

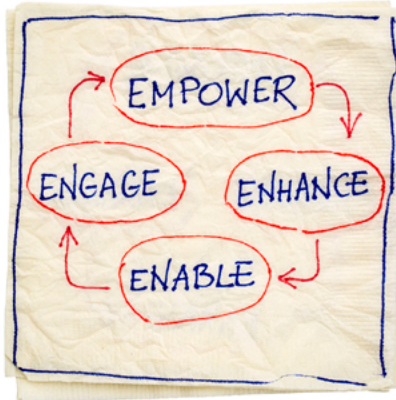
Engaging Employees in the Strategic Planning Process

by [Mary Ellen Georgas-Tellefsen](#) (917-328-7828)

The success of a strategic plan depends on its ultimate execution. Yet those who will be implementing the plan on a day-to-day basis – the employees of the bank – are often the last to hear about the details of the plan, having to rely on the budget process for insights into longer-term objectives. As you complete your strategic plan this year, consider not just how you can engage the Board of Directors in the process, but also how you can engage your employees.

CPG has identified four best practices for employee engagement in the strategic planning process:

1. Provide detailed and honest communications to employees about the strategic vision and its challenges. Providing employees with a clear vision and business case for change can strengthen support for a new initiative. At the same time, acknowledging challenges the plan will generate and the change it will bring to the organization demonstrates empathy and creates goodwill among the staff.



2. Include the metrics that will define success in company-wide communications. According to Harvard Business Review, successful strategic communications serve two purposes – making known what the company is trying to achieve and how success in achieving its objectives is being measured. Clearly defining and communicating success metrics helps employees “take ownership over their roles in the execution.”¹ Ensure that metrics are manageable, realistic and measurable – and that there is a process in place to review and adjust these metrics if the operating environment changes in such a way as to render the original goals unachievable.

3. Set up a process to ensure that management is aware of and responsive to questions and new ideas about the strategy. By encouraging open and continual dialogue throughout the organization, management demonstrates that it values employee feedback and is open to ideas for improvement.

4. View strategic planning and execution as a process, not an event. Developing a follow-up feedback system, such as quarterly planning meetings and post-implementation group interviews or surveys, increases employee engagement and can prevent detours from strategic initiatives.

1. Amy Gallo, “Making Your Strategy Work on the Frontline”, HBR Blog Network, 6/10/2010, <https://hbr.org/2010/06/making-your-strategy-work-on-t>.

Strategic Plans that Make a Difference

by [Mary Beth Sullivan](#) (202-337-7872)

We’ve been working with financial services companies on their strategic plans for more than 20 years. When we are fortunate enough to work with a bank or credit union on its strategic plan and take a hard look at its vision for the business, its plan to get there, and the business model that operates on a daily basis, more often than not we see incredible similarity to what’s going on at other financial services companies. Given the challenges in the industry today, including the rising interest rate environment and fintech challengers, the time is right to focus on strategy and build the right plan for long-term success.

Instead of starting the planning process by setting financial targets and evaluating individual business lines or markets for their potential to help you hit those targets, start with a different set of questions:

Are your customers more successful as a result of doing business with you than they would be banking with someone else?

Answering this question requires taking a longer-term view of your customer relationships and the ways in which you can bring value to them.

Do the best-and-brightest want to work at your financial institution? This is especially important today on the frontlines. Despite increased adoption of digital channels for sales and service activities, financial services is still a people and relationship business. And, it will continue to be for those who succeed long term.

What makes your bank or credit union the best choice for customers in the marketplace? It’s critical to identify what is different and better about the experience your customers have with you. If you can’t identify what differentiates your financial institution, this needs to be a focal point in your planning process this year. More than ever, customers have options, so it is critical to identify and communicate what sets your institution apart from the pack.

If your plan addresses these questions, you’re ahead of the game. You’ll have both a more compelling story and a far greater shot at success! Regardless of how you answered these questions,



CPG’s time-honored strategic planning process and highly experienced consulting team can help your institution take its planning to the next level with competitive insights, peer group analytics and pragmatic action plans to help define your vision for growth and success.

How to Make Your Culture a Competitive Weapon by [Rolland Johannsen](#) (646-303-3312)

Excerpted from [Credit Union Journal](#), April 11, 2018.

