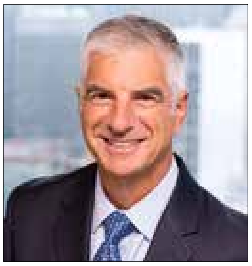
Issues & Answers

October 2025

Developing Future Leaders



By Glen Simecek, President and CEO, Washington Bankers Association

When you look at a list of the most popular career choices for current college students and recent graduates, you probably wouldn't be surprised by most of their preferences. Information technology – and specifically artificial intelligence – leads the way, followed by industries such as renewable and clean energy, healthcare, and digital marketing. These ratings are understandable; it's hard to argue that there aren't great opportunities in these and related fields.

But two things struck me about this list. First, banking and finance are conspicuous by their absence. There are great opportunities available in the banking industry, which also provides the necessary financial foundation that enables all those other, "more exciting" sectors to flourish.

My second takeaway hits even closer to home. Suppose a large percentage of the "best and the brightest" are looking to build their careers elsewhere. In that case, it becomes even more critical that current bank leaders take every opportunity to identify and fully develop their most talented people to become tomorrow's leaders.

That's where our Executive Development Program (EDP) comes in. As you may know, EDP is a 12-month program that covers all aspects of successful bank management. It's targeted at experienced middle managers who are key producers, have demonstrated a drive to succeed, and have shown clear potential for long-term development. In other words, EDP candidates are the people who have been identified as potential future leaders within the organization.

Participants receive classroom instruction from recognized industry experts in:

Banking topics, ranging from "big-picture"

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

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

On the Cover
Sunflowers tilt in the breeze at a farm in Snohomish County in October, where hundreds of visitors descend to enjoy patches of pumpkins, corn mazes and other outdoor autumn delights.
Photo by Megan Managan

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profitability, to more detailed subjects like understanding bank financial statements, credit and risk management, and audit and compliance

Personal development, such as building confidence and credibility, providing leadership, and promoting ethics

Emerging and external issues, such as fintech, legislation, and politics

In addition to these in-class sessions, participants pair up with an executive mentor from their own bank and are required to complete homework assignments between classes. This comprehensive approach not only provides an exceptional professional development opportunity but also can serve as excellent preparation for those planning to attend the Pacific Coast Banking School.

Speaking of the Pacific Coast, we're pleased that our friends at the California Bankers Association are, for the first time, joining us by marketing the Executive Development Program to their members. Since a significant portion of the program's value stems from the interactions among participating students, we believe that expanding to a more diverse participant pool will make the EDP even more valuable.

Registration for the 2026 program, which begins in January, is now open at wabankers.com/edp. We recognize that the EDP is a significant investment of time and resources. However, for the right individuals, it can be a game-changer – both personally for them and for their organizations.

It's gratifying to hear WBA leaders like Laurie Stewart, President and CEO of Sound Community Bank, talk about how the EDP experience has prepared key employees to assume additional leadership responsibilities within their organization – and that "the quality of the training is well worth the investment." Jack Heath, CEO of Washington Trust Bank, echoed those sentiments, adding that he'd "recommend it highly for the rising stars in your company."

I can't think of two better endorsements than those.

Building a talented and successful team takes a lot of work (just ask the Mariners!).

Programs like the EDP can help.

2025 Credit, Lending and Compliance Conference Offers Insights on AI, Fraud and Regulation Changes

Bankers from across the region gathered online Sept. 24 for the Washington Bankers Association's annual Credit, Lending and Compliance Conference. The virtual event featured a full day of sessions focused on the future of banking, from artificial intelligence and fraud prevention to regulatory changes and lending updates.

WBA President and CEO Glen Simecek opened the conference by welcoming attendees and highlighting the importance of staying ahead in a rapidly changing industry.

The opening keynote featured Jonathan Waldman, co-founder and president of SBS Cybersecurity, who explored how artificial intelligence is transforming credit, lending, and compliance. Waldman highlighted practical use cases, discussed security implications, and showed how AI is helping banks remain competitive while improving customer experiences.

The morning continued with a regulatory interview with Bryon Scott, senior examiner with the FDIC's Division of Depositor and Consumer Protection. Moderated by Simecek, the session provided bankers with a firsthand look at regulatory priorities and how the agency is working with institutions in Washington.

