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NEW ENGLAND Banking
THE RESOURCE FOR NEW ENGLAND'S FINANCIAL LEADERS

The BayCoast Bank Story

BY NICHOLAS M. CHRIST

Nicholas M. Christ is president and CEO of BayCoast Bank, with offices in Massachusetts and Rhode Island.

At BayCoast Bank, the rise of e-banking has not fundamentally changed the branch's role in generating growth and profitability. Our highest value customer interactions continue to occur in our branches.

In our experience, brick and mortar branches are the right places to discuss lending options, business services and non-core banking products, such as insurance and investment services. Branches are where we deliver the consultative experiences that build profitable long-term relationships.

Our strategy is to open storefronts, while actively managing our staffing, so that we grow our business and control our greatest expense at the same time. To help us, we partnered with two companies – COCC for the most advanced core platform and The Long Group for their product StaffingLab. Their recommendations are estimated to result in a 1,600 percent return on our investment in StaffingLab.

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COCC and The Long Group helped us collect the detail we needed to make fact-based decisions about branch staffing. All of our branch personnel participated in the process by completing an operational duties task sheet. The Long Group incorporated our staff's responses with COCC's daily transaction reports and security tape data to discover how long it actually takes to perform the various processes in our branches.

This information has given us deeper insights into the nuances of our business. We now have a holistic view of our retail franchise – not just the platform and teller staff, but our retail management, too. We can see how our customers interact with our bank and which sales opportunities we missed.

This level of detail gives us a factual basis to talk about staffing targets. Our goal is to reach 85 percent productivity at each branch; that has left sufficient capacity for other duties, such as building relationships. It is our desire to improve sales activity by as much as 60 percent in identified branch markets. Our model allows us to staff the branch to accommodate this increase in sales volume. It's very clear that we don't want to create an understaffed situation for the sake of efficiency. Instead, we want to improve our overall effectiveness as a banking institution.

An important part of branch staffing plans involves redeploying staff to our new branch locations. There's no substitute for putting experienced staff into our new branches. We have a culture of people who know our bank and its procedures. Through cross-training and smart placement, we are building the flexibility to execute our sales and service model.

Going forward, we also have the benchmarks and ongoing feedback from COCC to drive our staffing model. We now schedule teller and platform personnel by day, and parts of day, at each branch, because we have the insight to anticipate and meet peak customer service demand.

Like most banks, we continually wrestle with capital investment. We watch how the mix of ecommerce and brick and mortar activity is changing, and we develop plans to adapt accordingly. Today, tablets, smartphones, the Internet and debit cards have yet to replace the branch as a high-value banking channel. Tomorrow might be different.

Our continued attention to branch staffing and the market at large is guiding us through the many changes we face in the banking industry. As branch-based transaction volumes continue to decline industry-wide, while salary and benefit expenses escalate, I can't imagine why any bank wouldn't want to deploy an advanced, knowledge-based solution to the challenge of branch staffing. BNE