Ask a financial services CEO what makes his or her company different or better than the competition and, more often than not, two factors will top the list – superior service and the company’s corporate culture. Often these two concepts are linked with some variation of the theme “our people make us different”. This, of course, implies that employees – how they are selected, trained, and behave – are both an integral part of the customer service equation and a reflection of the overall corporate culture. However, the challenges are defining what these words actually mean and determining whether or not they reflect day-to-day operating reality.

While creating alignment between cultural values and customer service processes, protocols and behavior is important for all financial institutions, it is absolutely critical for community banks and credit unions.

This connection between cultural values and the customer experience is often tenuous and rarely managed. However, culture must be operationalized and managed each and every day or the organization will evolve its own culture in ways that management may not like.

Determine Culture and Service Connections

The first step to ensuring alignment is to perform an honest, objective and thorough assessment of the company’s cultural pronouncements relative to its day-to-day operating environment. There are a number of ways to perform this initial assessment, but one easy method is to construct a simple matrix with key cultural components listed on one axis and major customer service issues or categories on the other. These categories might include areas such as account opening and maintenance, loan application and decisioning, funds availability and check hold policies, fee waiver

procedures, problem resolution and many others. Then, identify which cultural components should be reflected in which customer service category. This simple, high level analysis creates focus to drive a deeper assessment of each individual customer service element and process.

Analyze Processes, Procedures and Protocols

The next step is hard, but necessary – mapping each major member/customer service process and determining if there is alignment between cultural principles and operating procedures. Adding complexity is the need to assess interactions through multiple delivery channels. The end result will be a thorough and detailed description of the desired customer experience across all types of interactions and through each delivery channel.

Create Rigorous and Consistent Management Systems

The final step is to develop and deploy systemic management processes that monitor and measure actual performance relative to defined expectations. There are many ways to measure service quality and performance. The key is determining the right things to measure and ensuring that metrics reflect our cultural priorities. These focused and informed management systems help create consistent performance across the organization, focus attention on the most critical elements of the service promise, and highlight ongoing improvement opportunities.

Creating a strong connection between cultural values, operating processes, and management oversight will transform “culture” and “service” from talking points into a competitive weapon. Assuring that there is alignment between cultural principles and day-to-day operating reality will reinforce cultural values by making them tangible and help create an environment in which individual customer service decisions are made consistent with cultural expectations.

CPG’s Marketing Practice by [Mary Ellen Georgas-Tellefsen](#) (917-328-7828)

The rules of the game have changed in financial services marketing. Marketing has transformed itself from a communications function to a value creation function for customers, colleagues, and the firm itself. This shift requires a total rethink in terms of marketing capabilities, with strategic thinking and a command of finance and analytics being imperative.

The goal of CPG’s Marketing Practice is to maximize the strategic importance of Marketing in value creation, customer management and resource management in financial institutions. Success requires addressing the many complex choices available and creating a highly focused and actionable plan that drives support of business goals, investment decisions, the allocation of scarce resources, and sustainable financial performance.

Changing customer behavior and expectations require new management frameworks and processes that build needed skill sets,

establish performance standards that are in line with overall company objectives, develop new staffing models, and create highly effective reward and recognition programs.

CPG has the experience and tools to assist

senior management with the entire Marketing Lifecycle including transformation of the Marketing function, branding, target customer and segment identification, and campaign analytics. Call or [email](#) Mary Ellen with any questions about our marketing capabilities!

Marketing Department Transformation

- ◆ Marketing Function Diagnosis
- ◆ Proprietary Market Research
- ◆ Integrated Marketing Communications
- ◆ Data Analytics & Propensity Modeling
- ◆ Marketing ROI Analytics
- ◆ Marketing Campaign Analytic Support
- ◆ Marketing Automation Needs Assessment
- ◆ Banking Industry Training for Marketers

Announcements

CPG is happy to announce that [Marco Criscuolo](#) has joined the firm as a Business Analyst. Marco graduated from Georgetown University with a Bachelor of Science in Business Administration.

Recent Articles & Speeches

[How Banks can Regain Home Loan Market Share](#), ABA Bank Marketing, April 18, 2018, by Mark Gibson.

[How to make your Culture a Competitive Weapon](#), Credit Union Journal, April 14, 2018, by Rolland Johannsen.

[Creating a Customer Growth Engine](#), American Banker/Source-Media Retail Banking 2018, April 9-11, 2018 by Mary Beth Sullivan and Mark Gibson. ([conference website](#))