Three breakout sessions followed, offering attendees a choice of specialized topics. Terri Luttrell of Abrigo addressed elder financial exploitation, outlining warning signs and tools to help bankers protect vulnerable customers. Will Frame of Kidder Mathews provided a real estate market update, highlighting trends in both residential and commercial sectors across the region. Meanwhile, ABA's Brooke Ybarra examined the recently passed GENIUS Act and explained how stablecoins and other payment innovations are reshaping the financial services industry.

Fraud was the focus of the late morning session, with Paul Benda, Executive Vice President for Risk, Fraud, and Cybersecurity at the ABA, walking through the latest threats. Benda discussed everything from social engineering to AI-driven schemes, emphasizing industry strategies for strengthening defenses.

After lunch, Washington Trust Bank Chief Economist Steve Scranton offered an economic update, sharing his outlook on national and regional trends.

In the afternoon breakout sessions, ABA's Kitty Ryan discussed the evolving regulatory environment around fair and responsible banking. At the same time, Seth Shapiro of USI outlined the changes in the

insurance market that affect lenders and borrowers. Rachel Zippwald of NAAGL provided an update on recent changes to the SBA 7(a) loan program and previewed what banks can expect in the year ahead.

The conference closed with a motivational keynote from Joe Sullivan, president of Market Insights. Drawing on Zen principles, Sullivan encouraged bankers to adopt balance, adaptability, and simplicity to serve customers better and foster innovation.

New this year, the conference also featured bonus mini-sessions, including presentations on court-appointed receivership by Gene Buccola of High Plateau Capital and appraisal bias by Sharon Whitaker of the ABA.

The 2025 Credit, Lending, and Compliance Conference gave bankers timely knowledge and practical strategies to navigate the industry's shifting landscape while staying focused on customer needs.

Special thank you to this year's sponsors, Abrigo, Cornerstone Advisors, SBS CyberSecurity and Strategycorps for helping make the event possible.

Helping Customers Adjust to the End Paper Checks

As of September 30, 2025, the U.S. Treasury officially stopped issuing most federal payments by paper check. This includes Social Security, Veterans' benefits, Railroad Retirement, and other federal disbursements. The change, part of a broader modernization effort, means millions of Americans are now receiving their benefits electronically — or will need help making the transition.

For banks, October is a crucial time to focus on customer outreach and education. Many customers have already transitioned to direct deposit or the Direct Express card, but others may be struggling with the process or are unaware of the necessary steps.

Why the Change Matters

- Security and fraud reduction: Paper checks were 16 times more likely to be lost, stolen, or altered compared to electronic payments.
- Faster access to funds: Direct deposit and prepaid cards deliver payments more quickly and reliably than the mail system.
- Cost savings: By eliminating most paper checks, the Treasury reduces administrative costs — estimated at hundreds of millions of dollars annually — freeing up taxpayer dollars for other priorities.

The Role of Banks in October and Beyond

- Although the deadline has passed, banks continue to be on the frontlines of supporting customers who may be confused, frustrated, or at risk of disruption to their benefits. Key steps bankers can take include:
- Educating staff: Ensure employees know how to answer questions and guide customers through the next steps.
- Reaching out to impacted customers: Some individuals may still be waiting for checks that will never arrive. Banks can help them understand the change and assist with setting up direct deposit or alternative solutions.
- Offering safe, affordable accounts: Unbanked or underbanked individuals will need access to accounts that can receive federal payments. Bank On-certified accounts are a strong option.
- Protecting against scams: Customers should be reminded that the government will never call or email demanding account information. Direct them only to trusted sources, such as GoDirect.gov or mymoney.gov/federal-payments.

Who Needs the Most Support?

Some customer groups are more likely to need assistance, including:

- Seniors and people with disabilities, who may be less comfortable with electronic tools.
- Individuals without traditional bank accounts.
- Residents in rural or remote areas where access to banking services is limited.
- Those with language or literacy barriers who may need extra help understanding the transition.

Opportunities for Banks

This transition creates an opportunity for banks to build deeper relationships with their communities by:

- Proactively helping customers adjust to change.
- Reinforcing the safety and convenience of electronic payments.
- Positioning the bank as a trusted partner in navigating financial life.

Conclusion

The end of paper checks for federal payments marks a historic change in the way millions of Americans access their money.

While the September 30 deadline has passed, October is the critical time for banks to step in and provide education, reassurance, and hands-on support.

By doing so, bankers can help ensure that no customer is left behind in the shift to a safer, faster, and more efficient payment system.

