

Issues & Answers



March 2023

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Time to Register for 2023 Convention



*By Glen Simecek,
President and CEO,
Washington Bankers
Association*

If you buy into the sitcom stereotype, a convention is little more than an excuse for a group of folks to get out of town, wear ridiculous hats, toot on the occasional kazoo, and generally let their hair down in ways they've never thought to do back home.

Of course, anyone who has attended one can attest that our annual Bankers Conventions bear virtually no resemblance to the kind of event that Chandler Bing might have attended.

It's not that there aren't plenty of opportunities for convention attendees and their spouses to relax and enjoy themselves because there are. But we never lose sight of the fact that the real value if we ask our members to take time out of their busy days to attend

our convention is meeting with their peers face to face. Time and again, they tell us that what they are looking for, first and foremost, is access to timely, relevant information and additional opportunities to build and strengthen their professional networks.

We heard that loud and clear at the end of January during our first in-person Bankers Day on the Hill since before the pandemic. Over 50 bankers gathered in Olympia to learn about current banking issues and meet with lawmakers in their offices.

After two years of Zoom legislative meetings, it was refreshing to sit in offices on the Capital grounds, shake hands with lawmakers and their staffs, and talk about our issues and the happenings in Olympia that week. It reinforced that we make stronger connections when we can be together in the same room.

The 2023 Convention, which will be held June 26-28 at Sunriver Resort in central Oregon, has been planned with those goals

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WBA Staff

Glen Simecek, President & CEO
(206) 447-1700,
glen@wabankers.com

Duncan Taylor, SVP/Chief
Operating Officer
(206) 344-3492,
duncan@wabankers.com

Kyle Hayden, Controller
(206) 344-3476,
kyle@wabankers.com

Sherry Krainick, Director of
Education & Operations
(206) 447-1700,
sherry@wabankers.com

Megan Managan, Director of Public
Affairs
(206) 344-3472,
megan@wabankers.com

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Director State Government
Relations, U.S. Bank

Contact Us

Contact the Washington Bankers Association at 601 Union
Street, Suite 1720, Seattle, WA 98101

Call us at (206) 447-1700 and visit us on the
web at wabankers.com.

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On the Cover

Street lights create a glow around the cherry trees on the
University of Washington campus in spring, reflected in a
puddle from recent rain.

Photo courtesy of liquidcrash, Flickr.com

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in mind. Once again, we will join our colleagues from the
Idaho, Nevada, and Oregon Bankers Associations to present a
thought-provoking and inspiring agenda packed with experts
from within and outside the banking industry.

Some of the highlights will include:

- Ryan McManus, the co-founder & CEO of Techtonic, helps guide organizations through digital transformation to become digital and data leaders and generate business results.
- Jim “The Rookie” Morris, a former relief pitcher for the Tampa Bay Devil Rays. After doctors told him he would never play again, Morris worked his way to health and found himself on the mound at age 35. His return to the game was so incredible that Disney made his story into a heartwarming film—The Rookie. We’ll also be screening the movie the night before.
- Matt Pieniazek, the president and CEO of Darling Consulting Group, will host a session on Reimagining ALCO, looking at the current economy and how banks should be reworking their strategies.
- Kirsten Sutton, EVP/Congressional Relations & Legislative Affairs from the ABA, and Aaron Stetter, EVP of Advocacy and Strategic Engagement from ICBA, will provide legislative updates.

Last year’s Convention in Coeur d’Alene proved so popular that hotel space sold out quickly, and we expect the same to happen again, so I encourage you to book your rooms early.

We’d also like to encourage you to consider bringing your full executive team or board of directors. Convention can be an excellent opportunity to host an off-site board meeting or use it as time for team development.

As is tradition, we will host the annual Golf Tournament on Wednesday afternoon, played on the Meadows Golf Course, an award-winning course that follows Sun River as it meanders through the valley. Attendees can also participate in a white-water rafting adventure on Wednesday afternoon or any of the many activities available at the resort.

Finally, if any more reasons to attend are needed, we’ve included a complimentary registration in your 2023 membership dues, so there’s no reason not to take full advantage of this opportunity.

Registration is currently open at

www.wabankers.com/convention.

We hope to see you there!

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CD Valet Provides New Opportunities for Unbiased CD Rate Promotion

By Megan Managan, Director of Public Affairs, WBA

For years, leaders at Seattle Bank were frustrated that while the bank sometimes offered one of the highest CD (certificate of deposit) rates in the country, those rates never seemed to make it onto the online platforms where consumers did their CD shopping.

