

Customer Satisfaction:

Despite the slow economy, United Community Bank, Blairsville, Ga., has continued to grow during the last few years. The financial institution attributes its success to a comprehensive system of measuring how well employees provide customer satisfaction—and persistently encouraging workers to do even better.



How Much Makes Dollars and Sense?

BY WALT ALBRO

DOES EXCELLENCE IN CUSTOMER SATISFACTION BENEFIT THE BOTTOM LINE?

United Community Bank (assets: \$7.4 billion), Blairsville, Ga., is an example of a financial services institution that believes that the answer is "Yes."

During the last three years, when the economy was stagnant and many banks were faced with negative or very little growth, United Community Bank Inc. (UCBI) added more than 43,000 new deposit accounts and 161,000 new services of all kinds; increased the number of products per household by 0.5; and bolstered core deposit balances by \$641 million.

It accomplished these feats, in part, by raising its already high customer satisfaction score from 91 to 95.5 percent, says Craig Metz, executive vice president, marketing. The bank feels that there is a connection between superior customer satisfaction and financial success. "It's only common sense: If you take care of the customers, they will take care of you," Metz observes.

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The Golden Rule of banking

UCBI is the third-largest traditional bank holding company in Georgia, with 1,800 employees. It is subdivided into 27 local community banks with a total of 106 banking offices, all of which operate under the United Community Bank name. Branches are located throughout north Georgia, Metro Atlanta, coastal Georgia, western North Carolina and east Tennessee.

UCBI began operation in 1950 under the name Union County Bank. From the start, it focused on exceptional customer satisfaction. "In the 1950s, all businesses provided personal service—knowing their customers' names and doing the little things to make the business experience more enjoyable and memorable," notes Michael Infante, vice president, corporate communications. "This was before 'customer service' and 'customer satisfaction' became catch phrases."

UCBI started with \$40 million in assets and grew from there. Infante says that United's advantage was that as other financial companies grew, they became impersonal, cookie-cutter op-

erations. "United stuck with the philosophy upon which the company was built; personal and personalized service; knowing our customers; understanding their needs and partnering with them to provide the exact products and services they need."

The company's tag line "the bank that service built." The corporate philosophy is what it calls The Golden Rule of Banking: To treat customers as we expect to be treated. Infante says this philosophy serves as the "employee compass."

Frontline employees are hired based on their potential for providing outstanding customer satisfaction. New employees receive customer satisfaction training either online through the bank's intranet or through classroom sessions. Employee customer satisfaction performance is measured in up to 42 categories (the number of categories depends upon the employee's job description) by an outside service. The evaluations are done daily and reported to managers, with branch averages posted monthly for all employees to see.

To develop the criteria used to evaluate customer satisfaction, the bank initially conducted both focus groups and customer surveys. For the survey, more than 5,000 customers were asked to rank how important various things were to their level of satisfaction. The criteria, which have been modified over the years, include such things as whether the employee calls the customer by name; is warm and friendly when talking with the customer; listens to the customer; and understands the customer's needs. The bank hired an outside company, **Customer Service Profiles (CSP)** to conduct the evaluations, which are done continuously throughout the year. The average front-line employee is evaluated about 10 times a year. Individual scores are seen by the evaluated person and by his or her manager, but not by other employees.

Employees unhappy with low scores

When the bank first started measuring customer satisfaction, some employees did not score well. Employees with mediocre evaluations were coached by managers or encouraged to take additional training. Today, poor marks are a rarity because "employees don't like to get low scores," says Metz. One factor that helps to keep scores elevated is peer pressure. If a branch has a reputation for high scores, employees feel that they have to maintain that standard—for the good of the team, Metz observes.

Employees and branches that score well are recognized for their achievements. Presidents of the various geographic regions hold a variety of meetings and rallies every few weeks. The purpose of these meetings is to keep the people motivated and to recognize their customer satisfaction achievements. The meetings are also used as refreshers on bank products, services, promotions, policies, etc. At a typical meeting, for example, an employee who had maintained a 100 percent customer satisfaction rating during several evaluations, will be asked to stand and be recognized.

On any given quarter, about a third of individual bank locations earn a 100 percent score. United's overall scores have consistently remained above 90 percent for the past three years.

In 2010, CSP reported that United Community Bank had the highest customer service scores nationally of all the financial institutions the company had studied that year.