Customer Talking Points: What You Need to Know

The U.S. Treasury no longer sends most paper checks for federal payments. This change took effect on September 30, 2025. Here's what you should know:

If you already receive payments electronically (direct deposit or Direct Express® card), you're all set. No action is needed.

If you are currently receiving paper checks, you should switch to electronic payments. Paper checks were discontinued at the end of September, and future benefits will be paid electronically only.

Your options:

- Direct deposit into your bank
- Direct Express® prepaid debit card (no bank account required)

Stay safe from scams. The government will never call, text, or email asking for your personal banking details. Always use official websites or phone numbers such as:

- mymoney.gov/federal-payments
- GoDirect.gov

Need help? Visit your local bank branch or call your benefits agency.

Events Calendar

Jan 7-9 – CBA Bank President's Seminar, CA
Jan. 8 – Understanding Bank Performance
Jan. 12 – 2026 Exeutive Development Program
Feb. 4 – Bankers Day on the Hill, Olympia
Feb. 15-17 – ABA Conference for Community Bankers
March 9-11 – ABA Washington Summit, D.C.
April 2 – Understanding Bank Performance
April 9 – Management Development Program

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

WBA Member News

Liberty Bank Sponsors Poulsbo Farmers Market

In August, Liberty Bank returned as a sponsor of the Poulsbo Farmers Market.

The bank hosted a table at the event, led by Branch Manager Kelly Garcia, along with Personal Bankers Lynnette Reynolds and Carli Post.

Washington Trust Bank Donates Backpacks to East Valley Middle School

When East Valley Middle School reached out about items for a school supply drive, Washington Trust Bank jumped at the chance to help.

The bankers quickly organized a drive and helped pack backpacks full of essential items, including hygiene products, socks, and more, for students in need.

Olympia Federal Savings Sponsors Hands-on Children's Museum Gala

Olympia Federal Savings recently sponsored the Hands On Children's Museum Gala, celebrating summer and the creative community.

The volunteers helped set up tables, sell tickets, and ensured the event ran smoothly without a hitch.

Baker Boyer Bank Participates in Walla Walla Fair & Frontier Days Parade

Baker Boyer Bank participated in the annual Walla Walla Fair and Frontier Days parade.

The bankers walked the parade with the bank's mini train, which is a crowd favorite, and celebrated all things Walla Walla during the festival.

KeyBank Hosts Table at PLU New Student Orientation

KeyBank's team in the South Sound recently hosted a table at Pacific Lutheran University's New Student Orientation event.

It was an opportunity for the bank to engage with new students and other businesses, sharing information about financial education and the importance of being financially savvy college students.

WaFd Donates to Dev Northwest

At the 5th Street Public Market Fest this summer, WaFd Bank recently announced a new grant donation from its Foundation to Dev Northwest.

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Industry News

New Hires

Michael McAllister
Senior Vice President and Commercial Relationship Manager at Washington Trust Bank

Carli Post
Personal Banker at Liberty Bank

Albert Israel
Senior Financial Advisor at Wells Fargo

Chad Nickisch
Mortgage Loan Officer at Washington Trust Bank

Promotions

John Textor
Commercial Relationship Manager at First Fed Bank

Yelda Bryant
Senior Relationship Manager at Bank of America

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

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The organization supports vibrant Northwest communities by providing financial counseling, affordable housing options, and helping to build stronger, more resilient neighborhoods.

U.S. Bank Volunteers with Habitat for Humanity Spokane

The U.S. Bank team in Spokane recently spent a day volunteering with Habitat for Humanity Spokane.

The group pitched in at the build site, helping to prepare a future home for homeowners who will be able to afford it permanently.

Yakima Federal Savings Participates in Prosser States Day Parade

Yakima Federal Savings, along with Penny Piggybank, participated in the annual Prosser States Day Parade on Labor Day in September.

So far in 2025, Penny, the official mascot of the bank, has appeared in more than 30 regional events and is scheduled to appear in an additional 15 events before the end of the year.

Washington Trust Bank Donates to Spokane Police K9 Unit

The Washington Trust Bank team in Spokane recently surprised the Spokane Police Department K9 unit with dinner while they were training, along with special treats for their canine partners.

The bank surprises local businesses and residents with Random Acts of Awesome throughout the year, whether it's purchasing gift cards to give away or providing dinner to a regional police unit as a gesture of thanks.

