

Employees' Behaviors Are Key To Retaining Customers

Human connections are at the core of any banking relationship. That's why employees' behaviors significantly influence customer retention and loyalty. Even with digital delivery channels, the real value in a bank customer's relationship comes from the people, promises, and expertise that support customers in pursuing financial opportunities.

Employees Are Unique Resources

Each employee is unique to your organization. Each employee is a unique participant in the service they provide and the relationships they build. Services and delivery systems can be duplicated; people cannot. This gives organizations a clear advantage when they coach and mentor employees to adopt behaviors that build lasting relationships. If you concede that financial services are simply a commodity, you've lost the advantage of being in the relationship business. Employees are the true difference in a relationship culture.

Defining Behavior

Behaviors are different from skills and talents. Behavior represents the visible things employees do...their physical activities. It might relate to always smiling when helping retail customers or using empathy to connect more effectively with a business owner.

A behavior is something the employee can influence and control. Examples are:

- Meeting customer service performance standards
- Arriving for work on time
- Showing empathy when customers express concerns
- Proactively offering assistance

Behavior can also include undesirable activities such as being tardy, being curt with customers, or having poor manners.

Identify Desired Behaviors

While the prescription for desired behaviors will vary by institution, they should be delivered consistently throughout each organization.

EXAMPLE

An institution is working to develop and manage a brand based on high-quality service. One of their initiatives for success might be to define the desired customer experience. The bank could then use the dimensions of the customer experience to identify behaviors that contribute to the desired experience.

If the desired customer experience is intended to produce feelings of safety, confidence, and friendliness, help your employees translate those expectations into behaviors they can control and deliver.

Each employee will tailor the customer experience, and clear performance standards provide the foundation for delivering it effectively across all customer-facing channels and touchpoints.

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Documenting customer service standards establishes a formal set of behaviors to guide employee interactions with customers. Each customer's individual preferences will require employees to adjust their behavior to suit each interaction. However, each adjustment will be grounded in the underlying service standard. The guidance helps ensure consistent interactions while allowing you to personalize them based on the customer's preferences and expectations.

Measure for Accountability

Measurements enable managers to create accountability. Reducing relationship management and customer service standards to behaviors makes it possible to introduce measurements.

EXAMPLE

It's difficult to measure an employee's attitude. However, if you reduce the elements of a good attitude to behaviors such as smiling, positive conversations with coworkers, or eye contact with clients, you have identified behaviors the employee can understand and control.

Simple standards such as standing to greet clients, smiling, offering assistance, and asking questions to understand needs can all be used to establish minimum customer experience performance standards. The most important guideline for measuring staff behaviors is to keep it simple. Make sure employees understand the standard and have a clear picture of how it translates into behaviors they can control.

EXAMPLE

Each customer is to be greeted with a smile within five seconds of entering the branch. Make sure employees know how they can contribute to the standard's success and how performance will be measured to ensure it is being implemented.

Build the Right Behaviors

Tracking reports can provide some of the information needed to evaluate customer experiences; however, managers need to actively observe employees doing things right, using positive reinforcement to acknowledge the correct behavior and invite repeat performances. If you have a new or inexperienced employee attempting to meet performance standards, it may be necessary to demonstrate the behavior in a familiar setting.

Never assume that discussing a behavior is adequate to ensure comprehension. Most employees learn more quickly through demonstrations accompanied by hands-on experience. New employees should be actively coached and evaluated during attempts to adopt a new behavior or practice meeting a performance standard. Think of it as an apprenticeship. Work together to foster the right behaviors:

- Identify desired outcomes and performance expectations.
- Identify behaviors that contribute favorably to desired performance.
- Clarify the behaviors with your team. Make sure everyone understands your expectations to avoid confusion when applying accountabilities.
- Measure performance and share results regularly.

Reward, Recognize, and Reinforce

As the saying goes, rewarded behavior gets repeated. Properly defining the reward is the crucial ingredient. Many organizations move immediately to monetary rewards, expecting that all employees are motivated by them. Behavioral changes occur in response to a variety of rewards.

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Only the rewards with significant value to the recipient can be counted on to produce results. For some employees, praise from their manager will provide the most intense motivation. For others, it might be peer recognition. The key is to develop rewards that are flexible and discretionary, allowing managers to tailor them to each employee. Allow your managers to match rewards to the employees they manage. Reward programs that work from the premise that one size fits all are destined to generate mediocre results.

Focus On Desired Behaviors

The best behaviors are the ones you most desire in your employees. While many individual behaviors may ultimately contribute to an employee's success, some take priority in generating results for the institution. Those behaviors, known as the core behaviors, should be accompanied by appropriate feedback, rewards, and recognition. Effective managers will leverage those resources to produce positive outcomes.

Positive Reinforcement Is A Powerful Tool

Before you jump into rewards that include cash payments, gift cards, time off, and pizza parties, remember that positive reinforcement is almost free. The cost can be valued in manager time, but it carries little additional expense. Appreciation for a job well done is one of the top three motivators for employees, so why not take advantage of that opportunity?

Celebrate Success!

Finally, take time to celebrate success. Even small victories and accomplishments can contribute to staff confidence. Everyone develops their skills in small increments, over time. Whether an employee's attempt at using a desired core behavior is successful or not, acknowledging their attempt to use a relationship-building behavior with an existing customer is worth recognizing.

Consider including a "Celebrate Success" time in weekly team meetings to highlight important individual and team achievements from the prior week. Reward new behaviors with simple incentives, such as local business gift cards in small denominations. Set short-term sales or relationship goals that are discussed at team meetings and tracked on break room posters. Distribute tokens for desired behaviors that can be redeemed for time off. Time off is consistently identified as a desired reward when employees are asked about acceptable rewards. Work to determine what motivates each team member's core behaviors and utilize those rewards frequently.



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