Part 1: Why This Bank Prospered While Others Failed

WSFS CEO Mark Turner says the bank's employee engagement strategy helped keep it alive during the recession

Gallup Business Journal -- 28 March 2013

A Q&A With Mark Turner, President and CEO, WSFS Financial Corporation and WSFS Bank -- *Interviewed by Jennifer Robison*

Since 2008, more than 450 banks have gone into FDIC receivership. But some banks came out of the recession stronger than before. WSFS, a 41-branch retail bank based in Delaware, is one of them.

Mark Turner, WSFS CEO and president, attributes this success to the bank's culture. "Associate engagement is part of our strategy, and it's what makes us different," Turner says. Since 2008, WSFS has hired nearly 300 associates, increasing its staff by 50%, and exited the TARP program.

But making engagement part of a business strategy isn't simple. It takes attention to detail, including seemingly small things like nametags for all associates, as Turner explains in the first of a two-part interview.

Gallup Business Journal: Employee engagement has been part of the WSFS strategy for more than a decade. What piqued WSFS' interest in engagement?

Mark Turner: In 2001, our then-president [Marvin N.] "Skip" Schoenhals and I sat in on a presentation about engagement and Gallup's approach to measuring it and connecting it to outcomes. I was the CFO and COO at the time. We both came away deeply impressed. I could see that Skip was serious about it, that he wanted to use it to take our industry's clichés about valuing associates and make them true in a sustainable way.

But I was a little bit more skeptical because to me, everything has to be rooted in the numbers for it to be true. I understood the analysis and the correlation that suggested that this was a measurable and manageable process for driving improvement, but I could also see how this could become just a management fad.

So I said to Skip that if we do this, we've got to be committed to it long term. This has to be part of our strategy; it can't develop into another acronym that gets tossed by the wayside in a couple of years. We need to designate somebody within our organization to help marshal the effort and drive the rest of the organization to world-class measurements, management, and engagement. That's a big part of [Executive Vice President and Chief Human Capital Officer] Peggy Eddens' job now. She took the vision and the concepts and operationalized them, reinforced them, in ways we would have never even thought of.

How did you make engagement part of the bank's daily life?

Turner: By doing dozens and dozens of things that reinforce each other, from the top down and from the bottom up. From the top down, the concepts of service, engagement, customer advocacy, and emotional attachment to the brand are part of our strategy statement. Our strategy statement is full on about engagement and advocacy and service. Beyond that, for every unit and division of the company, associate engagement and customer engagement are part of our balanced scorecards.

When branch managers go to their quarterly regional meetings, they talk about how their branches and region did financially, which are lagging indicators of success, but they also talk about engagement and their impact plans, which are leading indicators. We have very aggressive impact plans -- that is, plans created by associates to improve engagement -- and we hold ourselves accountable to them. If you do that for 12 years, you make great progress, and you build a common culture and get rid of a lot of differences.

And we do little things like nametags too. Six or seven years ago, everybody in the bank started wearing a nametag. It seemed a bit out of character for a bank, but people are much more willing to engage you in a conversation if they know your name. Nametags are conversation starters, and when conversations happen, good things happen. Problems get solved, differences get eliminated, opportunities get pursued. Little things like that reinforce and operationalize our strategy and our mission on a daily basis.

How would you explain why those things matter to the kind of numbers-driven CFO you used to be?

Turner: The advice I'd offer is, look at the data. Look at the Q^{12} meta-analysis, which clearly points to what I think most people know in their heart -- that people who love to come to work, work better. If the workplace aligns with what they want to do personally and professionally -- if they take an ownership interest and not just a "punch-the-time-card" interest in what they do every day -- they will be more productive, and they will create an environment where the people around them can be more productive and more service oriented. If you're in the service business, that will translate to more seamless, consistent, above-and-beyond service to customers, which will create customers who want to do business with you, then want to do *more* business with you, and who are willing to pay for it because they value the relationship.