KeyBank Celebrates Impact Networking Groups at Summer Picnic

KeyBank celebrated its Impact Networking Groups (KBING), which provide bankers within the organization the opportunity to collaborate, innovate, and grow throughout the year, with a summer picnic in August.

This year's event brought together banks from throughout the Pacific Northwest, providing an opportunity for everyone to meet with leadership and engage, while fostering new relationships.

Riverview Bank Sponsors Clark County Historical Museum Annual Dinner and Gala

Riverview Bank sponsored the annual Clark County Historical Museum Dinner and Gala this summer.

This year's event featured Cody Ritter, SVP and commercial real estate director, who serves on the museum board, representing the bank.

The museum works to preserve the county's history and share it with future generations.

Washington Trust Bank Supports Arc of Tri-Cities

Washington Trust Bank's Kennewick team recently dropped off a sweet treat of Krispy Kreme donuts to the Arc of Tri-Cities organization.

The nonprofit is focused on advocating for the rights of individuals with intellectual and developmental disabilities. By

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promoting full inclusion and participation in the community and offering services for adults, children, and families, the organization serves over 2,000 people in the Benton and Franklin county areas.

Chase Supports Financial Wellness Program at Boys & Girls Clubs

JPMorgan Chase recently hosted a financial wellness program in conjunction with former Seattle Seahawks player K.J. Wright at a local Boys & Girls Club.

The program is a part of an ongoing effort by the organizations to help students have the tools to build their financial dreams.

Timberland Bank Participates in Hoquiam Elks Grand Parade

Timberland Bank participated in the Hoquiam Elks Grand Parade during the Hoquiam Loggers Playday.

The event takes place over Labor Day and showcases the skills loggers possess, including a competition.

Olympia Federal Savings Donates to Yelm Community Schools

Olympia Federal Savings donated to Yelm Community Schools in August as part of the bank's Education Partner program.

The bank donates to different nonprofit partners each month, chosen by employees, throughout the year.

U.S. Bank Volunteers with FareStart

The U.S. Bank team in Seattle recently volunteered as servers during the FareStart Guest Chef Night, where they worked alongside their coworkers to support FareStart's mission.

The organization provides job and self-empowerment skills to help individuals move out of poverty, while also feeding the community and generating revenue to support its work.

Riverview Bank Supports 12th Annual Portland Team Hope Walk

Riverview Bank participated in the 12th Annual Portland Team Hope Walk, which raises money for the Huntington's Disease Society of America.

The bank, which also sponsored the event, has two teams: Chris Becker, a branch manager, and Team Sunshine, both of which are in the Top 10 teams this year.

KeyBank Sponsors Edmonds Senior Center Thrift Store Fashion Show

KeyBank was the presenting sponsor at the Edmonds Senior Center Thrift Store Fashion Show at the beginning of September.

The event, which featured 275 guests, raised over $20,000 for the Edmonds Waterfront Center's senior lunch program.

The program provides lunches to seniors, which is run by a local team of volunteers. This annual event is the primary fundraiser for the program.

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1st Security Bank of Washington Volunteers at Everett Recovery Café Event

1st Security Bank of Washington volunteered at the Everett Recovery Café's Inclusion Infusion event.

At this free and inclusive community resource fair, local organizations come together to share information about services, resources, and ways to help others positively.

The bank team handed out swag and other goodies while sharing information about Bank On Washington and the bank's on 1st Step accounts, which are no-fee accounts.

U.S. Bank Volunteers at Imagine Children's Museum

The U.S. Bank team in the Puget Sound volunteered at the Imagine Children's Museum in Everett during the museum's closed week.

The museum closes every year for a week for a deep cleaning, and the bankers help with several cleaning projects throughout the building.

Baker Boyer Bank Donates to Christian Aid Center

Baker Boyer Bank announced a donation of $25,000 to the Christian Aid Center at the end of the summer to help with the construction of the organization's new men's shelter and meal complex in Walla Walla.

WBA Participates in DFI Next Gen Financial Leaders Program

At the end of the summer, WBA participated in the Washington State Department of Financial Institutions Next Gen Financial Leaders program, which is designed to encourage local students to consider future careers in the financial services industry.

The event, held at UW Tacoma, included WBA SVP and Chief Operating Officer Duncan Taylor teaching a bank financials course and talking about why it's essential to the overall industry and for new banking professionals to understand.

The new 18,000-square-foot facility will provide dignity, safety, and essential resources for individuals and families experiencing homelessness and food insecurity.

