

Issues & Answers



October 2020

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We're In Good Company

By Glen Simecek, President and CEO, Washington Bankers Association



pick good friends.

"You're known by the company you keep."

At WBA, we're very fortunate indeed to be known by the company we keep. Our members not only provide the financial underpinnings of our state's economy, but they also are leaders in making our communities better places to live, work, and raise a family.

Some trace the saying back to the fables of Aesop. Others say its origins are found in the Book of Proverbs. It's an adage quoted by generation after generation of anxious parents imploring their children to

Anyone needing further evidence of this fact should take a quick glance at the recent Puget Sound Business Journal lists of Washington's most generous corporate philanthropists.

Among large corporations, three banks – JP Morgan Chase & Co., Wells Fargo, and Bank of America – were recognized in the top 10 donors. U.S. Bank, KeyBank, Columbia Bank, and Banner Bank also made the top 25, meaning that banks filled almost a third of those slots.

Among midsize corporate philanthropists, another five were highlighted, including First Financial Northwest Bank, which topped the list. Other banks listed in this category were HomeStreet, Heritage Bank, 1st Security Bank of Washington, First Federal, and Kitsap Bank.

Three more banks were recognized in the small corporate philanthropist listing, and

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Connect With Us

Connect with the WBA online by following us on our social media accounts.

On the Cover

Fall colors glow at the Seattle Japanese Garden, located in the southern end of the Washington Park Arboretum.

Photo courtesy Rachel Samanyi, flickr

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once again a bank – Sound Community Bank – occupied the top spot. Coastal Community Bank and Pacific Crest Savings Bank were the other two smaller banks noted for their contributions.

Collectively, these institutions gave more than \$20 million to community non-profits across the state of Washington last year. Considering they represent only a fraction of the WBA membership and many other member banks play similarly important roles in their local communities, our industry's contributions have a truly staggering impact.

Every bit as impressive as the sheer dollar volume of this support is the range of charities and causes that have been the beneficiaries of these contributions. They include programs to reduce homelessness and create more affordable housing; develop local job opportunities and stronger neighborhoods; local K-12 schools and after-school education providers; colleges, universities, and workforce development organizations; youth development services; domestic violence shelters and services; food banks; health care providers; and the arts.

Put simply, our communities would not be as strong or as vibrant without the support of WBA member banks.

Our collective contributions are especially important to remember as the impacts of the COVID pandemic continue to be felt across the state. Banks have already played a key role in helping families, businesses, and communities weather the storm so far. From helping employers qualify for job-saving PPP loans to pitching in to support community response efforts, WBA members have led the way in responding to the social and economic challenges posed by this public health crisis.

Based on our pre-session conversations with legislators, we can expect banks to be asked to do even more in the months ahead. One of the most pressing issues on lawmakers' minds in our virtual meetings with them was loan forbearance – what does it mean for the borrower? For the lender? How does it all work?

Answering these questions will be an important part of our advocacy efforts in Olympia in 2021. As will be providing accurate and candid information to legislators who may not always understand what is and what isn't realistic to expect of lenders.

The good news is that data like that found in the PSBJ philanthropy ratings once again clearly demonstrate our industry's commitment to the local community and our willingness to invest to make it better. Compelling evidence is right there in the numbers.

And in the company we keep.

READY TO LEARN?

Get the latest on WBA events online at
www.wabankers.com/calendar

Personal Finance for the Pandemic Era: Why Bankers Should Deliver Fin Ed Lessons Today

By Rob Nichols, President and CEO, American Bankers Association



The pandemic has forced many lessons on us, not the least of which is the importance of being prepared. I don't mean being well-stocked-on-toilet-paper prepared. I mean having the ability and resources to survive an uncertain and even perilous period. For businesses, that clearly requires having a well-crafted and tested business continuity plan. For households, the most important preparedness tool may be a well-funded savings account.

Those who may not have fully appreciated this before COVID-19 certainly understand it now. In fact, a Bank Rate survey this summer found that Americans' top financial regret is not having enough emergency savings to withstand the crisis, followed closely by not having enough retirement savings.

This presents an important opportunity for banks, which can—and should—help support both established and fledgling savers as they pursue their savings goals. Nothing is more fundamental to financial wellness than savings.

