

# using relationship culture to grow your financial institution



# contents

- 03** introduction
- 03** CRM systems put data at your fingertips
- 04** using CRM to build a relationship culture
- 04** understanding the value of a CRM
- 05** building your process starts at the beginning
- 05** administrative considerations
- 06** improving accountholder loyalty

## introduction

Maximizing accountholder loyalty through trusted relationships is critical to growing your financial institution.

As community and regional banks and credit unions strive to improve the accountholder experience at every touchpoint, management teams are searching for all cost-effective tools to help them meet that objective. If organic growth is important to your strategic plan, you most likely have good reasons to consider a customer relationship management (CRM) program. Maybe you're not achieving strategic goals. Maybe you want to build a stronger bridge between staff and accountholders.

This guide looks at reasons for launching a CRM initiative, but more importantly, it examines how to prepare a financial institution for taking full advantage of a CRM system.

## CRM systems put data at your fingertips

A good CRM system – at minimum – provides an easy, single point of entry for information gained from daily contacts with accountholders and prospects. It then puts that data at the fingertips of sales associates, lenders, and support and call center staff in the form of accountholder profiles and contact prompts. It offers reporting on service issues, sales efforts, services per household, and incentives.

CRM creates relevant marketing campaign data and much more.

If a financial institution already has a strong sales or relationship culture and wants to make it easier for employees to elevate that culture, that's one good reason to adopt CRM. Consider how your organization is currently collecting and saving critical information about an accountholder. Is it a reminder typed into in a non-CRM program, in a spreadsheet ... on a sticky note? For these organizations, getting a CRM system is like moving from roller skates to a sports car. It gives them a powerful tool to create accountholder profiles, deepen relationships, and grow revenues organically.



A good CRM system – at minimum – provides an easy, single point of entry for information gained from daily contacts with accountholders and prospects.

## using CRM to build a relationship culture

Teaching staff to use a tool like Synapsys® takes only a few hours. Installation and training is 10% of the effort.

Getting to know the accountholders and building a profile in the CRM system is something that takes place over a period of months and even years. Accountholders respond better to employees who understand their financial needs, value their business, stay in touch, and offer sound financial advice.

A CRM system supports this type of selling by recording details such as names of children, birthdays, and short- and long-term financial goals. One benefit of this type of sales culture is that employees who are nervous about a transactional “hard sell” approach are usually more comfortable with relationship selling. They enjoy getting to know accountholders and appreciate the value of learning about their needs. Rather than focusing on numerical goals and the short-term bottom line, this type of culture steadily builds a solid foundation for long-term organization growth.

## understanding the value of a CRM

If a financial institution already has a strong relationship culture, using a CRM system comes fairly naturally to the team. They are accustomed to accumulating and using accountholder data. The CRM system will simply improve the process. If an organization has yet to build a strong relationship selling culture, there is a bit of work to do.

Strong management buy-in and participation is essential. If an employee is in the position of inspiring change and showing management the value of CRM, some education is in order. There are case

studies, webinars, and white papers that address the subject. It's also important to know the pain points and strategic goals that are of most concern. Demonstrate how a relationship culture with a CRM system will help reach goals and improve efficiencies. If there are service complaints, if follow-up is poor, if accountability could be better, if no one measures anything, this is where CRM plays a key role. Do some homework on these issues so a clear, fact-based presentation can be made to your leadership team.



**Setting an organization wide philosophy that includes CRM use is essential.**

It's important for management to see and value CRM in a way that will lead them to use it for maximum benefit. CRM systems are less likely to succeed if they are seen as belonging to specific departments within an organization. Setting an organization-wide philosophy that includes CRM use is essential. Everyone must contribute to or use data from the CRM database for accountholder relationship management to thrive.

The need to have one individual who owns and leads the program is vital. That fully invested employee is not only the cheerleader for CRM, but helps keep the program fresh and active, and continually looks for ways to improve it. This person needs to be able to interact with and gain consensus from many departments in the financial institution. This is critical because all departments will be using and helping to shape the CRM system.

# building your process starts at the beginning

How do you begin building a relationship culture? Many banks and credit unions already have an onboarding process for new accountholders. Employees may be contacting new accountholders at regular intervals to check in and suggest services.



The benefits of a relationship culture can prove valuable with new to long-term accountholders.

The first use of a new CRM system can be setting reminders for onboarding calls and recording the results. These calls can be stepping stones to learning about the concerns and goals of the accountholder and building a long-term relationship. With this foundation, the benefits of a relationship culture can prove valuable with new to long-term accountholders.

The idea of installing a CRM system in order to implement a relationship management culture is backwards. The culture must exist first. Management's vision for accountholder relations can be reflected in a training program. The training should outline how the financial institution retains and builds relationships by exceeding service expectations.

The staff needs to be trained in relationship management to engage the accountholder in meaningful conversation and consistent follow-up. The idea of building accountholder relationships needs to be set in the DNA of the organization. This is a step beyond just cross-selling.

These relationship skills need to be reinforced and tested until they become second nature to employees. Within a CRM environment, this kind of proactive outreach is systemized, practiced, and the results are recorded. The CRM system prompts your staff to anticipate needs, ask questions, and schedule follow-up contacts. In addition, managers use the information entered into the CRM system to coach their staff on building relationships.

## administrative considerations

The system maintenance chore depends on the size of the financial institution. Some organizations have a full-time CRM system administrator. Others create a CRM project team consisting of various representatives and leaders across the organization. Whether you have a single CRM system administrator or a CRM project team, consistent and continual review of the system is necessary to maintain its efficiency. Many financial institutions recommend a once-per-year expansion of CRM use, or at least an annual retrenchment of programs that are already in place. These solutions have a wide range of capabilities. Once staff has fully adopted part of the software's potential, it's time to move into another area. For example, an organization may use the solution for relationship building but hasn't yet used CRM data to help design marketing campaigns. This is where the owner of the program can be proactive to ensure full value is obtained.

# improving accontholder loyalty

Organizations that have focused on transactional selling and pushing solutions may be surprised at how a relationship culture, managed with the help of a CRM platform, can accomplish long-sought strategic goals. Many managers will agree that “organic growth” is the best, most stable, most reliable form of growth.

Accountholders may have several solutions with your organization but don't feel they have a relationship with you. Accountholder relationship management, including proactive outreach, can increase loyalty in accountholders that primarily use automated services.

When looking for CRM-related benefits, examine long-term trends rather than short-term sales figures. You will see increased loyalty, deposit growth, deeper relationships, and elevated service levels. You'll see staff that is excited to have a relationship solution to better serve their accountholders.

## deliver exceptional experiences

[Learn how](#) Jack Henry™ can help you deliver exceptional experiences for accountholders.

For more information about Jack Henry, visit [jackhenry.com](https://jackhenry.com).