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# Why Some Banks Are Always Successful in Any Economy



Gordon Majors, President & CEO, and Main Office Tellers of The Hardin County Bank

**Roxanne Emmerich:** I'm talking today with Gordon Majors, President and CEO of The Hardin County Bank in Savannah, Tennessee. In ten years at the helm, Gordon has refused to sign up for the doom-and-gloom of two recessions, growing his bank from a \$165 million institution to

understanding accounting is like being in a foreign country without knowing the language. Then, you must commit to a study of the information that impacts banking in this ever-changing economic and political environment that we function in – and stay in touch with it daily.

atmosphere is unique, our customers love it, our employees love it, and it WORKS!

**RE:** So what have you done to keep communicating this focus and these values to your employees?

**GM:** This is our most important value, and in order for it to work, it is critical to match the right person to the right job. This is key in how you maintain a positive work environment where everyone works well together. If you don't love your job, it shows, and believe me, your customers notice. If you don't have happy employees, you don't have happy customers. I truly believe this is our most important asset.

**RE:** That clarity is so important. So how do you keep the rank-and-file engaged and focused?

**It was, and still is, contagious! The Hardin County Bank atmosphere is unique, our customers love it, our employees love it, and it WORKS!**

\$340 million with over 100 employees and the best asset quality in the history of the bank by focusing on relationship banking.

First of all, Gordon, I just have to applaud you for going against all odds and making miracles happen in spite of an economy that's saying, "Oh no you can't." So if you were going to be a mentor to a new bank CEO who's coming into this economy and wanting to know the rules of the game, what are the top insights you would pass on about how to run an effective bank?

**Gordon Majors:** First and foremost, you've got to pour your life into it. You've got to become a student of banking. You need to be clear on the objectives of your bank and you must understand ACCOUNTING. Warren Buffett called it the language of business. He said not

undeniably loving and caring environment that you have created. How did you create that environment, and how important has that been for you?

**GM:** One thing that I learned early on was the need to create an environment where everyone enjoyed being at work. We decided to go one step further, taking this concept and turning it into one of our core values. Granted, I am your traditional banker and I didn't know how our customers and the community would accept some of the "outside-of-the-box" things we were doing. However, all of our employees were always smiling and laughing and our customers were doing the same. It was, and still is, contagious! The Hardin County Bank

**...we made an intense commitment to become an A-Grade lender. If you go home at the end of the day after just playing defense and struggling with problems, common sense says you're getting nowhere.**

**GM:** I tell my board that the customer service reps and tellers are the most important people in the organization. They have 99 percent of the customer

contact, so they have to look and act the part. We do huddles in the morning to get everybody excited and engaged. You designed weekly sales meetings for us that emphasize teamwork, and that's been so effective. Everybody needs to understand that they are a critical player, no matter what they do or how long they've been here. It's how hard someone works—that's what matters most.

**RE:** And I understand yours is an ESOP bank. Does that help keep employees engaged?

**GM:** It sure does. Because our employees are co-owners of the bank, our success is not just about the company. This is also our retirement! If you have been here 18 months, you're a stockholder, and if a loan officer makes a bad loan, it costs the employees and/or stockholders. I for one can't imagine working for a bank without being a stockholder. You have to have skin in the game because it fuels the passion for the job.

**RE:** How have you grown from your experiences? I'm sure you're a different person from who you were 10 or 15 years ago. How have you changed in ways that have helped you get this bank going in the right direction?

**GM:** For one thing, I've learned that you have to delegate. You have to invest some trust in people, giving them the freedom to make mistakes and learn from them. I knew that without delegation of responsibility, growth would be stifled, not to mention it would kill me! I can't pedal and steer at the same time, so I began to create a departmental atmosphere. I am now a coach and a mentor for those leaders. That's been a key change in me that has helped the bank become what it is today.

**RE:** There are some strange economic times going on now. I'd like you to look in your crystal ball, starting from this position of strength, and tell me what you see in your future.

**GM:** Roxanne, during this ten-year period, we've gone through two economic cycles. This is the second and by far the worst recession I've worked through in this position, but I learned a lot from the first one in 2001. As we came out of that one and started to spiral upward, we made an intense commitment to become an



A-Grade lender. If you go home at the end of the day after just playing defense and struggling with problems, common sense says you're getting nowhere. Instead, we're constantly keeping our focus on that quality commitment.

Also, we have embraced the concept of being a trusted advisor to all of our customers. We give honest, professional advice, even though it may not be what they always want to hear.

**RE:** And it's hard to argue with the results you're getting.

**GM:** It is because we have the best asset quality in the history of the bank. We are the only bank in our area that has Retail Banking, Mortgage Lending, Insurance, and Wealth Management all under one roof. We have the most well trained and professional employees in Tennessee. We live in a resort area which has also become a popular retirement community. And last but not least, we have identified the type of business that is profitable. With all of these things combined – you are bound to get great results!



For a free culture assessment to help you identify roadblocks to better results and a contagious spirit, call **952-820-0360**.



The Hardin County Bank "Extraordinary Bankers"