That led to the question – why wasn't there a better way to market CDs?

As it turns out, the most popular sites that display rates, such as Bank Rate and Nerd Wallet, are pay-to-play sites, meaning banks pay to advertise their rates, and banks that don't pay are not included or are posted way down the page, regardless of how high their CD rates may be.

"When you look at the marketplace today, most of it is very, very biased because it's focused on who are the biggest marketers," said Howie Wu, EVP/Head of Product and General Manager of CD Valet at Seattle Bank. "Who has the biggest span from a marketing perspective? And so when you go to some of the big sites like bankrate.com, depositaccounts.com, most of those sites, it's not really giving you a holistic picture."

That basic premise led Seattle Bank over the last five years to begin developing an alternative, unbiased option for banks and credit unions. The idea was simple – provide a way for any financial institution to be ranked by rate, not because of its marketing budget.

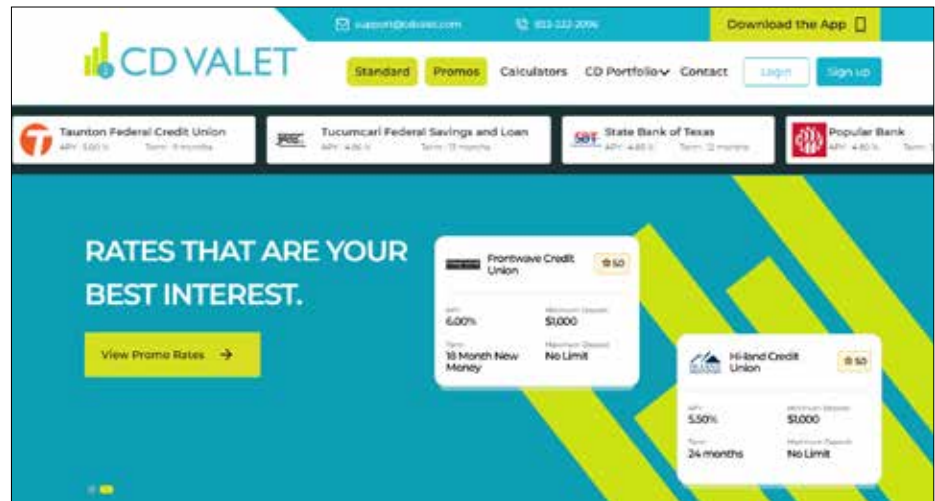
"We are really trying to level the playing field in the advertising space," said Mary Grace Roske, SVP/Marketing Communications and Community Relations at Seattle Bank. "We were paying very good CD rates and didn't see ourselves on the sites. It was head-scratching. We had to learn a little bit more about how this marketing worked. And it was puzzling to us. So when we also realized that we weren't the only community financial institution out there struggling with this as well, that was where the idea was born."

Roske said the bank started to research and develop, but then, like so many projects, the pandemic happened and stopped everything.

"Then we went back to it, and coincidentally, rates started going up as well. And now we have banks and credit unions who call us who have seen the site and ask how can I get on this."

Just as the bank dove back into the project, the economy began to change. With the steady increase in rates, consumers started looking for less volatile ways to invest; at the same time, banks needed new deposit streams.

"CDs have been one of those things where, for your general consumer, it's been a tough marketplace," said Wu. "Historically, if you look back over the last 15-20 years, the rates just don't exist. We'd like to say we timed it well, but I think there was a bit of luck in it. When we started with this initiative, it was taken down the path of figuring out a product that can deliver unbiased rates to consumers. We were focused on driving kind of that community aspect. Let's get it so that the smaller financial institutions, community banks, and credit unions can also be just as competitive and deliver a capability where we're deliver-



Seattle Bank Partners with This Week in Fintech for March 30 Event

With interest in fintech collaborations and embedded banking on the rise, Seattle Bank is partnering with This Week in Fintech to host a networking event for fintech founders, operators and investors.

The get-together will be held at a downtown Seattle brewery on the evening of Thursday, March 30. Please contact Julia Cramer at jcramer@seattlebank.com for more information.

ing a real view of the world as it relates to rates specific to CDs."

