

ABA Bank Marketing



Hire the Right People

By John Tschohl, President of Service Quality Institute

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Your best bet for success...

All of your branches are up to date. You're on track with your marketing plan—advertising, social media, web presence—all the boxes are checked. Or maybe not. Regardless of whether any of that applies to you, whatever you do, don't forget about the importance of hiring. That—plus retaining good employees—is one of the most crucial elements of your brand.

It's also a matter of cost. Turnover creates inefficiencies that cost companies major dollars every year, so it's important to pay employees for the efficiencies they create by staying with the bank. Success is hiring and retaining good employees—and training them.

Treasure your best employees.

In 1994, Cary Albert and his wife Jacquelyn opened a Schlotzsky's café and bakery. Now at the helm of Albert Enterprises, a restaurant operating company with multiple Schlotzky's and Dairy Queen locations, Albert claims that at his Schlotzky's franchises, labor costs as a percentage of his business are some of the lowest in the Schlotzky's system, even though he pays some of the highest hourly rates. Why? "Because we retain great people and reward them with higher pay. You can't put a price tag on this." [Albert Enterprises](#) landed at No. 1,371 on Inc.'s 2016 list of the fastest growing companies in America. It grew to 845 employees and annual revenue of \$21 million in 2015, up 280% from \$5.5 million in 2012 when it employed 125.

The Alberts are actively involved in all facets of their businesses. Having grown at an eye-popping 100% over the past few years was a remarkable feat. This is a testament to the amazing team assembled by this ownership. "Our people truly do make the difference."

How to find employees.

Interviews are awkward because you're having an intimate conversation with someone you just met, and the candidate is in a very vulnerable position. Hiring decisions are too important to be left in the hands of a manager who may or may not have a stake in the employee's success a year later. That's why at Google they set up the process so that the hiring decision is made by committee. If you want to hire someone, the decision needs approval from a hiring committee, whose decisions are based on data, not relationships or opinion. A great guide to hiring is the book How Google Works by Eric Schmidt, Jonathan Rosenberg, and Alan Eagle. At Google they grade interview candidates on a scale of 1 to 4. The average score falls around a 3, which means the applicant is okay but they would like to have another opinion that would possibly rate them higher.

On the product management team, the score of 4.0 means the applicant is perfect for the role and should be hired. They believe every interview must lead to a decision, and that decision is personal.

At Google they break down candidate evaluations into four different categories:

- **Leadership:** They want to know how someone has flexed different muscles in various situations in order to mobilize a team.
- **Role-related knowledge:** They look for people who have a variety of strengths and passions, not just isolate skill sets.
- **General cognitive ability:** They're less concerned about grades and transcripts and more interested in how a candidate thinks.
- **Googleness:** They want to get a feel for what makes a candidate unique.

More important than money.

It's a mistake to think that what happens at a restaurant franchise or at Google has no bearing on your bank. At any organization, top management and supervisors can set the example by showing clear and obvious commitment to quality service. Likewise, broad-based employee training and expansion of development programs can be used anywhere a motivational condition.

Training is vital as it give the employee all the tools needed to perform to the high standards set by management. It also encourages personal empowerment to make decisions based on customer satisfaction and experience.

Hire for attitude and train for skills.

The Hay Group is a leading management research firm that specializes in tracking employee attitudes. It has found that employees do not value money as the most important aspect of a job. Edmund A. Pinelli, the vice president of research for the Hay Group, has said that "money is important but not an end-all, as long as they understand why they get paid and what they get paid."

Employees are proud to work for an organization that is committed to excellence in service to people. Performance improves. Turnover drops.

Employees find satisfaction in performing to the best of their ability because they realize that they are building their own future.

John Tschohl is an international service strategist and speaker. He is founder and president of the Service Quality Institute in Minneapolis, Minn, and has recently released the 10th Edition of Achieving Excellence Through Customer Service. He can also be reached on Facebook, LinkedIn and Twitter.