Given the massive economic dislocation caused by the pandemic, this may seem an odd time to exhort others to save. Many are suffering from loss of income and find it challenging to pay their expenses; how can they possibly set aside money for a rainy day when it's already pouring? But there's reason to view this as the ultimate teachable moment, and an ideal time to convert lessons into action.

In a July survey of hourly workers (by DailyPay and Funding Our Future), 51 percent said that coming out of the pandemic, they are more likely to save for the future, as opposed to 15 percent who said they were less likely to do so. Meanwhile, 65 percent said they don't have any type of savings account, and 62 percent said they would be able to save more if there was an easier way to set aside a portion of their paycheck.

These data point to a clear demand for information and

tools to facilitate savings, and banks are a reliable source for both.

To help banks meet that demand—and prevent financial regrets in the first place by teaching financial fundamentals to today's youth and young adults—the ABA Foundation has adapted its financial capability programming for today's virtual world. Teach Children to Save lessons went virtual in April, and Get Smart About Credit, our fall program, has also been adjusted to include new resources and notes for delivering effective virtual presentations, as well as new modules around saving for the unexpected.

We all know that strong personal finance skills are essential to success in life. In fact, a majority of respondents in the latest Charles Schwab Financial Literacy Survey said that money management was the most important skill for children to learn, outranking the dangers of drugs and alcohol, healthy eating and exercise habits and safe driving practices. And nine in 10 agreed that a lack of financial education contributes to some of the biggest social issues our country faces, including poverty, unemployment and wealth inequity.

Which brings us to another lesson learned from the pandemic: Significant disparities in health, education and job opportunities persist. Those disparities have exposed some populations to greater risk—of catching COVID-19 or losing a job—and they've left some children more vulnerable than others to the negative effects of school closures.

Education, including financial education, can help reduce these disparities and give all Americans an equal opportunity to prosper. Few are more qualified to deliver lessons in personal finance than bankers, so I strongly encourage you to register as a volunteer for a financial education program today. The ABA Foundation makes it easy—and free. Visit aba.com/FinEd to learn more and sign up. This is one of the most important ways bankers can make a long-term difference in the lives of others.

The more individuals we reach with this valuable information, the better off our communities will be. And there's no doubt it is better to learn personal finance lessons in a class-Zoom than in a crisis.

WBA VIRTUAL TRAINING

PROGRAMS DESIGNED FOR YOUR SCHEDULE

Visit www.wabankers.com/virtual to see our online, in-depth virtual offerings, including our sought-after Development Programs.

Registration Now Open for 2021 Executive Development Program

Registration is now open for our flagship DevPro, the 2021 Executive Development Program.

Beginning in late January, this 12-month program focuses on preparing a new generation of executive leaders within the bank. To date, almost 400 students have completed the program since 2010, and many have advanced to senior- and executive-level roles within their organizations.

Due to the ongoing uncertainty surrounding in-person classes, WBA has planned 2021 as a virtual program, but if the situation changes we will move classes to an in-person format, which will be communicated to students as soon as possible.

Returning in 2021 is our newest session, exploring fintechs and how they play into the banking landscape. Taught by Dave DeFazio, partner at StrategyCorps, and Joe Sullivan of Market Insights, students will learn about the wide variety of fintechs and how they can view partnerships with these innovators.

WBA understands that a crucial piece of the EDP experience is networking with fellow students. To replicate that in the virtual classroom, we've built in time during each month's session specifically for networking. This allows students and advisor Joe Zavaglia to connect on issues facing the industry.

The EDP fills quickly and is open to students from Washington, Oregon, and Idaho, so register before December 1 to ensure a spot and the best pricing possible.

Registration is also open for the 2020 Retail Branch Manager Development Program, which will also be held virtually. Given the rapid changes in the retail banking space, WBA updated this program with input from the Retail Banking Committee to make sure sessions reflected the current environment within branches.

Classes for the Executive Risk Management Development Program begin in November. This program has also been updated to fit the current environment and the virtual format. As risk management becomes an increasingly focused piece of the industry, banks need to have qualified and informed bankers. The ERMDP can help elevate your bank's risk management to a new level.

Thanks to the nature of virtual platforms, WBA is also opening these programs to our partner banker associations, including Oregon, Idaho, Montana, and Utah.

