Branch Manager's Letter

What's Inside

"You can have everything in life you want, if you help enough other people get what they want."

✍ Zig Ziglar ✍

Data Security

Data security is a joint effort. Your computer can access significant amounts of confidential information. It may be up to your IT Department to stop hackers from gaining access to your computer, but you must protect the data too. Management relies on you to protect the integrity of your computer and network. It is important to keep in mind that security issues apply anytime you're accessing the system.

Benefits

Maintaining a secure environment yields benefits:

→ **Preserves data integrity**

Secure practices prevent data from being corrupted by viruses. Malicious viruses can corrupt programs, delete files, destroy an entire network, or compromise your institution's ability to function. Viruses can enter your computer in a number of ways, but most likely via an email attachment, a file downloaded from the internet, another computer, or a shared file on your network.

→ **Protects hardware components**

Computers contain sensitive circuitry that is easily damaged by power surges, liquid, food particles, and dropping the machine.

→ **Keeps data confidential**

Client and account information is sensitive. Clients trust that you maintain their privacy whether information is on paper or online. Giving unauthorized parties access to confidential data can expose clients to fraud.

Security Protocols

Your IT Department uses various tools to protect the network and computers. However, these tools do not offer 100% protection. IT can't monitor what every employee is doing on his or her computer at all times. Computer security is a team effort between all the employees and IT. IT can put the security protocols into the system, however, employees need to abide by the security policy and use the tools properly. IT secures computers through:

→ **Virus protection software**

This software is installed on each computer/network and checks for any known viruses. The software, however, is only good if it's updated frequently. Usually, virus packages are updated monthly so, if a new virus comes out in the middle of the month there is an exposure risk.

→ **Firewalls**

Firewalls can be software or hardware. They control external

access to your computer network. Any traffic between the internal network and the internet must go through the firewall. It limits which type of connections can be made between the inside and outside and who can make them. For example, your institution's firewall defines which employees have internet access.

→ Specialized encryption

The IT Department may consult with firms that use specialized encryption to secure transactions. Although it is difficult to hack, if security procedures aren't followed, a sophisticated hacker could find vulnerabilities.

→ Computer security policy

Your institution has a policy that is written to outline technology security rules and employee responsibilities. Examples include the frequency for changing passwords, physical security requirements, and computer acquisition procedures. It is likely that you must read and sign any information regarding these policies and updates throughout the year.

Data Security Tips

Your role and responsibilities to keep data secure:

→ Follow your institution's protocol

The rules are in place for a very good reason. Know the procedures and follow them. If you're not familiar with your institution's policy

or do not understand something, talk with your manager.

→ Treat your password securely

Never post your password where anyone can see it. Never give your password to another employee. Change your password according to the frequency defined by your institution's computer security policy. If you think that your password has been compromised, notify IT and create a new one.

→ Select passwords that are not predictable

It's easier for an outsider to crack passwords that have an obvious meaning to you. Avoid using your name or the names of family members, birth dates, home address, pet names, and any word that appears within viewing distance of your computer. Don't use the same password as your personal computer, smartphone, etc. Passwords are more secure when they consist of a combination of numbers, letters, and symbols.

→ Always treat data as confidential

The data you see online requires the same confidentiality as printed documents. If you print any confidential data put the document in a shredder after use. Never download information to take off-site unless approved by your manager.

→ Report suspicious activity

If your computer terminal is not performing properly alert your

manager. If you've discovered someone on your computer that shouldn't have been, report it immediately to your manager and the IT Department.

→ Use caution with strange emails

Never open attachments sent by someone you don't know. If you receive attachments from unfamiliar senders, notify IT and delete the message immediately.

→ Use authorized software

All software should be approved by the IT department and must be licensed to your institution. The unlicensed duplication or use of any pirated software is illegal and exposes you and the institution to civil and criminal liability under federal copyright law. Usually, IT departments maintain a secure database that encompasses a listing of every application and the serial numbers for each computer. Internal and external auditors can audit your computer at any time. When that happens, there must be proof of a valid license for each computer. Never download software from the internet without explicit instructions from IT.