The bank team was able to tour the site and got a behind-the-scenes look at the work underway.

1st Security Bank of Washington Celebrates 20 Years of Poulsbo Kids Day

1st Security Bank of Washington celebrated 20 years of Poulsbo Kids Day earlier this summer, an event that raises money for the Fishline food bank.

The bank has participated in the event for many years, providing volunteers and lending a hand wherever possible.

This year, hundreds of people participated to raise money for the cause, which included many volunteers from the bank.

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Bank of America Volunteers with Habitat for Humanity in Tacoma

The Bank of America team in Tacoma spent a day volunteering with Habitat for Humanity, where they helped frame and put up walls for a new housing development in the same city where they work and live.

Community projects like this remind me of the real impact we can have when we step outside the office and lend a hand. A huge thank you to Habitat for Humanity for creating opportunities like this to build both homes and hope," said Aaron Stuesser, Bank of America SVP and Business Bank Market Executive.

Yakima Federal Savings Sponsors Local Events

Yakima Federal Savings sponsored and participated in a variety of local events throughout the bank's footprint in September.

At the beginning of September, the bank sponsored the Homebuilders Association of Tri-Cities Parade of Homes Dinner.

The bank was a sponsor of the Central Washington Homebuilders Tour of Homes in mid-September.

The event featured 12 different homes open for tours on two different weekends of the month.

The same weekend, the bank participated in the Yakima Catholic Charities Resource Fair, providing local families with information about the services available to them in the area.

U.S. Bank Participates in Wishing Star Foundation Gala

The U.S. Bank team in the Tri-Cities recently attended the annual Wishing Star Foundation Gala.

The organization's mission is to grant wishes and provide hope to children with life-threatening illnesses.

The event is a fundraiser for the organization to help build on its mission and continue providing its services throughout the year.

Timberland Bank Donates to Coastal Harvest

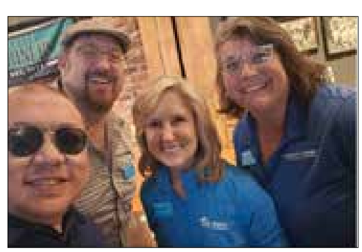
Timberland Bank recently donated $4,000 to Coastal Harvest.

The organization helps provide food to those in need, and the bank's donation helps support this mission.

Heritage Bank Hosts Annual Volunteer Day

On September 10, Heritage Bank hosted its annual Volunteer Day, during which it closed all its branches and operations to allow employees to spend part of the day volunteering.

Employees chose the local organization to volunteer with, so whether it was planting trees, packing meals, or helping local pets, teams across the bank's footprint in the Pacific Northwest were out in force, working together to improve the community.



Chase Participates in Habitat for Humanity Annual Volunteers All-Stars Night

JPMorgan Chase is a corporate partner of Habitat for Humanity and recently participated in a volunteer

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event in Seattle, as well as at the organization's Annual Volunteers' All-Stars Night.

The event celebrates the fantastic achievements of Habitat volunteers, as well as their dedication to providing affordable housing and promoting homeownership.

The bank was also recognized for its work on the Corporate Partner Committee, which has helped bring together other community leaders over the years.

The bank has also facilitated financial education workshops for incoming homeowners and other volunteer efforts.

Riverview Bank Celebrates Hispanic Heritage Month at Annual Gala

Riverview Bank celebrated the beginning of Hispanic Heritage Month in September with the 31st Annual Hispanic Heritage Gala, hosted by the Hispanic Metropolitan Chamber of Commerce.

The event featured music, food, and community, and empowered local families.

1st Security Bank of Washington Donates to David Wolffe Elementary

1st Security Bank of Washington donated to David Wolffe Elementary as part of the bank's Stuff the Bus campaign.

Each summer, the bank collects school supplies and funds to help local students prepare for the school year.

The bank's Poulsbo branch donated $873.41 to the school.

Timberland Bank Donates to Ocean Shores Food Bank

Timberland Bank made a $4,000 donation to the Ocean Shores Food Bank in September.

The donation will help the organization continue its mission of providing food security and support to the North Beach and Ocean Shores communities.

Sound Community Bank Volunteers at Silent Disco Cleanup Party at Cal Anderson Park

Sound Community Bank team members recently participated in a Silent Disco Cleanup Party at Cal Anderson Park, hosted by Seattle Public Utilities and other partners.

The event featured music from local DJs, which was played via Bluetooth and could be listened to on individual headphones while attendees worked.