Learn from ABA Subject Matter Experts at Northwest Compliance Conference Oct. 15-16

The OBA/WBA Virtual Northwest Compliance Conference will be held October 15-16 and we are thrilled to have ABA subject matter experts joining us.

Hear from ABA Executives Nessa Feddis, Rod Alba, Kitty Ryan, Rob Rowe, Krista Shonk, and Diana Banks for the latest updates from a regulatory and legislative perspective on mortgage issues, fair lending, BSA, CRA, and flood insurance.

See the full agenda (now updated!) online and register to reserve your spot today at www.wabankers.com/nwcc.

Space for the Development Programs will be limited to keep classes small.

WBA is also moving the following conferences to a virtual format: Northwest Compliance Conference, Northwest Agriculture Conference, Fintech Conference, Women in Banking Conference, and the Bank Executive Conference.

This year's Women in Banking Conference is taking on a new schedule to better fit the virtual format. The conference will be held on October 29-30 from 8:30 am to noon both days. Featured speakers include Cindy Solomon, Kristen Hadeed, FDIC Chair Jelena McWilliams, and Fiserv's Virginia Heyburn. Banks have two registration options for this event, either individual or bank-level. Bank-level allows any banker within the organization to attend both days of the event.

In late October, the WBA is joining forces with the Oregon and Idaho Bankers Associations for the 2020 Virtual Northwest Agriculture Conference. On October 27, bankers can learn from Dr. David Kohl as he discusses the current ag banking landscape and hosts a discussion session with bankers about the industry. Attendees will also learn from Bill Bryant about imports and exports in the Pacific Northwest, University of Idaho Professor Ben Eborn about the regional economy, and ABA's Ed Elfmann with a national update. Bank clients are also invited to attend the event for reduced admission.

On December 1, WBA will partner with the Utah Bankers Association for the Virtual Bank Executive Conference.

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

Events Calendar

October 15-16 – Virtual NW Compliance Conference

October 27-28 – Virtual Northwest Agriculture Conference

October 28 – Virtual Retail Branch Manager Development Program

October 29-30 – Virtual Women in Banking Conference

November 5 – Virtual Fintech Conference

November 12 – Virtual Executive Risk Management Development Program

December 3-4 – Virtual Bank Executive Conference

January 26, 2021 – Virtual Executive Development Program

**Classes and conferences will be virtual unless otherwise noted.*

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

WBA Members Connect with State, Federal Lawmakers and Agencies

Throughout September, WBA member bankers have the opportunity to meet and learn from state and federal lawmakers, as well as federal regulatory agencies.

The WBA hosted a series of virtual Legislative Roundtables where bankers and lawmakers from different regions of the state discussed current issues. Bankers had the chance to share how their forbearance programs are working for customers and what their outlook on the housing and rental markets in the state might look like.

Lawmakers at the events asked questions on policies affecting their constituents, ranging from how the housing market may impact residents, what banks are doing in their communities, and how the Paycheck Protection Program helped local businesses.

Thank you to all the bankers and



banks who participated in this year's events.

At the end of the month, WBA members participated in the Western States Virtual Washington D.C. Fly-In. Bankers heard from federal agency leaders from OCC Acting Comptroller Brian Brooks, FDIC Chair Jelena McWilliams, and CFPB Director Kathy Kraninger. Bankers were able to learn about the current issues at each of the agencies and ask questions and share how these policies are impacting the bank and their customers.

During the same week, WBA



hosted a variety of meetings with Washington's Congressional delegation, sharing with lawmakers how the PPP worked in real time and learned what the outlook will be for future stimulus packages.

Thank you to the American Bankers Association for organizing the virtual fly-in and to all of the bankers and banks who participated.

If you are interested in learning more about WBA's advocacy efforts and how to become more involved, visit www.wabankers.com.



Top left: Washington bankers meet with state representatives from the Tri-Cities area during the Legislative Roundtables.

Top right: Rep. Suzan Del Bene spoke with bankers about PPP and forgiveness during the virtual Washington D.C. Fly-In.

Left: Glen Simecek asks a question of CFPB Director Kathy Kraninger during the Washington D.C. briefing.

Right: Rep. Denny Heck spoke to bankers about challenges facing businesses during the COVID-19 pandemic.