→ Always sign-off when leaving your work station

It is your responsibility to prevent others from accessing the system using your sign-on or computer.

Email

Email is *not* a secure way of communicating with others. When

you send email through the internet, the transmission can be interrupted. Which means that there is a potential for hackers to access the information. Never send confidential data, i.e., client or account information, salaries, trade secrets, etc.

If you have a system to send encrypted messages, use that for emailing client's confidential information. Otherwise, contact them by phone or regular mail to relay details. If you are unsure about your email system, check with your IT department to find out if your institution uses encryption.

Physical Security

Tips for maintaining physical security:

→ **Don't eat or drink around your computer**

Crumbs can clog the keyboard and spilled coffee can ruin a keyboard. Take good care of your computer hardware by keeping it clean.

→ **Contact IT for moving assistance**

Never move your computer without asking IT because there may be a reason why the computer is situated where it is. Another location may not afford the best physical environment.

→ **Protect your computer from power surges and outages**

Just like your computer at home, a power surge could ruin your computer or network.

Be Professional

Your computer is for authorized, work-related activities only. Never use your computer for:

→ **Playing games**

→ **Writing personal email**

First, you're using company time and resources for personal matters. Second, security policies usually state that the organization reserves the right to monitor email transmissions. Email you send and

receive is stored in the system. The bottom line is that your email can be read by others in the organization.

→ **Visiting non-business websites**

You can be tracked when you're on the internet. People sell the names of those who visit certain sites. When you visit a site, you could be adding the institution you work for to that site's list.

→ **Printing reports for personal use**

→ **Downloading applications or files off the internet.**

→ **Using chat rooms, social media, or other applications that aren't work related**

→ **Sending memes**

→ **Performing tasks for personal profit, i.e., freelance work, moonlighting**

It is your responsibility to ensure that your computer/network is protecting the confidential data held by your institution.

Customer Service Excellence

Clients benefit from excellent customer service, but what's in for you and your frontline?

☑ **Reduces stress.** When everyone is working to give excellent customer service there is less worry about clients leaving your institution. Service is what differentiates your branch from others, your clients know it and so does your staff.

☑ **Reinforces relationships.** Each client contact is an opportunity to reinforce the relationship with that client. Providing excellent service reinforces loyalty and trust between the client and your staff.

☑ **Expands sales opportunities.** Each client represents a given revenue stream and a potential revenue stream. By knowing and understanding them better, upsell and cross-sell opportunities become more real and more abundant. Acting on this means you have the potential to increase lasting relationships.

Generate Successful Referrals

Successful referrals are essential to any type of business. For some businesses it can account for nearly half of the sales of products and services each year. Branch employees can help generate successful referrals by identifying needs and offer appropriate products which in turn, provides clients with better service. For example, a client makes regular deposits to a savings account. Your institution introduces a new CD that pays a higher percentage. By making your client aware of this CD, you potentially help him or her earn more interest. Your institution retains the funds and your client gets a better return on their money. It is a win-win situation.

The Basics

The basics of generating successful referrals:

→ Be positive - a casual, friendly approach works best.

→ Listen to your client by *hearing* instead of thinking about what you plan to say next. Pay attention to details people share about their lives, comments regarding transactions, complaints, opinions, etc. Once the client finishes speaking, ask questions to help clarify needs.

→ Know your products and understand how they benefit clients. People want to know, "What's in it for me?" Product training never ends because new products are always being introduced.

→ Offer help by letting the client know you may have a product that matches his or her needs.

→ Probe for interest by asking if a client wants to discuss a product further. For example, Mrs. Smith spoke to you about paying taxes. You could say, "Mrs. Smith, would you like to talk to Jim about an IRA? It could help you with paying less taxes." If she isn't interested, don't push her. You've planted a seed for thought and it may take some consideration. But she will think of you and Jim if she wants more information.