Eight Steps to Achieving Customer Satisfaction that Brings Bottom-Line Results

- Make customer satisfaction a critical component of your corporate culture.
- Find out how your customers define customer satisfaction. Hold focus groups; do a comprehensive customer survey.
- Continuously measure how well employees achieve these customer satisfaction benchmarks. Let each employee know each time they have been evaluated. Share evaluation scores with employees and branches.
- Recognize and praise individual employees who have scored well. Recognize branches in which employees have scored well.
- Provide coaching and training for employees who obtain mediocre scores.
- Include "meeting customers' financial needs" as one of the categories of customer satisfaction to be measured.
- Define sales as an extension of customer service. Establish a sales culture in which employees are rewarded for cross-selling appropriate products and services. Provide incentives to employees who obtain referrals from existing customers.
- Hold frequent employee meetings in which workers are recognized for their customer satisfaction achievements. These meeting should also be used as refreshers on bank products, services, promotions, policies and so forth.

Employees at United Community bank hold monthly meetings at each location. Generally, the location has a different theme each quarter (which varies by location). In most cases, the office divides into teams and has a friendly competition to see which team can refer the most customers during the designated time period.

The theme for the meeting shown here at the bank's main office/operations center was football. The different costumes represent the various teams that were competing with each other. Some were in costume to entertain or pump up the crowd. Up front are some "referees," who were the people conducting the meeting.

There are usually smaller rallies at the end of each month to give progress reports, and then a larger festivity at the end of the quarter to name the winning team. There generally are cash prizes and gifts awarded to the winning teams or top referrers.

Locations have used themes like Survivor, Wheel of Fortune, Triple Crown, etc. Managers say these meetings help to motivate people to improve customer satisfaction and to sell and to obtain customer referrals.



House calls

An example of the lengths that the bank's employees go to provide customer satisfaction is the bank's "house call" program at an upscale retirement community in Gainesville, Ga., explains Infante. While there is a UCBI ATM in the neighborhood, there is no branch office nearby. So to serve the bank's existing and potential customers, the bank conducts house calls. Residents can call the local UCBI banker (who has regular hours in the subdivision office), and she will make arrangements to visit the customer's home to conduct any banking transaction or to open a new account.

Infante cites a recent letter from a customer in Powder Springs, Ga., as typical of those the bank receives:

"After opening a business account with a competitor bank I received very bad service both at a branch and at the office where I opened the account. I closed my account on the spot. It being 11:30 a.m. on Saturday, I took a chance to drive by a United Community Bank office to see what was required to set up a business account the following week. I was told by the United employees that it could be done right away ... no delays ... unbelievable! The employees even stayed beyond closing time to complete the task."

Response to weak area

In 2008, the bank's customer service scores were all in the mid-90s, with the exception of "fulfilling the customer's financial needs," which were in the mid-80s. Managers examined the situation and concluded that the bank needed to do more in the area of listening to customer needs and acting on this information. In response, they developed a sales culture initiative called United Express. This initiative, launched in 2009, encourages employees to cross-sell appropriate products and services and to obtain new-customer referrals. The bank uses predictive analysis to determine which customers are good prospects for certain cross-sells. In addition, employees are offered cash rewards for selling additional appropriate products. The key word is "appropriate," notes Metz. "There are no quotas involved. It is

treated as an extension of customer service and not as a sales effort." If done the right way, cross-selling not only improves customer satisfaction, but also provides financial benefits to the bank, Metz notes.

This was the case with UCBI. After kicking off United Express, the bank's customer satisfaction scores soared to new heights—as did its financial growth.

In 2011, the bank was cited by J.D. Power and Associates as one of 40 U.S. corporations that have superior customer service. UCBI was the only bank in the country to make the list.

Metz says that he receives about two or three telephone calls a month from bankers in other parts of the nation who want to know how UCBI achieves such high customer satisfaction scores. The major shortcoming with most banks' programs is that they focus exclusively on how to treat the customer, Metz says. But banks need to expand their definition of customer satisfaction—to include talking with customers and figuring out what their financial needs are and to take action to meet those needs. "This is where a lot of banks miss the boat."

Metz says that every aspect of customer satisfaction is measured every day because the bank considers it a critical component of business success. "Part of the reason that we continued to grow deposits during the last three years is because of our customer satisfaction. Our employees never took their eye off the ball. Everybody, including our holding company employees, did their part." ■

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