Study Shows BankWork\$ Graduates Double Income, High Return on Banks' Investments

By Megan Managan, Director of Communications & Government Relations, Washington Bankers Association

Before the pandemic forced BankWork\$ to pivot to a worker readiness curriculum, CareerWork\$, parent organization of BankWork\$, commissioned an analysis of past graduates and how their lives were impacted by the program.

"We thought it might be positive information," said YWCA Seattle | King | Snohomish's Mike Schwartz. "We track participants for 12 months after completing the program, but this was a real opportunity for us to see longer term. It exceeded our expectations."

"It was an intensive project," said YWCA BankWork\$

Program Manager Mercedes Rippel. "The staff was amazing in getting all the data they requested. We were hauling boxes out of the storage unit and digging through everything."

The analysis, completed by Kinetic West in April used data from BankWork\$ participants over 2014 and 2015.

It found that students who completed the BankWork\$ program on average see a 134 percent increase in wages over the first three years after graduating, compared to wages earned in the year before joining the program. After just one year, graduates saw a 61 percent increase in wages. Graduates are likely to earn more than \$1 million more in wages

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WBA Member News



Commencement Bank Branches Donate to Local Food Banks

Commencement Bank turned missing their annual community appreciation barbecue events into an opportunity to highlight the need for food banks in their communities.

The bank's branches shared the importance of supporting these local efforts during the COVID-19 pandemic, collecting donations for local organizations and schools. The bank donated to Olympia School District to help provide foods to kids who rely on the district for meals, as well as Nourish Pierce County which helps provide food to residents in need.

As much of the West Coast was mired in smoke from the fire, the bank donated \$25,000 to help those impacted by the fires in California, Oregon, and Washington.

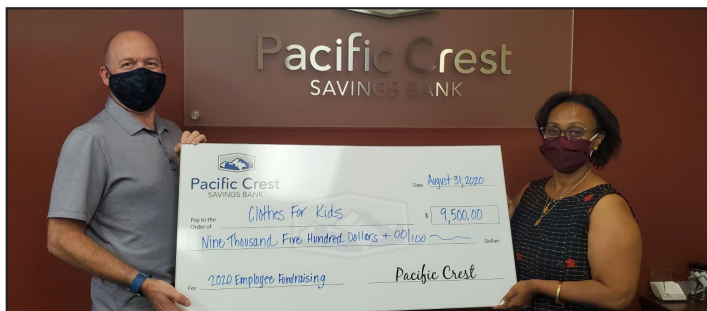


Kitsap Bank Hosts From Shred to Fed Event

This fall, Kitsap Bank partnered with local food banks to help those in need through the bank's From Shred to Fed events.

Branches throughout the bank's network hosted a shred event for people to bring sensitive documents for safe destruction each Saturday in September and October and encouraged monetary donations to the local food bank at the same time.

During the first weekend, the bank raised \$2,300 for the Sequim Foodbank and over \$6,000 for the Port Townsend Food Bank.



Pacific Crest Savings Bank Donations to Clothes for Kids

Each fall, Pacific Crest Savings Bank collects donations for Clothes for Kids, and this year, despite the pandemic, the bank continued the tradition.

The bank raised over \$9,500 for the organization, which helps provide clothing to kids in need.

Olympia Federal Donates to South Sound YMCA

In August, Olympia Federal Savings donated to the South Sound YMCA as part of the bank's Two Cents program.

The bank donated \$2,673 thanks to a two-cent donation from each debit card transaction by bank customers.

Columbia Bank Donates to Wildfire Relief

In mid-September, Columbia Bank announced a donation to the American Red Cross to help with wildfire relief.

Sound Community Bank Leader Named PSBJ Director of the Year

Sound Community Bank President & CEO Laurie Stewart was recently named one of the Puget Sound Business Journal's 2020 Director of the Year.

The award recognizes outstanding contributions to a range of companies in the Pacific Northwest. These directors advocated for diversity on boards and helped their companies and non-profits navigate through the ongoing pandemic and its economic fallout.



Bank of America Employees Volunteer, Donate During COVID

Members of the Greater Seattle Bank of America team found creative ways to volunteer despite the ongoing pandemic.

Members of Michael Bailey's team participated in mock interviews for Year Up Seattle, a program that helps students learn about various industries and participate in internships.