→ Be prepared to take action by passing along information on products to interested clients. Keep product packets from which you can distribute information. Know the right people to refer clients for specific products. If you're not authorized to open an account, follow your institution's procedure for handing over prospects.

Consult with Clients

Shooting out two or three brochures to every client can be unwanted by the client (not to mention wasting marketing materials). If everyone on the frontline is pushing the *product of the month* to every client every day, clients will become immune to the script or worse. Some clients may feel resentful or become hostile to an environment of "pushy sales people." Hostile clients don't make referrals to friends, family, or business associates. The goal is to build relationships that last and draw referrals from everyone now AND in the future.

Encourage employees to take a "consultative approach" to selling. Use active listening to determine a client's specific needs to see if there is a product or service to match. When one listens to clients, they can glean clues to current or upcoming needs. Once the need is determined, employees can consult with the client as to the level of interest in a product or service. This type of "consulting" enhances the chance that this client will turn to you again and build a good rapport.

Get "Clued In"

Generating successful referrals doesn't have to be difficult. It can be defined as listening and detecting clues in a simple conversation.

Here are examples of conversational clues and the needs they may reveal:

❖ **Grandchild** – When a client reveals a new grandchild consider an educational or savings account, a savings bond, or other special accounts you offer.

❖ **Retirement** – It's April and many clients may be looking for tax advantages, so mention appropriate products like an IRA. Help younger clients get IRAs started early to be multimillionaires in later life.

❖ **Vacation** – Now is a time that many people will be planning vacation getaways, do they need another credit card, increased limit, or wire transfer information to make their financial lives easier and safer while traveling.

❖ **Graduates** – College, trade, or high school aged young adults will be needing money to attend higher education; recommend products for student loans or home equity loans to finance education may be helpful at this time.

Ask for Referrals

Satisfied clients are the best word of mouth advertising, especially if

you ask them to do so. Take pride in knowing that your institution provides an array of products and services that could benefit nearly everyone. It's important for prospective clients to hear a testimonial from someone they know and trust. Client referrals are the easiest sales because they are sold before they walk through your door. There's usually not much salesmanship left to do because they're already convinced.

A survey of new account clients could indicate that as many as 60% had been referred by a family member, friend, or coworker. If you have a referral program then make clients aware of the benefits. Most clients would probably like to be acknowledged if they've generated a successful referral. If you don't

have an official program, consider some type of recognition by sending them a card or small gift. For example, one referral gets them a letter from the Branch Manager, three successful referrals equate to a logo mug or water bottle (coasters, pens, gift certificates, etc.) five successful referrals equals recognition from a SVP or CEO.

Teamwork Works

Use teamwork when reinforcing referral skills during staff meetings. For instance, allow employees to create scenarios that include multiple issues like policies for ID checking, client objections, and referrals in role-playing. It helps your staff get as close to real-world

situations as possible. Using a variety of things your frontline could encounter keeps them interested and trained. To help generate successful referrals, encourage employees to focus on clues the clients give them.

Use teamwork to encourage staff to share information and to share credit for referrals and new accounts. If a Teller makes the referral and a Client Representative opens the account plus another, both could be recognized. Likewise, celebrate if a coworker in Accounting generates a successful referral. If you don't have an employee referral program, consider starting one. Each new account, satisfied client, and happy employee benefits everyone at your institution.

Develop Positive Negotiation Skills

Negotiation is a process that helps you reach settlement with other people. But *how* you negotiate issues makes a big impact on whether the results are positive or negative. Some people think negotiation is the opportunity to "softly" impose their will on the other party so they can *get only their needs met*. For this article's purpose, that would be considered a negative result or win-lose outcome.