CDValet.com debuted last fall, displaying rates for CDs from a handful of banks and credit unions across the West Coast. The site shows rates and is searchable by various criteria, everything from rate, to the bank, to state and more. And even more importantly to Seattle Bank, the site states on the home page, "Serving you the straight up rates. No advertising, no bias....no BS."

Since the site launched, it's expanded to include institutions from 31 states, and Wu said the plan is to be at all 50 states by the end of March. All a bank needs to do to be included is to have published rates on its website. The behind-the-scenes team constantly looks at adding new listings and making updates.

"I would say as long as they have posted rates we can see online, our team will do the analysis to determine if they can make the page," said Wu. "For the most part, unless they are a very small financial institution and an incredibly low ratepayer, they will show up on the site without the need to take any additional action."

And that's where the bit of luck came into play for Seattle Bank. The changing economy put this product back in the lime-light just as many banks were focused on driving new deposits.

"Right now, because of the environment, pretty much every FI is fighting for deposits, so that's the new name of the game," said Wu. "There's definitely a lot of interest around how this product could help these banks build liquidity."

As the site has gotten bigger, the bank has worked on ex-

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Expand Skills, Knowledge in Credit Department with Virtual CADP, CLDP

For many banks, many of those working in the credit departments have only known good economic times. Likely only the most senior members of these teams remember the Great Recession and the challenges of an economic downturn.

To help prepare banks for these changes, the WBA will be hosting virtual sessions of our **Commercial Lending Development Program** and the **Credit Analyst Development Program** this August and September.

The CLDP, which begins in early August, helps bankers learn more about the bank's highly competitive commercial lending segment and builds a solid foundation for bankers to learn and grow. Industry leaders teach this eight-session program with decades of experience.

The CADP will begin in mid-September and is ideal for new and experienced analysts to better understand their role in the industry and organization while also providing skills needed for all types of economies.

Both programs are being offered virtually, giving bankers the flexibility and convenience to attend classes from where they need to be.

This year, the programs are being co-sponsored by our partners at the Montana Bankers Association and the West Virginia Bankers Association, so space is limited and expected to fill quickly.

This spring, we encourage banks to consider sending aspiring managers to the **Management Development Program** beginning in April.

The program covers the current state of the banking environment and why managers need to understand the larger picture, the importance of emotionally intelligent leadership, performance management to develop, train and retain future leaders, compelling interpersonal conflict and negotiation, and communication for results and employee engagement.

The MDP will begin in April and features in-person and virtual sessions.

On the conference side of WBA's educational events, the **2023 Northwest Compliance Conference** will be held March 16-17 at the DoubleTree Hotel, Seattle Airport. This two-day event focuses on all that compliance professionals

Don't Miss the 2023 Annual Convention in Sunriver

Registration for the 2023 Annual Convention, co-sponsored by the Idaho, Nevada, Oregon, and Washington Bankers Associations, is going strong, and we encourage you to secure a spot soon.

This year's event will be held June 26-28 at the gorgeous Sunriver Resort in Sunriver, Ore., and brings together bankers from throughout the Western U.S. to learn about the latest in the industry.

The agenda includes sessions with Ryan McManus, co-founder and CEO of Techtonic, and Matt Pieniazek, president and CEO of Darling Consulting Group, on reimagining ALCO and legislative updates from both ABA and ICBA.

Last year's event sold out, so don't miss out on your opportunity to secure a spot early.

Learn more and register online at www.wabankers.com/convention.

need to know about changes in the industry.

Also, on March 17, the **Virtual Northwest Bank Directors Series** will begin. This program, offered by the Oregon Bankers Association, provides new and experienced bank directors with continuing education and updates on the latest industry trends. Directors can register for the entire nine-session program or pick and choose the sessions.

This year, WBA is again co-sponsoring the **American Mortgage Conference**, hosted by the North Carolina Bankers Association and the ABA on May 1-3 at Wild Dunes Resort on Isle of Palms in South Carolina. This conference is the premier event for the mortgage industry in the country. It brings together leaders from banking, mortgage, policy-makers, and investors to share information about the latest issues, analyze changes, and more.