Other members of the team, including Steve Harlow, senior vice president, and private client advisor, helped the United Way of King County gather snack packs for summer youth programs to provide a nutritious breakfast and lunch.

Heritage Bank Employee Donates to Food Lifeline

As children and families prepared to go back to school, Loan Operations Manager Kim at Heritage Bank helped

Trainers, Human Resource Bankers Learn Virtually at Annual Conference

As they've adapted to new online formats for most of the year, bank trainers and human resource professionals adapted to the new virtual 2020 Education/Human Resources Conference in mid-September.

Bankers from throughout Oregon and Washington learned together during the day and a half event, emceed by Coyte Cooper, a performance coach, and motivational expert.

In his keynote address, Cooper outlined how attendees can flip the script to reprogram their brains to think in a positive way instead of getting dragged down by negative thoughts. He said using his techniques to think about challenges in a good way will help inspire your work and habits.

Laurie Stewart, president and CEO of Sound Community Bank and current ABA Chair, provided a quick update on the industry and why continued advocacy throughout the banking industry is crucial. She commended bankers in Washington for their strong

work on Paycheck Protection Program loans and the work they are doing to support employees, customers, and communities. She was followed by Education Committee Chair Steve Politakis, CEO of Kitsap Bank, who provided an update on the industry, including some of the recent successes and challenges facing our region. Next, Duncan Taylor, WBA's director of membership and operations, outlined various ways the banks can utilize online training platforms.

In the last session of the morning, Rachelle Strawther, director of leadership training and development at Gonzaga University, discussed design thinking, and how looking at issues

with a different lens can change the way we work together and tackle problems.

After lunch, attendees chose between two breakout sessions, focused on training and human resources.

Katheryn Bradley, a shareholder with Lane Powell, outlined what employees need to know about leave and accommodation during the

pandemic, including what new laws and regulations may impact individual organizations.

Todd Hudson, head of the Maverick Institute, focused his session on learning at the speed of lean, including ways that banks can use a lean system to be more productive.

Betsy Hubbard, founder and president of Mindset Digital closed out the day with her session on commu-

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23 Students Graduate First Virtual Management Development Program

At the end of August, WBA celebrated the graduation of its first all-virtual program, the 2020 Management Development Program.

Twenty-three students completed the classes, which ranged from learning about the last economic downturn, to communication strategies, leadership,

emotional intelligence, sales, and more.

Graduates of the program said they felt the virtual classes were highly beneficial and were glad to hear that other students were dealing with similar challenges in the workplace given the rapid number of changes they've faced this year.

"I was able to take away so much from the class," said one student. "I would highly recommend it to anyone. Plus, the virtual classes were set up very well with amazing instructors."

Congratulations to: Kelly Adamson, Washington Trust Bank; Shawna Alexander, Cashmere Valley Bank; Edith Amante, Cashmere Valley Bank; Erica Anaya, North Cascades Bank; Frank Barker, Sound Community Bank; Michelle Beier, Sound Community Bank; Stefanie Boller, Bank of Eastern Oregon; Tiffany DeLeon, North Cascades Bank; Christopher Dungca, WaFd Bank; Jenelle Ellis, Kitsap Bank; Jana Flores, Cashmere Valley Bank; Breana Gaches, WaFd Bank; Shelly Hankins, Bank of Eastern Oregon; Erin Hayden, First Sound Bank; Carrie Heaton, Kitsap Bank; Richard Kilby, WaFd Bank; Alexa Meagher, Commencement Bank; Genevieve Reynolds, Heritage Bank; Jamie Shigeno, WaFd Bank; Teresa Smith, North Cascades Bank; Rick Wagner, First Federal; Samantha Wells, WaFd Bank, and Anni Woo, WaFd Bank.

The next Management Development Program will be held in 2021.



Finding Success With the Disrupted Consumer

By Stephenie Williams, Executive Director, Acquisition Solutions

The massive economic harm inflicted by the coronavirus lockdowns on consumer finances has been stunning. Months of frantic financial uncertainty have prompted consumers to conduct a form of “service relationship triage,” in which they evaluate which relationships truly provide value to them, and which they’ll leave behind in their transition to economic recovery and well-being.

