

## **Making a sales culture come to life**

Some banks talk about building a sales culture but find it difficult to effectively implement a program that achieves real results. Other banks, which approach the development and enhancement of a sales culture strategically, have seen their customer base expand, their cross-sales ratios increase dramatically, their accounts per household grow, and overall profitability increase. It has been shown that banks that have a solid sales culture are the winners and possess a sustainable competitive advantage. Achieving an active sales culture, however, does not go without challenges. How does a bank determine the right level of investment? What are the best metrics to measure sales productivity? All of these questions are critical and need to be addressed as well as the most important question – what are the bank’s expectations?

One bank that made the commitment to increase its sales and service culture, and serves as an excellent example of how to do it right, is Blue Ridge Bank and Trust in Kansas City, Missouri, a bank with \$400 million in assets and over 200 employees. The market it traditionally served had grown older, major national and super regional competitors were becoming bigger factors in their market and, as all banks have faced, its share of the financial assets in their market had not dramatically increased over time as individuals moved funds to national investment firms. During strategic planning sessions the Bank was able to identify several of its key strengths. Among these was a clear competitive advantage in serving the customer. Tom Thomas, the chairman, and Bill Esry, the Bank’s president, made a commitment to continue to be the strongest bank in the area and launch several initiatives -- one of these was to strengthen the existing customer service and sales culture. They made it clear to their senior management staffs that service would continue to be their competitive edge and that selling should not replace, but rather, enhance service. This directive served as the cornerstone to the initiative to strengthen service and at the same time increase the sales culture.

### Training – the critical link

Blue Ridge Bank already had in place various sales tools: customer referral cards, cross-sell sheets, sales tracking sheets and management reports. In addition, it had a person assigned as sales manager to monitor the progress of the various retail branches. What the Bank lacked was a solid sales training program. It was recognized that sales training was an essential element to success since many of the employees were new and did not know how to sell, and the more senior bankers were hired when there was not any expectation to sell bank services.

Senior management was reassured of the value in making an investment in sales and service training since they knew the dollars invested would not only provide sales results, but, based on findings of national studies, boost productivity in other areas and increase retention of the best employees. Further, the ABA and other organizations have shown in various studies that the more products a customer uses increases the rate of customer retention and Banks achieve higher per customer profitability than single product users. Studies by Harvard have even quantified the lifetime value of a customer and shown how an initial investment in selling and acquiring the account more than pays for itself in the short term.

Based on these facts and the Bank's commitment to strengthen its sales culture, Rob Markey, senior vice president and senior retail officer, started a national search for the best sales training firm. He realized that a critical fit was the training company's approach and their ability to customized training material to incorporate existing sales aids and management philosophies.

The training program also needed to address Tom Thomas' concern that the class size allow for a high level of interaction and have an impact on the attendees and the sales results. This senior level commitment and clear statement of goals helped to define how to select the best training solution for the Bank. To meet these challenges it required a customized approach as well as having the flexibility to conduct the training in off peak hours so all the bankers could attend with little disruption to their schedules.

The selection of the 20/20 Marketing Training program enabled Blue Ridge Bank to meet its budget parameters, conduct 20 training sessions, and have customized training materials for each attendee, as well as meet all the other requirements set by senior management.

### A customized approach

The final training program design involved different sales sessions and materials for the financial service representatives, the managers, and the tellers. The program was designed this way since it was quickly recognized that the functions of each of these groups differ. The tellers have a time constraint in their selling – but they are in a key role to sell since they “are the bank” in many people’s minds. The financial service representatives are obviously in a selling role but their skills needed to be enhanced and expanded. The managers are not only responsible for outside sales calls but also for the sales and service coaching and mentoring which occurs within the Bank. To meet these individual needs each of the training sessions had a specific topic such as: The Importance of Selling, Developing the Relationship with the Customer, Effective Consultative Selling, Making the Extra Selling Effort, Team Work, The Language of Effective Selling, Selling Never Stops.

It was discovered that an additional benefit of selecting a local training firm that was knowledgeable in selling financial services was that the Bank could easily schedule the training around the bankers time constraints and not airline schedules. Further, it was easy to have in-person follow up conferences with bank management. This flexibility paid off further when there was an attempted robbery during one of the training sessions that understandably disrupted the training and distracted the attendees. This session was easily rescheduled without any major problems. This would not have been as easy to do with an internal training department that is so busy with operational and other regulatory training that it is nearly impossible to address the sales and customer service training needs of the Bank on an on-going basis.

Bank management agreed that the training program would be conducted over a five-month period to meet the needs of the bankers. This also allowed the selling lessons to be put to use and to clarify and reinforce the selling techniques. The bankers also found this beneficial since they could improve their sales presentations, learn how to effectively follow up with customers, and learn how to obtain additional referrals – not only for personal banking services but also for the Mortgage Department and the Trust Department.

One of the additional benefits of the training was that it helped identify needed changes in the sales aids and new practices that could be cost effectively implemented by the bankers. By having highly interactive sessions it allowed for feedback and continuous reinforcement of selling approaches.

The most inspirational part of the training session was when the president of the Bank, Bill Esry, peaked into one of the sessions and asked how it was going. The tellers, just being told how important they were to the selling process, exclaimed, “We are the most important people in the Bank!” This provoked Mr. Esry to step into the room, and as the attendees became very quiet, they heard him exclaim “That is absolutely right!” He then continued to describe how he once was a teller and recognizes that the tellers see the most customers, that they are at the front line of the Bank, and that customers make decisions to stay with the bank based on the service level of the tellers. This impromptu presentation spread throughout the Bank and reinforced the sales and service message.

#### The benefits of a complete solution

What were the results? How has the Bank benefited? The benefits were numerous and the desired goals detailed by Rob Markey, the senior vice president in charge of the program, were achieved. And, the benefits went beyond the initial goals and were best captured by the quotes from the attendees.

*“I now realize the effective selling is providing a needed service to our customers.”*

*“The lifetime value of the customer is increased by me selling the most appropriate products.”*

*“Selling is fun and it is a natural process of helping the customer with their problems. Our bank has the solutions!”*

Sherry Howard, the sales manager, felt that the training sessions brought the employees together and provided each of them with a better sense of what their role is in the selling process. “The training provided an effective means to discuss the importance of the cross-selling tools we have and how to implement new sales techniques,” stated Howard.

Blue Ridge Bank showed that it does not take the biggest bank in town to be the role model for how to do it right! A serious commitment from senior management, a commitment to quality training, and a continuous monitoring of results to assure success are all the ingredients of increasing a bank’s sales culture.

*By Rich Delaney*