It also gave the volunteers the chance to meet other members of the community while helping to make the park look great.

Bank of America Earns Puget Sound Business Journal Award

Bank of America in Seattle was recognized by the Puget Sound Business Journal with the inaugural Excellence in Wellbeing Award.

The bank earned the award due to its efforts to become an employer of choice in the region, as well as its investment in helping team members build careers and support their emotional, physical, and financial wellness.

WaFd Bank Sponsors BankOn Forum

WaFd Bank sponsored the annual BankOn Forum, put on by the Financial Empowerment Network.

The event, hosted in Tacoma in September this year, focused on ways to make a more profound impact in communities with everyone.

Chase Volunteers with PAWS

The Chase team in the Puget Sound recently volunteered with PAWS in Snohomish County.

The organization helps cats, dogs, and wild animals go home and thrive, whether it's a home with people or in the forest.

The group from Chase assisted with a variety of landscaping

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tasks throughout the property, enabling the organization to stay on top of projects and focus on its mission.

Mountain Pacific Bank Celebrates New Ballard Branch Opening

Mountain Pacific Bank celebrated the grand opening of its newest branch in the Ballard neighborhood.

The newest location relocates the bank to a more central part of the city, offering a full range of banking services.

The grand opening was capped with a lion dance, celebrating the area's Chinese culture, and symbolizing good luck and prosperity.

WaFd Bank Participates in Junior Achievement Fundraiser

WaFd Bank recently attended the annual Junior Achievement fundraiser dinner.

The bank is a longtime supporter of the organization and its events throughout the region, including its Auburn Biz Town, which allows kids from local schools to walk through a simulated town, running a business.

Mountain Pacific Bank Named Best Bank of Skagit

Mountain Pacific Bank was named the Best Bank of Skagit

County during a recent newspaper poll.

Readers of the paper nominated several organizations and then voted online over several weeks; after the voting period, the winners were chosen.

During the celebration event, bank staff from Skagit County were present to commemorate the accomplishment.

Baker Boyer Bank Hosts Anti-Fraud Community Event

Baker Boyer Bank hosted an Anti-Fraud Community event in Walla Walla.

The event shared information with residents about fraud trends and answered questions on how people can stay informed and protect their money.

1st Security Bank of Washington Volunteers for Kitsap Humane Society

The 1st Security Bank of Washington team recently volunteered at a golf tournament benefiting the Kitsap Humane Society.

The bank's retail, treasury, and commercial business banking teams came together to help raise money for the nonprofit, which helps animals in need in Kitsap County.

U.S. Bank Volunteers at El Centro de la Raza

The U.S. Bank team in Seattle recently volunteered at El Centro de la Raza.

The group worked throughout the center, pitching in on several projects wherever help was needed.

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As Robots Disrupt Tech, Banks Need More Human Gearheads

By Seve Williams, Founder and CEO, Cornerstone Advisors

How fast things change! Only five years ago, a mantra, issued and abused throughout the media, encouraged workers to "learn to code." As the mobile/social revolution took root and tech exploded after the COVID crisis, young professionals saw big tech firms with huge signing bonuses and multi-six-figure salaries.

And now? Artificial intelligence is changing the game. Firms like Microsoft have reported that 30% of their new code is AI-generated. Recent college graduates with computer science degrees can no longer expect lucrative offers, and they are struggling with a 7.5% unemployment rate—higher than the national average.

The challenge is real, and it seems unfair to smart and hard-working Gen Z professionals.

But wait, bankers! Let's rally the board and executive team and make some Gonzo lemonade out of this situation. Our industry has struggled to compete for top tech talent against frenzied big tech companies. NOW is the magic moment to open our arms and build a rigorous effort around next-generation technology talent.

Yes, AI is quickly taking over many tasks, but there's still plenty of complex work to be done in banking for skilled and curious techies. From a marketplace perspective, banks must rebrand themselves as technology-first organizations that combine the fun and challenge of innovation with the stability of a good ol' fashioned bank.