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Events Calendar

March 16-17 – 2023 NW Compliance Conference, DoubleTree Hotel, Seattle Airport

May 4-5 – Engage: Retail Banking, Training & Engagement Conference, Washington Athletic Club

May 6-9 – CBA Annual Conference, Maui

April 13 – Management Development Program

May 1-3 – American Mortgage Conference, South Carolina

May 11-12 – IBA, OBA, WBA Agricultural Banker Conference, Meridian, Idaho

June 26-28 – 2023 Annual Convention, Sunriver Resort, Sunriver Resort, Oregon

August 7 – Virtual Commercial Lending Development Program

Sept. 7-8 – Credit & Lending Conference, Washington Athletic Club

Sept. 14 – Virtual Credit Analyst Development Program

October 23-24 – Virtual Financial Technology & Security Conference

To register or to learn more about any of the listed events, please visit www.wabankers.com/calendar.

WBA Visits With Lawmakers During ABA February Fly-In



The WBA's Glen Simecek and Nichoel Casey, president and CEO of Raymond Federal Bank, participated in this week's American Bankers Association Freshman Fly-In in Washington, D.C., where they had the chance to meet the state's newest Congressional member, Representative Marie Gluesenkamp Perez.

They also met with Rep. Kim Schrier and Rep.



Derek Kilmer. We're looking forward to returning to D.C. for the ABA Washington Summit in March!

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On May 4-5, WBA will host the newly revamped **Engage: Retail Banking, Training, and Human Resources Conference** at the Washington Athletic Club in Seattle. This conference will include tracks focused on each bank area. The combined conference will also bring together bankers who often work closely together daily. The agenda will consist of Lisa Fain, CEO of The

Center for Mentoring Excellence, with a 90-minute workshop on mentoring.

This year, the WBA is partnering with the California Bankers Association for their **Annual Conference**, held May 6-9 in Maui at the Grand Wailea Resort. WBA members can register for this event and receive discounted CBA member pricing and enjoy all this gorgeous destination has to offer. To learn more, visit calbankers.com/ac23.

On May 11-12, the WBA is co-spon-

soring the Idaho and Oregon Bankers Association **Annual Agricultural Bankers Conference**. The 2023 event features Dr. David Kohl, a nationally-regarded speaker on agriculture banking topics, and Mike Pearson, the host of Agriculture of America!, a weekly show about agriculture.

Moving into autumn, WBA will also host the **Credit and Lending Conference** at the Washington Athletic Club on September 7-8. Previously the Senior Credit Conference, this event has been expanded to include lenders and will cover topics relating to the economy, current credit, lending regulations, and more.

In honor of Cybersecurity Awareness Month in October, we will host the **Virtual Financial Technology and Security Conference** on October 23-24, co-sponsored by the New Jersey and North Carolina Bankers Association. This event brings IT, operations, and security professionals from across the industry to discuss innovation and learn about the latest in the industry.

Please visit the WBA website at www.wabankers.com for more information about registration for our upcoming programs.

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Get ahead of what's to come in the new Congress with ABA's Washington Summit. Don't miss this opportunity to make your voice heard about the major issues facing your bank, your customers, and your communities.

Registration is FREE for bankers.

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American Bankers Association®



1st Security Bank of Washington Honored As Poulsbo Chamber Business of the Year

Earlier this year, the 1st Security Bank of Washington's Poulsbo branch team earned the 2022 Business of the Year award from the Poulsbo Chamber of Commerce.

The team was recognized at the annual Gala.



Cashmere Valley Bank Donates to YWCA, Habitat for Humanity

The Cashmere Valley Bank Summitview branch in Yakima recently donated their denim fund money to two local organizations, the YWCA of Yakima and the Yakima Valley Habitat for Humanity.

Each Friday, team members at the bank can donate \$1 for the option to wear jeans. At the end of the year, the employees choose where to donate the funds, and the bank matches the amount.



U.S. Bank Seattle Team Volunteers at Green Lake

Earlier this winter, despite cold temperatures, the Seattle team of U.S. Bank and Union Bank volunteered at Green Lake Park.

The group picked up trash around the popular area, bringing together new colleagues from the recently merged institutions.



Columbia Bank Presents Warm Hearts Winter Drive Donations

After another successful year of its Warm Hearts Winter Drive, Columbia Bank and the program sponsors Reich & Tang, Associated Cleaning Services, Inc.,

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SWING for the FENCES



2023 ANNUAL CONVENTION

SUNRIVER RESORT

JUNE 26-28, 2023

REGISTER ONLINE AT

WWW.WABANKERS.COM/CONVENTION

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and Samuels Store presented donations to local shelter partners across the bank's footprint.

The donations will help local homeless shelters provide necessary items to keep people warm and safe during the colder winter.