Positive negotiation, on the other hand, is a cooperative means for managing conflict. You work with the other party to solve problems and accomplish goals (not win the outcome). Positive outcomes for all parties are particularly important in long-term, interdependent relationships, such as within your branch. Regular use of a positive approach makes sense. Because both parties get an outcome that is a collaborative effort which maintains/builds a productive relationship at the same time.

Effective negotiation skills improve your interactions with clients, managers, coworkers, family members, and friends. You can better manage conflict and attain your goals. Very few, if any, people are self-sufficient enough to get their goals met without the help of others. We rely on each other. We are interdependent. We're required to find ways to accomplish our goals, get our needs met, and work with others.

In the workplace, you need to get personal and organizational goals met and effective negotiation skills help you do that. Your manager, for example, assigns you a project and states the outcome he or she wants. You may need to negotiate a deadline, access to resources, or the approach you take to get the job done.

Focus on Goals

The most important aspect of being successful at a positive

negotiation is to focus on goals. Too often, people focus on their positions instead of having goals. Each party will go into a negotiation committed to one specific solution, their own. When you're fixated on a position the negotiation turns into a battle of wills and one party - usually the one with the most power - ends up forcing his or her position on the other party. By focusing on goals, you open up possibilities for multiple solutions that can resolve the issue. Effective negotiators have two major sets of goals:

1. *Content goals* concern the substance of the agreement. This is what people want from the negotiation.

2. *Relationship goals* define the quality of the relationship between the parties. This is how each party wants to be treated by the other and the amount of inter-dependence desired by each party.

EXAMPLE: You are negotiating with a coworker over office space. Your <u>content goal</u> is to obtain the office space. Your <u>relationship goal</u> is to keep the respect and trust of the other party and vice versa. In a cooperative negotiation, the focus is on both content and relationship goals. You both are bargaining for content goals with respect and dignity. In addition, you try to help the other party attain his or her goals - both content and relationship.

Cooperative Mindset

Prepare yourself to be effective at positive negotiation:

➲ **Take a problem-solving approach** – When we're at odds with someone, we often become fixated with the person's personality flaws or we become obsessed with winning the conflict and defeating the other party. Find ways to work cooperatively with the others by focusing on solving the problem that lies at the heart of the issue.

EXAMPLE: Edith and Sherrie don't really like each other, but they must work together in a confined area. Help them collaborate together about how they can work through ground rules and differences.

➲ **Plan ahead** – Think about the issues that are to be negotiated. Identify your goals and what you believe are the goals of the other party. Write down goals and options that might meet the interests of both parties, and walk-away alternatives (i.e., your fallback position if you fail to reach an agreement).

➲ **Emphasize "win-win" solutions** – Show your commitment through your words and actions.

EXAMPLE: Keep your body language open, make eye contact

and use natural gestures. Look at the other party and say with genuine sincerity: "I want to work with you in resolving this issue." or "I think we can work this out, so we both get our goals met."

➲ **Set the ground rules together** – Establish ground rules for behavior before you get into the heat of the negotiation. Stress the importance of respectful listening, take turns talking, and engage in joint problem solving. Agree to avoid personal attacks and criticisms.

➲ **Ensure understanding** – Before engaging in any negotiations, ask the other party to share his or her perception of the issue. Find out the person's goals for the negotiation and then share your perceptions and goals.

➲ **Brainstorm solutions with the other party** – Together think of a number of solutions that may resolve the issue. By combining your creativity, you are more likely to come up with solutions that satisfy both of you. This is the best thing to do if the negotiations are turning into a stalemate.

➲ **Involve a third party if you are deadlocked** – If you can't come up with a solution, bring in a third party to mediate. He or she can assess objectively, provide a different perspective, and help both parties come to an agreement.

➲ **Evaluate the solution based on some objective standard** – Make sure your settlement is a good one. Use standards such as cost, efficiency, reciprocity, and equal treatment to assess the quality of your solution.