At this unprecedented moment with tech talent, here's a challenge for bank executives to consider:

- Execute a plan to invest an additional 1% of current employee compensation costs for the next three years in new IT talent, including recent grads and skilled workers displaced from tech downsizing. With this investment, build business cases to achieve an ROI.
- For the typical $5 billion bank, this would equate to roughly $1 million in additional comp targeted each year to tech talent investment.
- To support this talent strategy, banks can be more aggressive with their tech talent strategies. Consider these initiatives:
- Partner with colleges in your market to consistently line up interns and graduates
- Up the tech skills game by sponsoring the cost of technology certifications for rising stars
- Bring more visibility to tech inside your organization: hold hackathons and profile innovations from your techies to the board and all employees
- Build formal career opportunities for employees outside the IT department to gain technical skills and eventually move into IT roles

With a more significant investment in IT talent, banks can leverage new technical talent in these five major areas:

- Maturing the Cloud. Virtually every CIO in banking reports difficulty finding qualified candidates with cloud experience and certifications, and they also lament that using third-party resources proves too expensive. Leaders can cultivate expertise among young computer science talent like we developed credit officers and branch managers in the past. Banks can advance multi-cloud experts with AWS, Azure, and Google certifications and create young and eager DevOps engineers and cloud-native application developers. Some may even take a rising star and turn them into a valued CCSP—Certified Cloud Security Professional!

Data Readiness for AI

Most banks are ill-prepared to effectively leverage AI because their data is fragmented and inconsistent. Today, there is a huge opportunity to turn the kids loose on a bank's data classification efforts, possibly employing new AI tools to make it a more efficient process. From both a regulatory and business standpoint, improving the categorization and indexing of the bank's data would pay huge dividends.

Tool Acceleration and Agent Development

In the less than three years since the release of Chat GPT, thousands of generative AI tools have been introduced. Banks need gritty, hands-on professionals who can dig into learning new tools and find ways to leverage them inside the bank. In addition, banks can pair hands-on technical talent with experienced, but less technical operational managers. Imagine young, hungry, computer science graduate Peyton "vibe coding" with generative AI tools to help the veteran Tom in the risk management group. Forcing these collaborations can speed up how quickly a bank can get the ROI from technology.

Messy Platform Integration

The average financial institution is mind-numbingly challenged to make its core systems, digital banking platforms, payment processors, and front-end delivery systems work in

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Looking Ahead: The Critical Role of Strategic Planning

Effective strategic planning sets the stage for the success of every financial institution. As the industry continues to mature and banks and credit unions face new challenges, organizational vision and a future-state plan have never been more critical.

Why is Strategic Planning Important?

Forming a strategic plan is more than checking a box. It gives your bank or credit union both direction and purpose. Most importantly, it creates a means to convey your "Why" to your employees and other stakeholders. It allows your bank or credit union to allocate resources where necessary, budget appropriately, and measure your efforts more accurately.

A well-thought-out strategic plan serves as a blueprint for subsequent endeavors. Performing a SWOT analysis for your financial institution will enable you to ask and answer the hard questions about your activities, allowing you to chart a roadmap geared toward sustainable growth and profitability.

Strategy does not evolve quickly. It moves slowly. It is discreet. An overriding challenge most business leaders face today is forming their strategic plan.

Many confuse tactical initiatives with forward thinking. The strategic plan outlines the organization's long-term vision.

When you set your strategy with intention and move at a deliberate pace, you can navigate the changing market. Strategic planning empowers you to drive new revenue opportunities. Examining financial models through a strategic lens is imperative to ensure that financial decisions align with your goals and objectives. Your organization must understand how to close the value loop on its investments effectively.

When Should Strategic Planning Begin?

A common misconception within community financial institutions is the timing of strategic planning. The third quarter is too late for strategic planning, and here is why...

Organizational strategic planning must begin earlier in the fiscal year, allowing enough time to shift from strategic formulation to business mapping. The optimal time to start the process is the second quarter. This is when leadership gathers to collect information and test current strategies to determine whether they align with the organization's mission and core values.

During the third quarter, you can then begin business planning. How do the strategies align with the day-to-day business initiatives? During this time, you can adjust and allocate resources effectively, conduct budget planning, determine how to measure progress, and set short-term goals. This approach focuses energy on the corporate objectives.

Planning too late in the year can affect your budgeting process. When you strategize early, the strategic plan becomes a budget discussion, and that is what drives your business plan.

What Does Effective Strategic Planning Look Like?

Your strategy takes shape when you have a thorough understanding of your internal operations and

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harmony. Banks that develop an in-house integration team can move faster than competitors by “hacking” the application programming interfaces (APIs) of various vendors, leveraging enterprise service bus (ESB) tools, and even orchestrating systems integrations through more “lightweight” and containerized approaches like Kubernetes. These are all gritty skill sets that can be developed internally at a lower cost than the major vendors charge today.