1st Security Bank of Washington Donates To Legion of Mercy

This February, the Lacey team at 1st Security Bank of Washington put together a donation for Legion of Mercy, a non-profit customer of the bank.

The donation, gift bags to be delivered to a local tent city, came about after the team learned that aid for people who are homeless is in short supply after the holidays.

Kitsap Bank Donates \$15,000 On Valentine's Day

In honor of Kitsap Bank employees volunteering in 2022, the bank surprised local nonprofits on Valentine's Day with \$15,000 in donations.

Employees can nominate local nonprofits, and the bank makes donations in honor of the employee's volunteer hours from the prior year as part of the bank's Making a Difference campaign.

In total, employees volunteered over 2,700 hours last year.

"Kitsap Bank has a strong tradition of community involvement," said Steve Politakis, Kitsap Bank CEO. "Our employees have done a tremendous job giving back. Their dedication, commitment, and capacity to contribute not only makes them a great asset to Kitsap Bank, but also our communities in which we live and work."



North Cascades Bank Supports Cookie Fundraiser

In honor of Valentine's Day, North Cascades Bank team members supported a school cookie fundraiser.

Jessie and Denise helped decorate cookies sold during the Manson School District's PTO Valentine's Day Cookie Drive.

Sound Community Bank Supports United Way of Clallam County Galentine's Event

The Sound Community Bank team recently supported the United Way of Clallam County by attending its Galentine's event.

The event focuses on helping women in Clallam County experiencing domestic violence, food insecurities, lack of childcare, and housing issues.

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Industry News

New Hires

Dave Carroll
Assistant Vice President and Small Business Relationship Manager at Washington Trust Bank

Phil Czajka
Vice President and Relationship Manager, Commercial Banking at Washington Trust Bank

Sabrina Flores
Loan Officer at 1st Security Bank of Washington

Katherin Mason
Residential Loan Officer at Sound Community Bank

Promotions

Lisa Hefter
President and Chief Operating Officer at Peoples Bank

Andy Riddell
Executive Vice President and Chief Lending Officer at Peoples Bank

Amanda Scoby
Executive Vice President and Chief Risk Officer at Peoples Bank

LaVaonne Olsen
Senior Vice President and Chief Human Resources Officer at Peoples Bank

Brett Cheney
Senior Vice President and Commercial Market Leader at Peoples Bank

Tim Cates to Assistant Vice President and Enterprise Archive Officer at Kitsap Bank

Erin Bick
Vice President and ITS Manager at Kitsap Bank

Shana Allen
Executive Vice President and Chief Information Officer at 1st Security of Washington

Ariel McDermott
Branch Manager at Kitsap Bank

Mike Ralph
Senior Vice President and Commercial Banking Manager at Sound Community Bank

Sean Spencer
Senior Vice President and Senior Commercial Loan Officer at Sound Community Bank

Shelli Robb-Kahler
Senior Vice President and Relationship Manager at Sound Community Bank

Kammah Morgan
Vice President and Credit Administrator at Sound Community Bank

Krista Levens
Assistant Vice President and Residential Loan Officer at Sound Community Bank

Heather Souza
Assistant Vice President and Residential Loan Officer at Sound Community Bank

Brian Thaut
Assistant Vice President and Residential Loan Officer at Sound Community Bank

Lisa Marie Warren
Assistant Vice President and Relationship Manager at Sound Community Bank

Have Industry News to share with WBA? Email megan@wabankers.com or call (206) 344-3472.



Yakima Federal Savings Collects Over 3,600 Pounds of Food During Food Drive

Throughout January, Yakima Federal Savings branches collected food as part of their food drive to benefit local food banks in the Second Harvest and Northwest Harvest networks.

The bank collected over 3,600 pounds of food in a month which was donated to local distribution centers to be given to those in need.

“Despite the abundance so many of us enjoy here in Central Washington; there are still too many people who lack access to nutritious food. I am very pleased that our loyal customers and employees were able to step up and help out during this food drive,” said Leanne Antonio, President and CEO of Yakima Federal. “I encourage those who can continue giving as the need is ongoing.”



Peoples Bank Supports Lydia Place During Gala

The People Bank team attended the February annual Lydia Place Hearts for Housing gala.

The event, which features an auction, dinner, and more, helps raise funds for the organization, which focuses on disrupting the cycle of homelessness and promotes sustained independence for current and future generations.

