

Just Be Yourself. The Key to Successful Rebranding.

By Sarah Turner, Galapagos, Speaker at MBA BEST Conference

Every bank has a brand. Every bank has a culture. When brand and culture align great things happen. Why? Because when people share core values, and believe in a company's purpose, they become more engaged, more likely to see value in the company's offering and more likely to buy. Unfortunately,, all too often, brands are overhauled without any attention paid to the culture – and when that happens, the results can be bad. So what are the key considerations that give your rebranding efforts their best chance of success?

SO WHAT IS CULTURE AND WHY DOES IT MATTER?

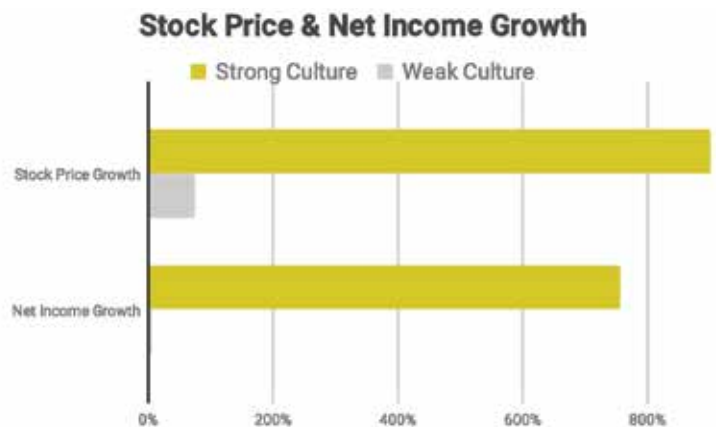
Culture is defined as the set of shared attitudes, values, goals, and practices that characterizes an organization. And a company with a strong culture just performs better. In a study of 130 firms, Dr. Daniel Denison uncovered the link between the cultural strength of an organization and its financial performance. Denison measured a company's culture by focusing on four key drivers of high performance: Involvement, Consistency, Mission, and Adaptability. In Denison's study, organizations that scored in the lower 25% in terms of culture saw sales growth of about 7.5% - whereas companies in the Top 25% experienced growth at 24.8%!

Similarly, James Heskett and John Kotter studied corporate culture and performance with comparable results. In their book, *Corporate Culture and Performance*, their research showed those companies with a strong culture out-performing their weaker cultured counterparts in several key metrics including net income growth (756 times higher) and stock price growth (12 times higher).

Growth aside, the benefits of identifying and implementing a strong culture within your financial institution are many, talent attraction and retention topping the list! Organizations that have a positive corporate culture also have happier employees –



SOURCE: DENISON



SOURCE: HESKETT & KOTTER

they're less stressed, more likely to be brand ambassadors, and they miss less work. Win-win.

CULTURE EATS STRATEGY FOR BREAKFAST

Galapagos is a strong proponent of having a clearly articulated strategy. We'll also be the first to tell you that a strategy without the necessary underlying culture is doomed to fail. Just ask Wells Fargo. The corporate emphasis on unrealistic sales goals set into motion questionable business practices by the bank's branch management and staff and Wells Fargo is still paying the price. In addition to fines, legal fees, and a damaged reputation, a recent Galapagos Brand Awareness Study found that the majority of consumers would not consider Wells Fargo for future account needs.

Case Study: Wells Fargo

In the past 12 months
would you say your overall opinion has...



SOURCE: GALAPAGOS MARKET STUDY

YOUR WHY IS YOUR NORTH STAR

Most banks know WHAT they do (their Mission). And they know HOW they're going to do it (their Vision). But what's often overlooked is answering the question WHY are we doing it? It's the WHY that's most important, not only to establishing a culture that sets you apart, but to establishing a brand, as well. Employees and customers alike want to work with an organization they can relate to – one that represents their values. And it is your WHY that articulates your values and creates a roadmap for the entire company, allowing everyone to know where you're going, why you're going, and how you're going to get there.

While defining your WHY is integral to developing an authentic culture and brand, merely putting your values on the wall is not enough. You must put your values into action day after day. An east coast savings bank identified several growth goals following their rebrand. They touted the "new" version of themselves as being innovative and tech savvy, but the only thing that had changed was the sign on their door. There were no new tools for customers, no additional resources for employees. What the bank proclaimed to be did not align with the culture permeating its branches. Unsurprisingly, despite the large investment of time and money that went into the rebranding, they continuously fell short on achieving their growth goals.

Defining your WHY and identifying ways in which your values can be reinforced throughout the organization is a vital step in the definition of a brand that can connect to your customers and differentiate you in the marketplace.

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