The sudden shift in consumer attitudes and behavior has raised the broader question of what this means for financial institutions, leading them to the pursuit of critical answers.

Some questions can be answered more definitively than others. But it’s very clear that in order to compete for and retain the newly enlightened and thoughtful consumer, financial institutions must focus their attention on providing the loans to restore lifestyles to pre-pandemic levels, as well as assist in building a stronger cushion of future savings to be better prepared for the next unexpected financial crisis.

But there is a brand new hurdle to overcome. Consumers are hesitant to return to bank branches. Eighty-two percent of customers are concerned about going into their bank. That, of course, means fewer of the face-to-face consultations that are vital to successful banking relationships. Frustrating, certainly.

To do nothing, of course, is not an option. A proven and practical strategy, and one that we at Harland Clarke recommend, is to deliver a cross-channel brand experience that is compelling, consistent and continuous.

A renewed dedication to savings

Recent studies show that most Americans lack savings to pay for emergencies:

- Thirty-eight percent of consumers had less than \$1,000 saved to cover expenses in event of a job loss
- Sixty-five percent of younger Millennials (ages 18 to 24) can’t cover six months’ worth of living expenses, followed by 60 percent of older Millennials (ages 25 to 34)
- Only 27 percent had \$10,000 or more in savings
- Average savings is \$8,8635

The impact of those numbers, no doubt, have been

magnified by the events of 2020. It’s not far-fetched to assume that consumers will seek advice on how to increase their savings. Financial institutions that choose a consultative approach by taking the time to find out exactly what their savings goals are and helping to achieve them, tend to build lasting and meaningful relationships with greater results.

Growing Core Deposits: A Three-Pronged Approach

Now more than ever, low-cost deposit acquisition should be every financial institution’s number-one priority. Having a sustainable surplus of core deposits is vital in a lending environment that is more challenging and competitive than ever. Harland Clarke recommends a three-pronged approach, with equal weight given to each part.

1. Attract New Money from New Customers

Be clear on who you’re targeting and saturate the market with a highly visible, omnichannel marketing strategy. In light of the enormous levels of email clutter caused by the response to the coronavirus, we recommend a campaign that focuses on an old standard, direct mail.

Then, measure the response and adjust the plan to provide your audience with more relevant content. To target more surgically, utilize consumer profiles and data analytics to uncover affluent prospects with high balances and attract them with deposit incentive offers that increase response rates. Or drive fee income by targeting customers who use their debit cards frequently.

Once you’ve perfected your strategy, don’t make the mistake of going silent. Engage sporadically and you risk losing prospects to the growing legion of swooping competitors, both traditional and disruptive.

2. Grow Deposit Balances From Existing Customers

We all know the cost to acquire exceeds the cost to retain, making it measurably important to never take the needs of your existing customer base for granted, or they are likely to leave. An effective strategy to deepen existing relationships is to identify low-service customers and aggressively cross-sell them new products and services.

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ISSUES & ANSWERS

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over their lifetime than they otherwise would have, based on wage data from the Washington State Employment Security Department.

Thanks to the robust partnerships with local banks, the program has expanded in recent years, now including classes in South King County, Seattle, Snohomish County, and on the Eastside. Thanks to those partnerships, according to the study, graduates' employment is 39 points higher three years after completing the program than those who don't enroll.

For partner banks who have hired BankWork\$ graduates, there has long been anecdotal evidence – these hires stay longer and are promoted faster. YWCA data has found that one year after graduation the retention rate is 80 percent, compared to closer to 65 percent for most job placement programs.

"One of the great things about banking is that you don't have to have a degree to have a career and many banks will help with higher education," said Rippel. "If students have the motivation they will move up quickly."

Another plus for banks who hire graduates, the return on investment per program graduate is 16:1, based on local taxes paid by graduates. Because graduates pay an estimated 70 percent more in local, state, and federal taxes, BankWork\$ students help support local economies and local businesses. This also means, according to the study, that states spend less on social services for these graduates, compared to non-participants.

Another benefit the study found is that graduates shift fast-

er from poverty to self-sufficiency with a single adult in King County becoming self-sufficient, by the state's standards, within three years, versus 27 years for a non-participant.

"We've seen that as students start the program homeless or living with family, and shortly after they are hired, can move out," said Rippel.