Attending from Peoples Bank included Robert Golden, Colin Nash, Ria Van Weerdhuizen, Chad Nickisch, Lisa Hefter, Jennifer Spoelstra, Ryan Greer, Jennifer Bowles, Krista Jones, Teresa Flinn, Jennifer Evans-Thompson, and Derek Thornton.

First Bank of Alaska “Shares the Love”

In honor of Valentine’s Day, First Bank of Alaska, including the mortgage, loan operations, IT, operations, and EBC teams, created cards and goodie bags for the bank’s “Share the Love” event.

The group made over 100 cards and bags to be delivered to Pioneer Home and Long-Term Care.



Sound Community Bank Sponsors Sequim Sunshine Festival

Sound Community Bank announced in early February that it would be the event title sponsor for the fourth annual Sequim Sunshine Festival this summer.

The bank will be once again sponsoring the drone show.

SaviBank Donates \$150,000 to Children of the Valley

SaviBank announced this winter that it would commit to a 3-year sponsorship to Children of the Valley in Mt. Vernon.

The sponsorship, including \$50,000 per year, allows the organization to continue serving low-income children in an after-school program. The program cultivates potential, connection, learning, and confidence. Children of the Valley also offer various enrichment activities and academic support.

Yakima Federal Savings Sponsors Regional Home & Garden Show

In mid-February, Yakima Federal Savings was the presenting sponsor for the Regional Home and Garden Show in Pasco.

The event, held over four days, featured Yakima Federal’s mascot Penny Piggybank, who drew lines for selfies.

The bank will also sponsor the Yakima Home and Garden Show in early March.

5 Ways to Future-Proof Your Branches

By Alexa Bennett, Content Marketing Manager, Vericast

The “demise of bank branches” has been discussed for years. Most recently, the global pandemic heightened the chatter as consumers adopted digital banking in droves. But to borrow a Mark Twain (mis)quote, the death of the branch is greatly exaggerated.

Of course, banking has evolved and continues to evolve because consumer preferences and technology continue to evolve. According to a recent Vericast study, people primarily conduct their personal banking through their institution’s app or website (72% for both), 56% bank in person at the branch, and 50% use online-only banks.

It’s important to note that while they primarily bank using one channel or another, most consumers use a combination of channels—only 3% bank solely in person, and 10% bank solely online. And in some cases, use may not indicate a preference. In North America, a study by McKinsey found that while 74% of consumers are willing to use mobile, only 36% say they prefer mobile over branches. Baby boomers are the least likely to bank through a mobile app or at an online-only bank.

From where they choose to live to how they prefer to communicate, consumers now have more options than ever, thanks to technology. How can you make your bank a top choice and ensure your branches don’t become obsolete? To future-proof your branches, they’ll first need to evolve. These five services offer an excellent place to start.

1. Insist on Instant Card Issuance

Today’s consumers aren’t used to waiting. They can get almost anything they want instantly, and they’re certainly not expecting to wait 7-10 business days for their debit or credit card to arrive in the mail. When you place a permanent, personalized card directly in the hands of your customers, not only are your customers happier, but your financial institution benefits, as well. Your card can become top of mind and wallet sooner (or remain there).

(Tip: An instant-issuance SaaS solution offers an affordable and easily managed way to deliver the convenience,

security, and experience customers want from your institution.)

2. Value Video Banking

Video may have killed the radio star, but it’s breathing new life into financial-institution-branch activity. Thanks to the pandemic, consumers are accustomed to using video for everything from school to work to doctor appointments. Today, many institutions leverage teleconferencing to serve customers. For example, they can service multiple locations from one “hub” location. This allows for more efficient allocation of branch staff as employees from one location can use video conferencing technology to support customers at another location. And shorter wait times mean a better customer experience. For the camera shy, video banking software also allows customers to connect and speak with a contact center or branch representative face to face, without the actual face-to-face.

3. Set Up Self-Service

You may know them as Personal Teller Machines (PTMSs, Interactive Teller Machines (ITMs), or Live-Assist, but these amped-up ATMs are becoming more commonplace as branch layout and traffic change. Taking on the functionality of traditional tellers, these units can help free up your staff to address more in-depth customer needs and requests. Some financial institutions create teller hubs in their contact center or allow employees to service customers remotely while working from home. Others have created micro-branches or drive-thrus with these machines as the main mode of banking business.

