

HIGH PERFORMANCE CULTURES

Growing a company into a highly successful organization is incredibly demanding and full of risks. In fact, somewhere between 75% to 90% of all companies fail. It shouldn't be a surprise that research shows that companies with a strong idea, a good business model, ideal timing, and generous investors are more likely to be successful. But what the research doesn't acknowledge is that these things don't just happen on their own. High Performing People make them happen!

- **Idea** - Industry disrupting ideas and technology does not design or build itself. High Performing people do.
- **Business Model** - Loyal customers willing to pay for your products and services don't just pop into existence. High Performing people find the customers, build relationships with them, and gain their loyalty.
- **Timing** - Having a perfectly timed product hit the market is not luck. High Performing people make their own luck by finding opportunities that not only fill their customer's needs but are executable.
- **Funding** - Investment and funding will not rain down on you because you have a compelling vision. Investors are actually investing in High Performing people that not only create that vision but can execute it.

High Performing people are at the heart of why some companies succeed while others fail, and in order to attract, retain, grow, and harness those High Performing people you need to have a High Performance culture.

This shouldn't be a surprise to long time readers of this *Newsletter*, as *The Findley Companies* have long believed that a highly efficient and top performing staff is one, if not the most, valuable asset of a bank. Exceptional banks have exceptional staff!

High Performance Cultures Pay Huge Dividends

High Performing people are at the heart of why some companies succeed while others fail, and in order to attract, retain, grow, and harness those High Performing People you need to have a High Performance culture. Don't believe me? Research shows that High Performance cultures pay huge dividends:

- Companies with a High Performance culture have 33% higher revenue than their normal competitors.
- A High Performance culture leads to a 41% reduction in absenteeism, a 17% increase in productivity, and 59% less employee turnover.
- Finally, companies with a High Performance culture outperform their competitors by 300%.

Imagine what your bank could accomplish with a High Performance culture. What could you accomplish if your employees were so productive, they delivered six days of results in five days? What kind of strategic initiatives could you fund if you had 33% more revenue? How much faster would you grow your bank if you outperformed your competitors by 300%?

Unfortunately, too many leaders only talk a good game about High Performance cultures. Even though they say it is critical, there is always a huge list of other things (customer issues, new regulations, emerging competition, etc. ...) that occupies their attention. So, a company's culture initiatives are often low priority. And even when leaders do focus on People & Culture work, they spend the majority of their time on operational issues such as recruitment and ensuring legal compliance). If bank leaders truly want to grow their bank into something amazing, hiring a recruiter or an HR generalist isn't enough. They need to make building a High Performance culture their top priority.

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What Specifically is a High Performance Culture?

The good news is that building a High Performance culture is not that hard or complex. At its core, a High Performing culture is composed four things:

- 1. Delivering Critical Priorities** - Everyone within a High Performance culture needs to be crystal clear on the top three business priorities over the immediate future. That clarity allows for everyone to be aligned and working together to solve those priorities.
- 2. Role Modeling the Right Way of Working** - Once there are clear business priorities, leaders should ensure that everyone is working in a way that is aligned to those priorities. This includes how the organization is structured, how the processes are aligned, and how employees and teams are meant to work together.
- 3. Proactively Building Strategic Capabilities** - A clear way of working together helps leaders understand what type of talented people they need within their organization. Some of them they will need to hire, and some they will be able to grow.
- 4. High Performing Leader** - Finally, clarity on people capabilities will shape what kind of leadership and communication is required in the bank. There is no recipe for the perfect leader, but some types will work better for some cultures than others.

That's it ... If you want your bank to succeed and grow faster than you ever imagined, then you need to ensure these four things.

Don't Use a Jackhammer to Hang Art on the Wall

A High Performance culture requires the right people and right leaders to work in the right way and on the right priorities. That being said, not all companies require the same level of High Performance tools and mindsets. For example, a bank with 40 people does not need a formal performance management software system, when a quarterly discussion on goals is sufficient. But a 200+ person bank without any structured performance conversations is missing some key building blocks.

The simple truth is that the tools you use to build and sustain a High Performance culture evolve as your bank grows in size. Leaders of smaller banks shouldn't spend time or effort on complex tools to build their High Performance culture. It just isn't worth it. Instead, they should be deploying simple and practical ways to build their High Performance culture.

We recommend keeping things simple, and instead of rolling out tons and tons of High Performance culture initiatives, you should start with four. Basically one initiative per dimension of a High Performance culture. For example, we would recommend a bank with between 50-125 full time employees to start with the following initiatives:

- **All Hands Goal** - Every six months, identify one "All Hands Goal" that everyone must contribute towards. These are your bank's make or break goals that will keep everyone focused.
- **Design In Nimbleness** - At this size, processes should be highly adaptable to fit an ever changing environment. Allow for deviations, but only if they are critical to achieving your top three priorities.
- **Build a Strong Onboarding** - At smaller sizes, new hires can learn processes and the culture organically. At this size, they can't. A structured onboarding process is needed to help new joiners achieve success.
- **Develop Your Leaders** - Leadership development is critical. Ignore a lot of the fancy leadership models, and instead focus on the foundations of great people management.



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Building Your Bank's High Performance Culture Starts Today

I am not going to lie, a High Performance culture is not going to solve all of your bank's problems (customers, competition, product fit, etc. ...). Even banks filled with incredibly talented people working in a High Performance culture can still fall apart. But the quality of the people within your bank will be what determines whether or not you will overcome those problems. High Performing talent in a High Performance culture gives you the best chance at overcoming every problem you face.

The real problem most leaders need to address is prioritizing the culture within their bank. I know it can be easy for founders and executives to postpone working on their culture in favor of addressing some more "burning" problems. But leadership through firefighting will only help with short term success. Building your High Performance culture is what sets you up for success over the years to come.

If you are interested, I have written a white paper on High Performance cultures that provides more recommendations for how to build it within your company. You can find the whitepaper on my website (<https://highperformanceculture.org/>) where you can download it for free. You can also reach out to me with questions or your own perspectives at Cary.BaileyFindley@gmail.com.

Cary Bailey-Findley has spent the past decade building the Human Capital within three Fortune 500 companies and was awarded the ranking of #1 development organization in the world by the Association of Talent Development. He is currently the Talent Manager for SimCorp the world's leading provider of integrated investment management solutions for investment and asset managers. He holds a Master's degree in Industrial and Organizational Psychology and a Master's degree in Business Administration.

You can follow his blog at www.cavemaninasuit.com or download leadership and team development tools at (<https://highperformanceculture.org/>).

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