Recognize Exceptions

Negotiation takes lots of time and effort. If the situation dictates

that solutions are needed immediately, a collaboration may not be the best approach.

A conflict that needs immediate resolve isn't appropriate for negotiation. For example, don't try to negotiate with a robber. Do what he or she dictates. Another instance, if you have an irate client who is threatening to close his or her account. The client is expecting a result right away and doesn't want to negotiate. If it's a great relationship and you're empowered to do so, try to make an accommodation.

Sharpen Your Skills

With practice and commitment, anyone can become an effective negotiator, learn more:

◉ *Read books and articles that emphasize a problem-solving approach.*

Look for materials that offer strategies for **working with** the other party to get needs/goals met. Some publications on negotiation promise readers they can get their way every time. Those types of publications establish unreasonable expectations. They also tend to rely on manipulative tactics that may help you accomplish a short-term goal but end up harming a long-term relationship. That's not a positive negotiation.

◉ *Attend training in conflict management and negotiation.*

Work with your manager or HR Department to bring in a professional trainer or point you to appropriate resources.

Learning the art of positive negotiation helps you recognize the reality of interdependence. You see the value of getting what you want and helping other people get what they want – win/win.

The Art of Saying "No"

Turning down a client's request is like walking on a balance beam. You need to enforce your financial institution's policies and procedures while at the same time retain the relationship. In some instances, keeping the two balanced can be difficult. It can be equally challenging to tell an employee or coworker "no."

Just because you have to tell someone "no" doesn't mean either party is bad. Usually, the person is someone you want or need to maintain a good relationship with. His or her request is simply wrong for the current situation. Possibly a client, for instance, may want to borrow money for a car but his or her income doesn't justify the loan. However, the client may have a good checking and savings account with you…plus the potential for future business.

Many times, it isn't saying "no" it is the way you say it. If you treat a client or coworker kindly, they are less likely to walk away feeling rejected. More importantly, they won't spread negative thoughts or feelings to others.

You Can't Avoid It

No matter how you try, there will be times you must say "no" to someone. When you turn down a client's request - whether it's a loan application, fee reversal, or cashing a check, they'll likely take it personally. This can be especially true when turning down loans. Most often there are emotions at stake because it involves a dream of owning a home or business. Often when you must say *no* to someone asking for a loan you are saving them the pain of having something and then losing it all too soon. The balance between calculated risks and possible default on loans

should be managed with care.

Likewise, your financial institution developed policies, procedures, and fees for a reason. For instance, refunding fees cuts revenue for handling special items like NSFs and ignoring check-cashing policies invites fraud.

Your frontline staff may have to say "no" when…

❖ **Non-clients want to cash a check –**

The item isn't drawn on your institution and the person doesn't have an account. There's no recourse if the item is bad.

❖ **People with a history of bounced checks want to open a checking account.**

A history of writing bad checks can cause significant loss from the first day and fraudulent activity.

❖ **Clients ask for fees to be refunded.**

NSF and OD fees are the big two. Others that spark requests are fees associated with minimum balances, exceeding items allowed, certified checks, stop payments, and wire transfers. Exceptions can occasionally happen based on the relationship; especially if there is just one mistake every few years for a client that has a well-developed long-term relationship with your institution.

❖ **Clients ask for free checks.**

Sometimes people are surprised when they get charged for check orders. The goal is to always let them know the amount of the charge before it deducts from their account.

Show Understanding

Whether you're interacting with clients, co-workers, or management, empathy is at the root of effective communication and relationship building. Demonstrating empathy allows you to transcend yourself and focus on the needs of your conversational partner. One of the most basic human needs is to be understood. By listening and showing understanding, you help satisfy that need in others.

Here are some ways you can achieve it:

✓ **Focus on the client's perspective.**

Put aside your own beliefs and opinions. Concentrate on how the other person feels. Recognize their needs and concerns.

