



Employees – The Forgotten Market Segment

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Many community banks approach their marketplace by utilizing market segmentation. This is widely considered to be the most effective approach to penetrating specific markets. However, we virtually never see bank employees identified as a priority market segment.

We would argue that they are just that. Certainly, with regard to public contact personnel, these individuals (loan officers, branch staff) ARE the bank to your clients and prospects. As such, what they think about the bank, and its products and services, is critical to the message received by the marketplace, and ultimately, clients' opinion of your institution.

What do your employees think about your products, services, pricing, customer service, etc? What do they think of the bank as a place to work?

Answering these and many other questions is critical to understanding employees' feelings and motivations. Even more importantly, these answers inform what management can do to maximize employee productivity and satisfaction.

We strongly recommend the utilization of an annual employee survey to secure their critical input. An annual survey would include questions such as:

- 1) If you were to use three words or short phrases to describe the bank's internal environment (what it feels like to work here), what would they be?

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- 2) On a 1-10 scale, please evaluate the effectiveness of:
- Bank training programs
 - The mix of bank commercial products and pricing
 - The mix of bank consumer products and pricing
 - Bank supervisors
 - Bank senior management
 - The quality of bank customer service in the branch
 - The degree to which the bank values its employees
 - The level of cooperation between departments
 - The degree to which the bank has open, free-flowing communication
 - The degree to which the bank has created an esprit de corps within the organization
 - The degree to which top performance is rewarded
 - The degree to which management encourages employee innovation and creativity
- 3) If you ran the organization, what would you do more of? Less of? Differently?
- 4) In your opinion, what one issue, if resolved, would most effectively help take the bank “to the next level”?

These and many other related questions are the key to unlocking any number of ideas for improving the bank’s overall performance, and in creating a motivated, committed group of employees.

One final suggestion: consider utilizing an outside third party to plan and administer your employee survey. Employees will take the test more seriously, and they will feel more open and trusting in providing candid responses to the questions.

Truelson Associates has served over 200 clients in its 20+ years of existence. Our greatest concentration has been in the independent community banking field. We have served in excess of 50 such institutions, including several in the \$1+ billion asset size range, plus a number of start ups, and every size in between.

We were generally considered to be the leading firm in this field in the northern and central California market. In 2009, we transferred the firm to Oregon, and are prepared to serve the Oregon bank community from our offices in Portland.



We are associate members of The Oregon Bankers Association.

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