas that have been improved include: increased frequency and budget for monitoring and managing risks (52%), continual monitoring and management of risks (43%) and assigning more executives to manage risk (38%). In addition, 81% say they also have an explicit focus on managing strategic risks.

Workforce

Analysis by information technology nonprofit CompTIA finds the percentage of Baby Boomers in the U.S. workforce declined from 48% in 2000 to 43% in 2010 and is expected to fall to 20% in the next 6Ys. Meanwhile, Gen X and Gen Y as a percent of the workforce has gone from 23% and 16% in 2000, respectively to 22% and 35% in 2010 and is projected to reach 23% and 44% by 2020. This is one key reason why so much research is devoted to Gen Y and its impact on the banking industry (note Gen X was born 1966 to 1976 and Gen Y was born 1977 to 1994).

Going Faster

The Fed is pushing to speed up the U.S. payments system, as it modernizes the way ACH is handled (to allow it to process the same day). A paper will be released later this year that will outline the enhancements and provide timing.

Strategic Planning

A PWC survey of CEOs at major companies worldwide finds the most often planning time horizon used is 3Y (51%), followed by 5Y (24%), 1Y (12%) and more than 5Y (9%).

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