

Organizational behavior analysis for key bank essay sample

[Literature](#), [Russian Literature](#)



Over the past several weeks I have discussed the strengths, challenges and areas improving behavior and performance at KeyCorp. This discussion has come primarily from my personal observations and experiences at the bank. I also compare KeyBank to former employers – Bank of America, BMW Financial Services and Sky Bank. KeyBank is one of the nation's largest banks with an A2 rating from Moody's, A- rating from S&P, and A rating from Fitch. KeyBank empowers employees to be creative and to assist its clients with creativity and respect. The company commissions employees to be its clients trusted advisors and be admired by Key in the community. Key values are guided by principles of team work, respect, accountability, integrity, and leadership. KeyCorp is one of the national's 30 largest banks with banking and other financial services subsidiaries in the Northeast, the Northwest, including Alaska, and the Rocky Mountain states. It's history dates back to 1825 when New York Governor Dewitt Clinton signed a bill chartering the Commercial Bank of Albany, and after a number of name changes became KeyCorp in 1973. Today's KeyCorp is compiled of many banking and financial companies, and in 1994 the Cleveland and New York operations merged. Today, its corporate offices are in Cleveland.

Today, KeyCorp is among the top 25 banks in country surviving the banking collapses of 2008. Key, like many other banks, faced vast financial challenges over the past year. It did not receive " bail-out" funds during the 2008 collapses, and has made changes to strengthen its financial situation. Today, KeyBank is showing positive results and is expected to thrive in the future. The Key mission is to " generate value for our stakeholders by becoming our clients' trusted advisor; and its stated values are teamwork,

respect, integrity, accountability and leadership reflect the behaviors and principles we stand for as a company.” As displayed on the KeyBank website, KeyBank tries to develop a workforce and a way of doing business that reflects the diversity of it’s customers and communities by recruiting and developing top talent that blends participation of minorities and women into the management of our business. On the same website, Chief Executive Officer Henry Meyer III states: “ Every key employee is a leader, and to be successful, each of us must apply our talents, tap into our personal networks and leverage our resources.

Together we created opportunities that fully engage our employees, our clients, vendors and communities. An inclusive and collaborative environment helps our business and communities grow and prosper.” BusinessWeek named KeyBank one of its top 25 “ Customer Service Champs” for 2009 KeyBank ranked 11th in the survey joining other companies such as Amazon. com, Lexus, Apple, Ritz-Carlton Hotels and Nordstrom. The BusinessWeek article stated: “ Consumers like the Cleveland based bank’s service, but Key is doing more for small-business owners, too. In the past year, the bank unveiled new online tools that give entrepreneurs many of the cash management services long reserved for large companies, as well as more protections against check fraud.” KeyBank has also implemented a new online banking services, investing in branch technology to speed up teller transactions, reduce handling, and freeing up tellers for more personal interaction with clients.

Based on an article by Richard Barrett, “ Organizational values are more important today than any other time in history because the personal and societal context within which a business operates is changing.” Mr. Barrett continues that who an employee is in an organization, and what the employee stands for is becoming as important as what the employee sells. He said that “ the values that an organization lives by are important to a variety of stakeholders.” He gave the example that organizational values must meet society’s expectations with regard to environmental stewardship and social responsibility. Key’s values are based upon teamwork, respect, accountability, integrity and leadership. KeyBank also tries to attract the best people, the organizational values need to meet the needs of potential new employees who are choosing to work in organizational cultures that align with their personal values. KeyBank also tries to retain the best people -the organizational values also need to meet the needs of and give attention to all stakeholders by meeting the needs that are important to them and caring about how employees feel about the bank. Mr. Barret stated that the financial success of a corporation correlates with employee fulfillment. His findings have concluded that employee fulfillment has four components:

1) Physical – A decent wage and outstanding employee facilities; 2) Emotional – Open communications, friendliness, work appreciation and professional growth; 3) Mental – Accountability, opportunities to learn, to express personal creativity, and find personal growth; and 4) Spiritual – work that has personal fulfillment. At KeyBank employees’ physical and emotional needs are met through bonuses and paid time off. KeyBank has an effective

vacation program that is attractive to new employees. New employees have two weeks of vacation in their first year of employment. While their bonus system is not as generous as Bank of America, KeyBank's is better than the former Sky Bank. Mr. Barret also found in his research that 76% of American consumers said they would switch to brands associated with a good cause if price and quality were equal. Key is committed to community citizenship and encourages philanthropic investments, volunteerism and civic leadership for its employees. It seeks employees that exhibit initiative, and understands and values differences while drawing on similarities to achieve a common goal. KeyBank believes in developing a workforce and way of doing business that reflects the diversity of its clients and its communities.

The culture of KeyBank is ever changing. Today, its biggest challenge is doing more with less and earlier this year Keyvolution was introduced throughout the organization. Views of this program vary from one region to the next. This can be attributed to the manner in which the managers have implemented (and/or interpreted) Keyvolution. Some regions have interpreted the program to cut costs – regardless of how it affects employees. Others, such as my region, have interpreted and implemented the program to cut costs while considering the employee. The regions that have cut costs without employee consideration have experienced a higher rate of turnover, and poorer financial performance (employees meeting their goals) than my region. One factor that has helped our banking center accept the changes that were incurred with Keyvolution is that no one lost his/her job as a cost-cutting measure.

