



CaliforniaBanker

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A PUBLICATION OF CALIFORNIA BANKERS ASSOCIATION



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Eight Training Tips for
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Training

High-yielding. High-quality. Highly-coveted.

2023 BHG
borrower:

WA = Weighted Average

WA FICO: 736

WA Income: \$295,613

Avg Loan Size: \$142,017

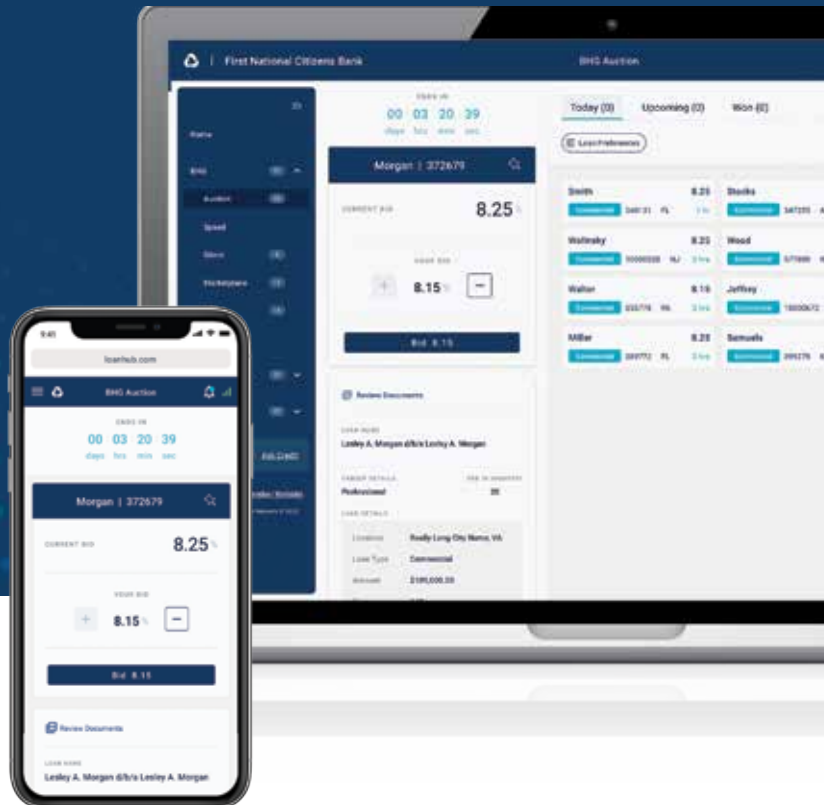
WA Years in Industry: 19

WA DSCR: 2.26

To learn more about
BHG, please contact:



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BHG Board Member
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Association Update



» Thank you once again for the trust you have placed in me. I eagerly await our future accomplishments as a united association. »

A lot has changed for the association in the last year. We reaffirmed our commitment to serving banks that do business in California, confirmed that advocacy is our core competency, and partnered with other state bankers' associations to provide professional development and educational programs to bankers at all levels.

In July I was named president and CEO, following 19 years at the association as an advocate and director of government relations. Previously, I served several years in the California Legislature. As a legislative aide to Assembly Member Bob Pacheco, a former banker and lawyer, I had the opportunity to immerse myself in the issues that impacted the banking industry and eventually brought me to CBA. It is with great honor and enthusiasm that I assume this new role and am grateful for the trust you have placed in me. I am committed to serving the association with dedication and passion.

As I step into this new role, I want to express my heartfelt gratitude for the support and encouragement I have received from all of you. Together, we will continue to

build upon our association's success and strive for excellence in all our endeavors.

I believe in the power of advocacy and will continue to serve as one of CBA's three registered lobbyists and engaged in the association's advocacy efforts, upholding our commitment to representing the interests of our members.

Yvette Ernst has been promoted to senior vice president, COO and corporate secretary. She has been a dedicated member of our team for the past 30 years and has shown tremendous growth and leadership during her career with our association.

Jason Lane has been named Acting Director of Government Relations. He has been with the association for more than 17 years and has been an incredible advocate on behalf of our members, tackling tough issues from public banking efforts to elder financial abuse.

I would also like to take this opportunity to highlight some upcoming events that will play a crucial role in advancing our goals. These events are excellent oppor-



tunities for us to come together, share knowledge, and strengthen our network:

Bankers Summit: [September 12-15, 2023, Caesars Palace] Our Bankers Summit is an essential gathering of industry leaders and professionals. It provides an excellent platform to discuss the latest trends, challenges, and opportunities in the banking sector. I encourage all of you to participate actively and contribute your valuable insights.

Joint Visit to Washington, D.C. with the Florida Bankers Association: [September 26-28, 2023] Collaboration is key to our success, and this joint visit to the nation's capital with our counterparts from the Florida Bankers Association will allow us to present a unified front on critical industry matters. Together, we can engage policymakers and advocate for policies that support our industry's growth and prosperity.