4. Leverage Lobby Management Software and Concierge Service

Take a cue from the retail and service industry. With lobby-management software and concierge services, you can allow customers to book appointments online, anticipate staffing needs, and more. Don’t think of

[Continued on page 11](#)



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Support the Charities That Are Right for Your CFI

By PCBB

Since 1977, the 501st Legion charity has been throwing Star Wars-themed fundraisers and events. Zombie Squad, another unusual charity, helps prepare for disasters. There's even a charity called the Critter Connection, which finds new homes for guinea pigs in need. Charities come in all shapes and sizes, and charitable giving has been increasing within the last few years, both among individuals and among corporate companies. Even though corporate giving in 2021 increased by 23.8% over 2020 according to the National Philanthropic Trust, individual giving represented a whopping 67% of all charitable donations in 2021. Americans alone donated \$484B to charities.

Supporting charities, particularly local ones, is important to a lot of financial customers. In particular, they also like to see philanthropic efforts come from their financial institutions. Which nonprofits financial institutions choose to donate to also plays a big role in their reputation with customers.

Like many community financial institutions (CFIs), a MA-based CFI had many applicants for its philanthropic donations. About 18 months ago, however, it decided to do away with the proposal process. Instead, the CFI would prospect for organizations that aligned with their organization's values, instead of sifting through the myriad of nonprofits submitting applications.

They reached out to the superintendents of nearby schools whose top priority was increasing their graduation rates. In light of that focus, the financial institution donated money to help high school students make up for lost credits, funded a night program for students who had dropped out, and donated instruments to start a music program aimed at keeping students engaged.

How does your institution go about choosing the causes it supports? A little more intentionality in this area can help you get the most from your philanthropic efforts.

The Impact of Philanthropy on Your CFI

Supporting the local community is a nice thing to do, of course, but it can also be good for a CFI's financial health. Both employees and customers say they'd rather form relationships with CFIs that donate to their communities.

- 55% of employees prefer to work for a philanthropic company, even if the pay is less.
- 93% of customers who say their financial institutions donate generously are extremely or very

satisfied with their financial provider.

- 42% of millennials would move their accounts from a non-charitable CFI to one that donates to its community.

-

How to Pick the Right Charities

Of course, CFIs know the benefits of giving, but how do you decide which charities are the right ones for your CFI? Some institutions simply set a budget and say yes to whatever reputable groups ask until the budget is spent. As long as your recipients are solid, this approach can work. It's better, though, to deliberately think through your charitable program and pick recipients that are a good fit for your organization. Some factors to consider might include:

- A personal connection. Do you or your employees have a particular soft spot for a local charitable cause? Maybe a colleague is on a board of directors for a nonprofit, or does a lot of community work that could help you make connections. Talk with your employees to understand which organizations are particularly meaningful to them. Most people are more motivated to help the food pantry where four of their colleagues volunteer than they are to help an organization where they have no personal connection.
- Values that line up with your CFI's values. You should believe in and support an organization's overall mission before you donate time or money. Without a clear link between your values and theirs, customers and employees won't understand why you're connected and your efforts will have less of an effect.
- A charity that can benefit from your company's strengths. Most charitable organizations can make good use of donated money, and many are happy to put volunteers to work. Look for additional ways to help, perhaps through your industry connections, your insights, or even your ability to help a charity get its financial records in order. You might even help sponsor or advertise a fundraiser, especially if the charity has a small marketing budget.

Remember that you don't have to wait for a charity to find you. Look for community organizations that would be a good fit for your values and strengths. You can proactively consider what charitable giving is a good fit for you, and your customers will take notice of your local philanthropic efforts. You may even entice new customers to open accounts because your charitable goals align with theirs.

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panding its advertising, building off local campaigns to plans for ads in national publications.

"I would say, what little marketing we've done, we've had tremendous traffic," said Roske. "We've got good visibility and obviously want to continue to grow."

They also hope this opens consumers' eyes to the benefits of what may not traditionally be considered an investment option.

"There were three major reasons we did this," said Roske. "Number one was the consumer issue, to provide an unbiased site with relevant rates. The second was to level the playing field from an advertising and marketing perspective, and third, can this build a stable funding source for institutions when they need liquidity?"

Consumers have told the bank that the site is eye-opening and are always surprised at how high some of the rates are.

"The visibility into the opportunities for higher rates and the spread of different products and terms, there are all sorts of ways for people to find the product that really is the right fit," said Wu.

As the site continues to grow, Wu said they are looking at what other opportunities might grow from some partnerships with institutions nationwide.