To those people who might be skeptics, I'd tell them to look back 10 years. Look at the top players in our marketplace; seven of the top 10 names are not around anymore. They either were forced to combine with somebody else or they went out of business entirely, and their name, their brand, and their legacy -- sometimes 100 years of legacy -- were eliminated. If you would have asked people in our marketplace 10 years ago how many banks would last for another decade, no one would have thought that only three institutions would survive, because there were a lot of long-lasting, very strong names then, and it's unlikely WSFS would have been picked as a survivor. I believe our 10-year journey of engagement and customer advocacy has sustained us through a difficult time.

In the second article of this two-part series, Turner explains how selecting the right people -- those focused on relationships and teamwork -- has helped his bank prosper.

-- Interviewed by Jennifer Robison

Part 2: Hiring Team-Oriented People Helps This Bank Thrive

WSFS CEO Mark Turner says hiring people focused on relationships and teamwork has helped his bank prosper while others failed during the recession

Gallup Business Journal -- 02 April 2013

In this interview, the second in a two-part series, Turner explains what he looks for in the bank's leaders, managers, and associates; what he does when that choice goes wrong; and how he fosters a culture that has helped the bank thrive.

Gallup Business Journal: How do you know if you're hiring employees who really embrace the WSFS culture and mission?

Mark Turner: You're never sure. But it's like everything else in life and in business: You have to try to improve the likelihood that you will be successful. We have tools that we use to hire. We use Gallup to conduct leadership interviews at very high levels in the organization to help determine if candidates will be a fit or will fill some talent gaps. Many leaders in our organization have undergone those leadership interviews. We are fortunate in that for the last five years, we've been named among the top five workplaces in the state of Delaware, so we have plenty of people wanting to come to work for us.

But the biggest thing we filter for is cultural fit. Those tools help us, but it can get down to more subtle things. Peggy Eddens [WSFS' executive vice president and chief human capital officer] and I consider what people keep in their offices. If there are lots of pictures of friends and family and things that speak to teamwork and organizational accomplishments, it means they're relationship- and teamwork-oriented, and that bodes well for fitting in our culture.

If their office is filled with mementos of personal achievements, that probably means they have a lower likelihood of success at WSFS. If they determine what's going on by looking at reports, numbers, charts, and information from their direct reports, that's not a good sign either. But if they talk to people on the front lines and develop trusting relationships so they can hear firsthand what's going right and what's not, that means they'll likelier be successful in our organization.

How do you handle it when people don't fit -- especially those who are otherwise high performers?

Turner: We've faced this issue, and we've developed some rules of thumb. The first is to distinguish between a style difference and a values difference. Style differences not only are acceptable, but they should be encouraged. We don't want to become a Stepford community here, and we want people to take different approaches.

At the other end of the spectrum, there are values differences. If the people are good -- if it's worth sitting down and talking with them -- we give them a chance to change. For some people, the issue is not who they are, it's a product of where they've been. If talking with them doesn't work -- if the behavior is clearly not correctable or it's entrenched -- then you have to help them to exit in a way that recognizes that they're not bad people, they just have a different way of operating that doesn't fit your company. If you transition them in a very fair, friendly way, other people in the organization will think, "If it's ever my time to leave, the company treated that person fairly, and they'll treat me fairly as well."

Ten years ago, when you started using employee engagement as a strategy, it was new to the banking industry and so a competitive advantage. But as more banks implement it, how do you plan to maintain that advantage?

Turner: You still need to come up with big ideas to keep engagement fresh, and we know that there are a lot of other organizations that are progressing along this dynamic with engagement and even with HumanSigma [Gallup's metric that assesses an organization's success in optimizing the employee-customer encounter]. Now we've moved to the concept of improving associate wellbeing. People spend most of their time in the workplace. If we can find a way to meet people's wellbeing needs, whether they be Career, Financial, Social, Community, or Physical -- Gallup's five elements of wellbeing -- that not only will make them more productive, but more engaged, more committed, more likely to stick with our organization.

I'm sure in five years we'll need to find another method, once we achieve excellence at wellbeing. But that's the value of being a learning organization -- when you know things will make you better at what you do, you're able to learn them and adapt them to your culture.