Annual Legislative Forum: [November 2-3, 2023, Citizen Hotel, Sacramento] The Annual Legislative Forum is a significant event where we can interact with state lawmakers and regulators to discuss the political and regulatory landscape affecting our industry. It presents an important

opportunity for us to identify our priorities, anticipate challenges, and develop strategies to ensure our interests are well-represented at the legislative level.

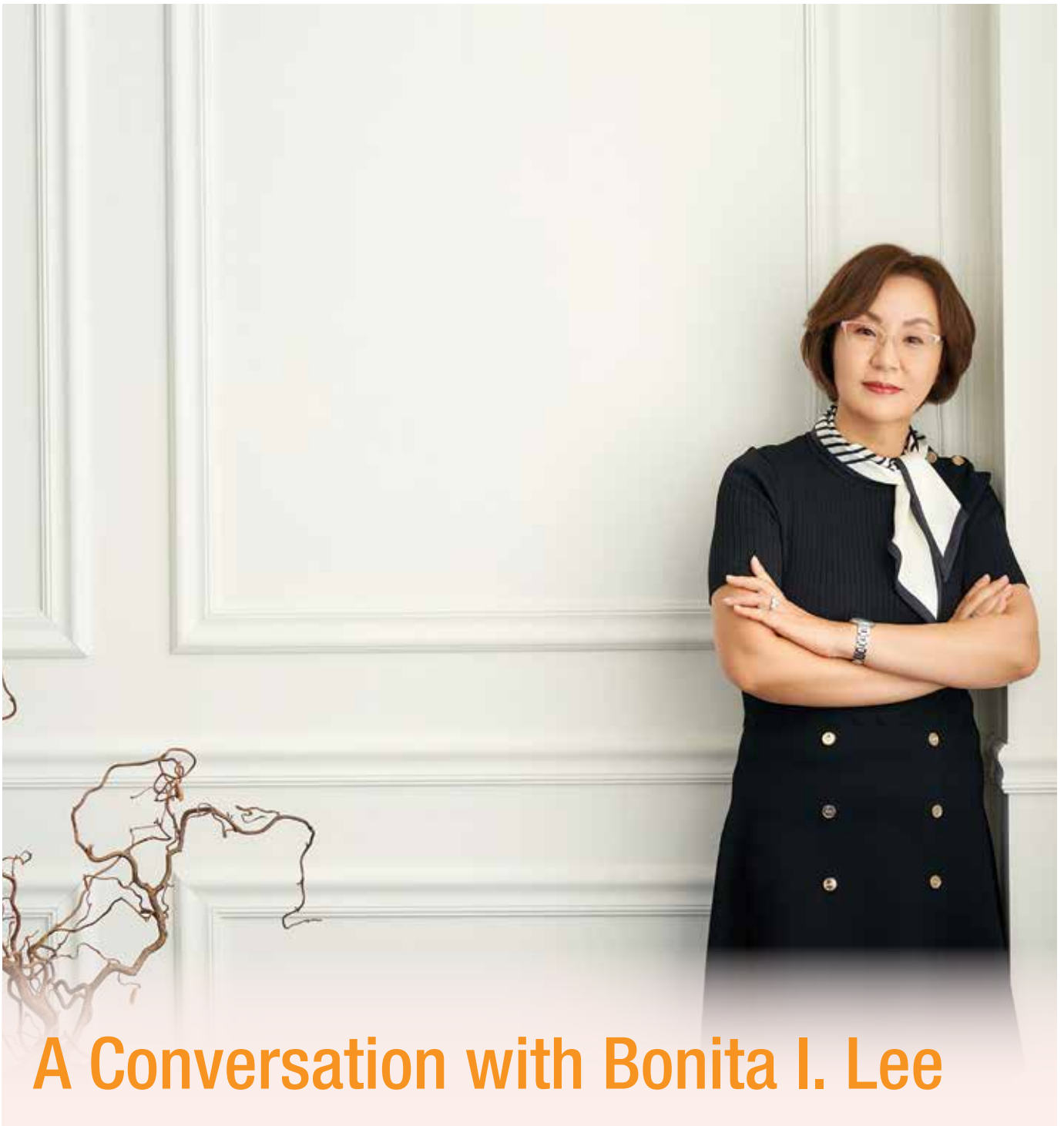
I am looking forward to the journey ahead and working together with each one of you to advance the interests of California bankers. With your input and engagement, our collective voice is stronger, and together, we will continue to foster a thriving banking industry in California. Our collective efforts will undoubtedly yield positive outcomes and strengthen our industry's position in the state.

If you have any suggestions, concerns, or ideas, please feel free to reach out to me. Together, we will achieve great things.

Thank you once again for the trust you have placed in me. I eagerly await our future accomplishments as a united association. >>

Bringing members together. Making our banks better.