Lower employment was met through attrition and addressing poor job performers. At my branch, one relationship manager was reassigned to another location and a head teller was terminated because of poor job performance. The head teller was replaced by an employee from another bank that had been closed. Compared to the regions where one or two employees were cut from each banking center, these changes were recognized by employees as a positive way to meet the challenges of the program, while at the same time considering the employee. Today, the regions biggest challenge is to first meet the financial goals, but also retain the current employees. Managers have kept employees informed on our progress and how we compare to the rest of the organization. While Keyvolution has been a challenge, it has also been an opportunity to address poor job performance that may have been overlooked because of the high demand for employees. Often employees were tolerated because it was so difficult to recruit. Now that has changed and if you don't perform, you don't work at Key. This has also resulted in some boarder-line employees stepping up to the challenge of becoming motivated and showing more initiative than they had in the past.

Because management did not just step in and let people go, people recognize that they are trying to keep good employees, but if you don't perform, you won't be working at KeyBank. KeyBank recognizes the importance of attracting and retaining employees that share its mission and values and provides a competitive pay and benefits package. What sets it aside from other banks, however, is its recognition for what is important to

employees by providing a great work environment with, treating employees with respect, and top management being available whenever there is a problem. Top management makes regular visits to the banking centers, knows the employees that work there, and offer their help when needed. At the same time, they give employees the autonomy to do their jobs.

Whenever there is a major change it is communicated in a timely manner.

With the changes employees were asked for their inputs and recommendations, and while they were being made management defined the parameters by communicating the financial goals and objectives of the region, providing resources for employees to implement change at their level, and giving inspiration by communicating and showing that everyone was in it together. Management did not become isolated.

They maintained a continual exchange and communications with multiple layers of employee involvement by engaging them in the process. While there may have been some individual managers that were not as “employee-focused” overall management abides by its values and mission statement. I can use the example of a recent situation where our branch manager had a family emergency that extended his vacation. I had made plans to leave for my vacation the day he returned. Because of the family emergency he was not able to return as planned. Knowing that I had made plans that I could not change, our regional manager arranged for a manager from another banking center cover for me. By them going above and beyond what was expected, I find myself going above and beyond in my job. While KeyBank does many things right, there is always room to improve. If I had

the opportunity to meet with Mr. Meyer and make recommendations to him, I would first tell him to continue to build on what is already there. There are good communications, employees understand what is expected of them, and employees are given the opportunity to learn and grow in their jobs.

The bank has a culture of giving to the community and encourages employees to become involved in community citizenship. I would recommend to Mr. Meyer, however, that in the current economic climate and with all of the uncertainty among employees that communications be increased to keep all employees informed of the banks overall success and where it needed to focus. I would recommend to him that maybe at least monthly he reach out to the banking centers to maintain an open line of communication. This could be done via telecommunications. We all have our goals and we understand that we need to meet the Keyvolution objectives. What is lacking is how our goals fit into the overall picture and how we as a whole company are performing. I would also ask Mr. Meyer to use our region as an example of how to implement change. Talking with employees from other regions. Comparing our region to the others, I would discuss with Mr. Meyer that leadership is different from management. The other regions managed the changes that were created by the Keyvolution program.

They responded to the program. Our regional managers coped with the change and showed leadership by making the hard decisions to close certain banking centers, but then reassigned employees to other branches through attrition. We are about 10 months into the Key Keyvolution program and to date, the bank is showing signs of improvement. While the change was

necessary, several factors contributed to its success. First is timing – When everyone understands that change is necessary, a change is more readily accepted. It was well-known that all banks were in trouble and that many might not survive. Key leadership reemphasized this during their Keyvolution communications, and employees understood the urgency. Second was how the program was implemented (in my region) – Management took a long-term strategic approach to implementing Keyvolution. They identified and closed poor-performing banking centers. When they did this, however, they staggered the closings to minimize the overall impact to employees. This allowed them to place the affected employees at other banking centers through attrition, or as poor performers were addressed.

Third was management kept communications open and candid. Each week during the weekly teleconferences employees were updated on the program's status and where the branch stood in relation to others in the region. Fourth, employees were recognized for their contributions to helping achieve Keyvolution goals and objectives. Needless to say, this recognition was non-monetary, but as individuals cut costs and met their goals, they were recognized at the weekly teleconferences. Management not only gave recognition, but they also confirmed that they know what was happening at their branches.

In conclusion, KeyBank is beginning to show a new strength. While there are still many goals and objectives to achieve, employees are feeling more comfortable about working at the bank. Morale has improved over the past year, and there is the beginning of optimism among everyone. There also

seems to be a bond between the regional managers and the branch employees. This bond is the feeling that that “ we are all in this together, and we all have a lot to loose, or gain.” I am confident that with the current leadership of Mr. Meyer at the top and our regional managers KeyBank will survive its current challenges and become stronger than ever.