Cybersecurity and Fraud

Cornerstone Advisors’ research indicates that 48% of bank executives see cybersecurity as one of their top strategic concerns. Executives are concerned about their ability to fight cyberattacks and keep up with the technology necessary to remain resilient to hackers and fraudsters. With a shortage of financially focused chief information security officers (CISOs) in the market, building additional skills in-house is a no-regrets move.

Despite bold predictions, the banking industry isn’t going to become a monolithic app run by robots. We still need humans to drive legacy organizations forward and deal with the complexity and fragmentation of bank technology today. As banks dig into new work for robots, it’s a great time to lean into the human side of tech talent development.

Steve Williams is a founder and chief executive officer of Cornerstone Advisors, a WBA PROS vendor.

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Timberland Bank Donates to Copalis Community Church Food Bank

In early September, Timberland Bank donated $4,000 to the Copalis Community Church Food Bank, which has been distributing food to people in need for over 40 years.

The donation will enable the organization to continue its work, and the bank is a significant supporter.

First Fed Bank Sponsors the Kitsap Building Association Golf Tournament

First Fed Bank recently sponsored the 43rd Annual Builders Classic Golf Tournament, hosted by the Kitsap Building Association.

The event raises money for the KBA, which provides information, education, and services to its members while advocating for safe and affordable housing in communities throughout the Kitsap Peninsula.

Baker Boyer Bank Named Best Bank in Walla Walla

Baker Boyer Bank was named the best bank by the Walla Walla Union-Bulletin readers’ choice awards.

In the same awards, Ashley Mahan, a loan agent at the bank, also received the Best Banker/Loan Agent award.

“Thank you to our community for your trust and support,” said the bank online. “We couldn’t do this without you!”

Wheatland Bank Sponsors Chalk Drawing Contest at Odessa Deutschesfest

Wheatland Bank sponsored a chalk drawing contest at the 2025 Deutschesfest in Odessa.

During the event, children ages 2-12 showcased their creativity in the annual chalk drawing contest, sponsored by the bank.

Washington Trust Bank Participates in Washington BizFair

Washington Trust Bank recently participated in the 2025 Washington BizFair in Tacoma.

The event, hosted by the Small Business Administration, brought together small business owners and community partners, all of whom shared information and resources about access to capital and ways that the state and partners can support growth.

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your efficiency ratio. This extends to discerning the influences in the external environment, including economic conditions, competition, technological changes, and demographic shifts. These external forces generate ideas that shape strategies.

Scenario planning is an effective approach to strategic planning. Scenario planning helps build up the mental muscles by changing the format from a traditional lecture/data dump to a forward-thinking exercise.

Your financial institution should strive to be more experimental in its thinking so that it can anticipate changes to the organization more quickly and determine how to identify roadblocks and overcome obstacles.

Examining your financial institution's data and incorporating it into your plan is crucial. Let the data guide your thought process; understanding your customers/members will help you be a proactive advocate for their well-being, steering future initiatives. Demonstrating your knowledge of their needs and presenting solutions in a positive light reinforces your commitment to helping them thrive financially.

At the end of your planning session, your strategy should be part of your bank or credit union's DNA. It must define why you exist, how you exist (core values, purpose, and who you serve), and the strategies you are pursuing (what, why, and how you get there). If your strategic plan cannot be displayed on a poster and distributed to your team, it is overly complex.

Refrain from keeping the plan a secret. The most successful organizations share their vision with the entire team. This transparency shows your commitment to your objectives, fostering a shared understanding that permeates throughout the organization. By sharing your story with every team member, you offer them clarity on their role and purpose within the organization, thereby aligning the employee experience. From there, leaders can effectively delegate. This process develops better decision-makers and managers because the entire team takes ownership of the plan.

Overall, strategic planning is essential for guiding bank and credit union decision-making, driving performance, and innovation. Financial institutions that can get on board with the strategic planning process will not only survive but thrive.

Why Engage fi

Engage is the fastest-growing consulting firm for community financial institutions in the country. We help our clients make informed strategic technology decisions by analyzing, negotiating, and selecting the right partners and solutions to drive growth. We emphasize understanding your needs, your business objectives, and your definition of success. We're not just passionate, we're proven.

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- **Digital Trends: Cybersecurity** — A quick, 4-minute refresher video ideal for reinforcing awareness across your institution.

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