Another bonus for banks hiring graduates, 52 percent of BankWork\$ participants are bilingual or multi-lingual, which helps improve access to banking services for people who speak languages other than English. And 82 percent of Bank-

Work\$ graduates are people of color, reflecting the diverse communities where many banks have branches.

"This helps diversify the industry and customers see people in the branches who look like them," said Schwartz.

The study also found that approximately 20 percent of Washington state households are underbanked, but when employees at their bank speak their language and look like them, it's more likely to encourage relationships.

Since its inception in Los Angeles in 2006, BankWork\$ has launched over 3,400 careers across the country. WBA members have benefited from hiring these graduates since the beginning of the program in Seattle in 2011. While the program's classes are currently on hold due to the pandemic, CareerWork\$ has been working behind the scenes to prepare BankWork\$ curriculum to move to more of a hybrid approach, incorporating more computer skills in addition to the in-person classes.

To learn more about the program, visit www.bankworks.org.



BANKWORK\$

PROGRAM OF THE
BILLER FAMILY FOUNDATION

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nication in the current environment. She discussed how people are easily distracted and bombarded with messages today, so making sure messaging is short and understandable is key to getting the word out.

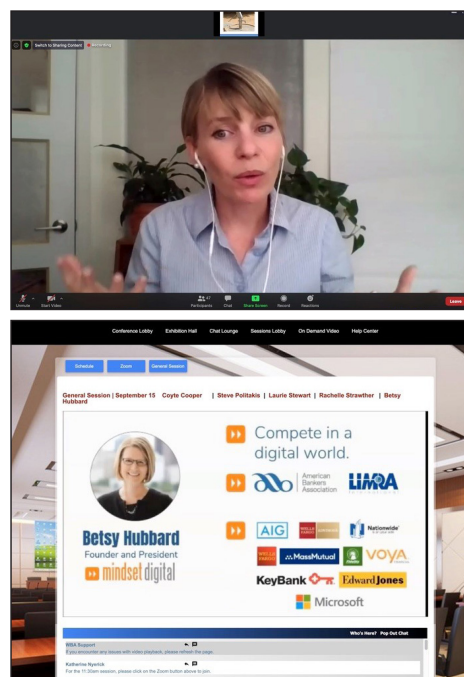
On the second day, Kevin Parker, owner of Dutch Brothers Coffee in Spokane, discussed resiliency, positivity, and how to adapt. A survivor of the Columbine shooting in 1999, Parker talked about how this year, in particular, has challenged everyone on multiple levels and provided some simple tips to overcome feelings of being overwhelmed.

In the next set of breakouts, Mike Kitson, a shareholder with Lane Powell, covered employment law updated

relating to the pandemic and what banks need to know and consider for their employees. Kassy LaBorie, a principal consultant for Kassy LaBorie Consulting, covered the best ways to engage in virtual online training. Now that we all live in a virtual world, LaBorie shared her tips for helping trainers make the most out of their sessions.

Shanon Olsen, vice president of business development for Henley Leadership Group, closed the conference with a session on collaboration. She dove into ways teams can break down organizational silos to work better together, even in a virtual format.

The 2021 Education/Human Resources Conference will be held on May 10-12, 2021 at the Historicavenport in Spokane.



PANDEMIC RESOURCES

WWW.WABANKERS.COM/RESPONSE

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donate supplies for those in need to Food Lifeline.

She volunteered during the Food Lifeline Food Drive Parade which collected 661 pounds of goods and raised \$775. That equals approximately 3,875 meals for families throughout the greater Seattle area.

First Interstate Bank Hosts Third Annual Volunteer Day

Employees across the First Interstate Bank footprint took an afternoon off in early September for their third annual Volunteer Day, when employees are encouraged to volunteer in their community.

Projects ranged from working at the Spokane Neighborhood Action Partners making hygiene kits for the community, to working in animal rescues and sewing masks.

During the event, employees served 266 organizations with 1,881 employees volunteering for a total of 6,657 hours. The bank also donated \$66,000 in mini-grants to local organizations.

1st Security Bank of Washington Hosts Shred Events

In mid-September, 1st Security Bank of Washington hosted a Shred-It event at the Hadlock branch. Employees from the Hadlock and Port Townsend teams volunteered at the event, accepting sensitive documents for correct disposal.