✓ **Avoid making judgments.**

Just because you disagree with someone doesn't mean they are less than you. Don't criticize, label, or diagnose the person. All of these responses prevent open communication and often make the other person get defensive.

✓ **Don't get defensive.**

Just as you don't want the other person to get defensive, remain emotionally neutral yourself. An emotional reaction to your client's words can turn the conversation into a conflict.

To encourage cooperation and understanding, stay calm even if the client makes angry or accusatory statements. Try to keep in mind that the upset is about the situation, not you.

✓ **Acknowledge your client's position.**

Paraphrasing the person's words helps you acknowledge his or her feelings. This lets the client know you're trying to understand him or her. An example of showing that you're in tune with someone's feelings is to say, "I sense that you're concerned about…"

Offer Solutions

Always try to find a solution if at all possible. Make it a challenge for yourself to think of some way to guide the person, especially if you can't think of a solution.

For example, if you must turn down a loan applicant don't say, "You don't meet our lending requirements." Instead, try to figure out a way to help make the person credit worthy. It may be sending the person to the credit bureau to work out a payment plan, finding someone to put up collateral, or looking for ways to build a credit history. Try to work with and for the client to improve future possibilities.

If you can't meet the client's request…

♦ **Explain why.**

Use a kind manner by explaining it the way you would like to hear it from someone. Avoid vague responses and negative language when making turndowns. Making comments like; *"Because I was told to, that's our policy, and I'm only following procedure"* are unacceptable. That's the easy way out and many people would become irate and insist on more information anyway.

♦ **Offer an alternative.**

Always offer and explain what you can do for the client. Try to find another way to help the person. A non-client presents a check and you can't cash it. Ask if the person has a credit card and offer to do a cash

advance. If a client wants you to refund NSF fees, suggest overdraft protection as a way to avoid future charges.

Your Attitude Matters

When you turn down a client they aren't just listening, they see your actions and behavior too. You have to read how the client is taking it and adjust your response to follow theirs.
Use these general guidelines:

→ **Have a positive attitude.**

Show respect for the person and help them as much as possible. Don't criticize the client or point fingers.

→ **Be kind.**

Don't have a scowl on your face, grin, laugh, or appear happy either. Keep it neutral and helpful.

→ **Listen.**

Let the client vent by listening to their concerns and gripes, but don't take it personally.

→ **Take responsibility and ownership of the situation.**

Never pass the responsibility to anyone else. For example, avoid saying, "The Accounting Department won't let me." You are the institution to that client at that moment. You are responsible.

→ **Call in reinforcements if needed.**

If a situation gets too heated always remember that your supervisor is there to help too. Bringing in a third party usually gives the client time to cool down. It also says you are serious about doing all you can to help.

Walking Can…

◎ **Give you a break from a stressful day** – a 10-minute brisk walk around the block during a break can help relieve anxiety too.

◎ **Be relaxing** – walking doesn't need to be fast-paced every time. Strolling along, taking time to look at nature, architecture, and landscapes. Take time to listen to the sounds you hear and let them take you to another place (i.e., birds to the forest, train whistle to a trip).

◎ **Be rejuvenating** – if you are feeling less than energetic; take a stroll to the park at lunch and sit down for an old-fashion picnic outside. Take time to read a chapter in a book, magazine article, or BML.

◎ **Be inspiring** – don't sit and stew about a problem; take 15 minutes to walk the block or take a trip up and down the stairs to get the energy flowing. Within the 20 minutes it takes to get back to your desk you could have a solution or feel better about tackling the problem.

◎ **Enrich relationships** – walking with others can change your mood for the better, almost immediately. It works especially well if you want to change the mood of a staff member. You can use walks to engage a group or individual in planning strategies, coaching, and private discussions. If you have a difficult discussion with a team member, take them outside and away from prying ears – they will appreciate it.

◎ **Be real exercise for your body** – if you need to, start slow; pick a place to walk every day and time yourself for a week. Play beat the clock the next week and so on.