"There are opportunities from a financial institution perspective and partnering with some of these smaller institutions to drive traffic to their site," he said. "I always use Rocket Mortgage as an example. Is there a way where we could actually allow consumers to basically open accounts in almost real-time? That's probably a longer-term vision, but the type of strategy we're going for. We're interested to see where and what the interest becomes over time."

This year, Wu and Roske said the primary focus is getting feedback and ensuring the

site delivers what both banks and consumers want and need.

"We learned a lot, and it allowed us to test some of our marketing and advertising themes and ideas," said Roske. "A lot of this year is focused around that – learning what is it the consumer like? What is it that FIs find appealing about this? What kind of traffic does it generate for the community financial institutions that are high-rate payers? I think that's a lot of what we'll be doing this year as we continue to look for ways that it provides value to the various stakeholders."

To that end, Roske said they would love feedback from financial institutions – what's working, what's not, and what they want to see.

"It's a good chance to learn from people; help us help you," she said.

Visit CDvalet.com to learn more about current rates and opportunities.

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concierge services as a "take-a-number" experience. Think of it as an efficient way to check in with customers and log the necessary data to ensure they receive the services they need.

5. Bet on Banking Pods

Another way to nix the teller line in favor of customer dialogue is by using banking via pods or service centers. The pod model allows for more and more natural conversations and needs-based understanding when customers visit your branch. This works even better when employees are universal bankers instead of tellers only or loan officers.

Keep the following points in mind on your journey to future-proof branches:

- Remember, technology can enhance the employee's role but can't replace the employee altogether. The goal is to embrace these tools to improve the customer experience.
- While creating a better branch experience and digital experience are noble and necessary, it's equally necessary to ensure a seamless digital-to-branch experience for customers as they transition between the

two channels.

- Consider this mindset: your branch should be an extension of your digital experience rather than your digital experience being an extension of your branch.
- Branches are often the last stop—for hard-copy document signing, final payments needed in person, or managing an issue that can't be handled remotely.
- Designate branches as the location for high-value services and the space where customers can engage in financial education and financial-wellness conversations with bankers.

Still, trying to figure out where to start? Make a few changes at a branch you think will be most receptive (e.g., a younger, smaller branch to start). From there, be deliberate in gaining feedback, using those learnings to implement changes across your branch network.

One bite at a time! You don't have to make all changes across all locations simultaneously.

The best way to find out what your customers and employees want from your branches is to ask them. Conduct an experience survey. Voice-of-the-customer and voice-of-the-employee surveys are qualitative ways to gather insight before investing in changes. They can also help you understand how changes you have made are being received.



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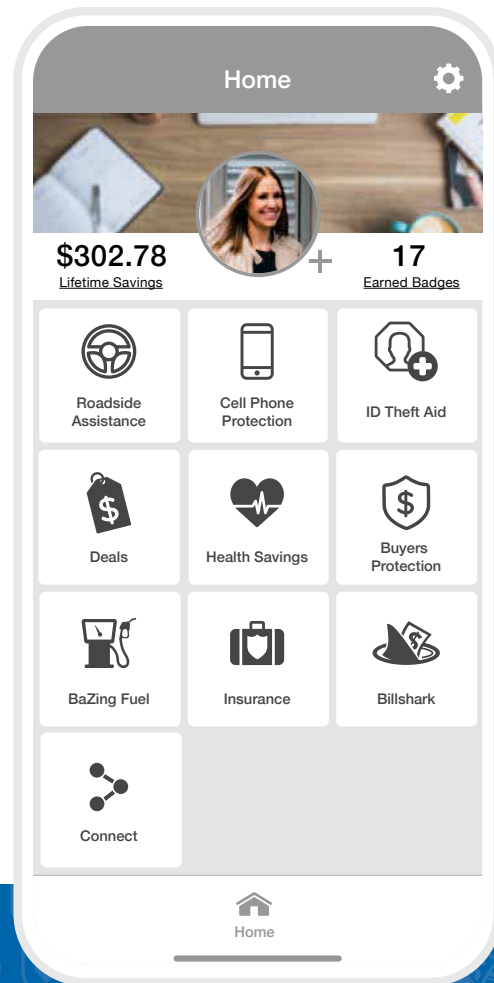
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The top three features consumers look for when they're in the market for a new checking account are convenient **branch locations, low monthly fees, and the best rewards program.**

(Source: Cornerstone Advisors)

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