The bank also hosted two other events later in the fall at their Aberdeen and Lacey branches.



Industry News

New Hires

Theresa Stevens
Quality Control Coordinator at
Washington Trust Bank

Erin Anderson
Controller at Peoples Bank

Ken Kilbreath
Senior Vice President and
Wealth Strategist at Key Bank
Family Wealth

Promotions

Dean Oberst
Senior Vice President and Credit
Risk Manager at Washington
Trust Bank

Rachel Rudenski
Branch Manager at Olympia
Federal Savings

Mari Madsen
Loan Underwriter at Olympia
Federal Savings

Bret Bajema
Branch Manager at Olympia
Federal Savings

Angela Roberts
Loan Officer at Olympia Federal
Savings

Maria Cook
Loan Officer at Olympia Federal
Savings

Aubri Burmood
Loan Officer at Olympia Federal
Savings

Tim Schell
Mortgage Loan Representative
at Peoples Bank

Bobbi Stringer
Consumer Loan Coordinator/
Underwriter at First Federal

Sharon Davis
Executive Vice President, Bank
Operations and Client Experi-
ence at Seattle Bank

Diana Steiner
Executive Vice President, Credit
and Loan Operations at Seattle
Bank

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Take a generational approach to how you engage customers. For instance, educate younger segments on the value of saving (a challenge for this generation) — and show them how. And for your more mature segments, encourage customers to consolidate and centrally manage their financial assets.

3. Retain Your Most At-Risk Customers

Among the reasons customers choose to switch financial institutions is that, if they have a single service, it's relatively easy to go for the better rate. Understanding the numbers behind attrition provide you with the insight you need to gain the loyalty of at-risk, single-service, rate-motivated customers.

Though it may feel counterintuitive, connecting with at-risk customers through lifestyle-based messaging, and not product-specific messaging, has proven an effective strategy.

Also, the importance of delivering a frictionless customer experience and making it easy to work with your institution cannot be overemphasized. Even the most stable and connected customers will consider leaving after a bad experience.

Prepare for the Post-Pandemic Lending Shift

Consumers are looking forward to getting back on their feet. And with a strong desire to quickly return to pre-pandemic lifestyles, they'll soon be borrowing like never before — if not already.

While mortgage applications continue to hold steady throughout the pandemic (in the week ending May 8, 2020, purchase applications rose 10.6 percent), home

equity lines continued their multi-year, pre-pandemic fall to levels that have caused some of the nation's largest banks to no longer accept them.

Personal loans are thriving. Growing at a faster rate than auto, mortgage, credit card and student loan debt, personal loans have experienced an 11 percent year-over-year increase from 2018, with more than 38 million accounts nationwide today.

Auto loans are speeding ahead. The average new auto loan worked out to a shocking \$32,187 during the first quarter of 2019 and eight percent of respondents in an Experian® survey conducted during the COVID-19 crisis said they still planned to apply for a new auto loan in the next six months.

Not surprisingly, effective loan marketing strategies parallel those of deposit acquisition: acquire, grow, and retain. Sending the right offer to the right customer at the right time increases the likelihood of response.

Consider implementing a single-loan, pre-approval campaign to acquire new loan customers. Grow existing relationships utilizing a credit pre-screened, multi-loan pre-approval solution that reaches existing customers through online and mobile banking. Marketing single and multiple-loan products to qualified consumers, not only increases your institution's overall loan potential, but also lowers its cost per loan — plus, it delivers a positive customer experience.

Retain at-risk customers through next-level cross-sell engagement. Our clients have achieved great results using our trigger-based, pre-approval solution that reaches customers with an offer when an inquiry is detected from any of the three leading credit bureaus. Within 24 hours of an inquiry alert, financial institutions can immediately offer a credit-screened, pre-selected mortgage, auto, credit card and personal loan by phone, mail or email to customers while they're still shopping.

There's a science behind every approach. If you want to attract, grow and retain high-value customers, you must be able to engage them on their terms. If you do it successfully, you become the resource they turn to again and again.

Let's continue the discussion.

Stephenie Williams is the Executive Director of Acquisition Solutions for Harland Clarke. Stephenie has over twenty years of experience in Direct Marketing, Strategic Planning, Product Management, and Promotions in the financial services, retail and automotive industries.

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