Kevin Gould
President & CEO, California Bankers Association



A Conversation with Bonita I. Lee

Q: How did you get your start in banking?

I began my banking career through a bank management-trainee program. I saw a public announcement for the competitive program and applied. I really enjoyed my time going through the curriculum, especially because it gave me a front row seat to the needs

of small businesses — especially the many challenges faced by multi-ethnic small business owners — and how community bankers worked together to help them find success in America. Such experiences have really shaped the way I see the role of community banks in supporting both the local and broader economy.

Importantly, however, I believe that relationships are still key to our industry and technologies will only enhance and not replace that idea.

How has the bank changed since you joined in 2013?

Our bank — and the banking industry — is always evolving. We do our best to stay ahead of client needs and are focused on building strong relationships with our customers. Hanmi Bank celebrated its 40th anniversary in 2022 and I am proud of the team's continued focus on our fundamentals throughout our history. I believe the relationship banking model that allowed us to establish roots as the first Korean American bank has carried us well into our current phase of serving the broader multi-ethnic communities across the nation.

Since I joined in 2013, Hanmi has grown from a \$3 billion bank to now more than \$7 billion in assets. In that time, we have expanded our product and service offerings, grown and diversified loan and deposit portfolios, and — by working closely with customers — further strengthened our portfolio and asset quality metrics. Our Corporate Korea initiative, which we launched in 2019, has grown substantially and we now have teams throughout the United States dedicated to serving companies with operations in this country with parent companies in Korea.

As California's fourth-largest MDI, to what do you attribute the bank's success?

I find being designated an MDI very rewarding. Many of our customers are small businesses with limited resources. We, as a community bank and an MDI institution, serve an important role in supporting their success and guiding through the financial system. This in turn positively impacts our local communities and plays a pivotal role in the broader economy.

I attribute Hanmi's success to our relationship-based banking model, collaborative culture, and our hard-

working seasoned bankers — who in some cases have family members who are small business owners themselves and have a first-hand understanding of the pain points of running a small business. Our comprehensive relationship-banking model allows us to execute our strategy to provide top tier service to all of our customers to earn their trust and become the leading nationwide community bank.

How do you see the industry changing in the next five years?

When I think back upon the number of changes that have unfolded since I was a management-trainee, I am very excited about the ways we continue to evolve to serve the needs of our communities. Using technologies to communicate better with our customers, obtaining the needed information from our customers for loans, or the way our customers make their payments 24/7 between themselves or with vendors, these are just some areas in which we have seen and will see more change.

I think using technologies to assist with our regulatory responsibilities will also unfold. Generative AI could boost our ability to prevent fraud, keeping our customers safe and protecting our industry.

Importantly, however, I believe that relationships are still key to our industry and technologies will only enhance and not replace that idea.

What are the best opportunities for growth for Hanmi Bank?

The banking industry continues to have its challenges considering the disruptions in March of this year. However, I believe that we at Hanmi are well-positioned to

navigate the remainder of the year by sticking to the fundamentals, which underlie our success over the past few years. We have a strong base of loyal customers, a growing pipeline of opportunities, a healthy balance sheet and liquidity position, excellent credit quality and an outstanding team of dedicated banking professionals.

Our focus is always on serving the needs of our clients. We continue to assess our client base and study emerging markets, whether geographically or through new verticals. We are dedicated to strengthening our existing base while positioning ourselves to take advantage of opportunities for future growth. We will continue to grow prudently, focusing on our residential mortgage platform to diversify our loan portfolio by adding lower-risk assets that can grow profitability for many years; accelerating our Corporate Korea Initiative to grow our loan and deposit portfolios from Korean companies that are investing and operating in the United States; and continuing to attract top talent with a growth and relationship mindset to win more business and serve more customers.

How would you define your leadership style? What does being a leader mean to you?

The role of a leader is to move the team forward in achieving the organization's common goals and objectives. It is to set a clear vision for the group and maintain this direction consistently. I try to lead by example and want my team to see me as a positive leader who sets the right tone for the organization. I have always thought the most im-

portant leadership trait is active listening and good communication. It is through fostering a positive corporate culture that all of our team members will be able to align their efforts toward the same goals.

My experiences as a junior banker during the 1992 uprising in Los Angeles really brought these lessons home. Through values-driven teamwork and collaboration, my colleagues and I worked tirelessly to help small business owners who collectively suffered property damage estimated at \$1 billion. During the recent pandemic, I saw our Hanmi bankers come together again in a values-driven, all-hands effort to help process PPP loans and COVID-related modifications to help those in need in our local business communities. I am proud to lead such a team of community bankers, who embrace the unique position we are in to assist our clients, especially during times of crisis.

What is the best advice that anyone in the industry has ever shared with you?

I have had the opportunity to work with many dedicated CEOs and board members over the years. While it is difficult to limit to one piece of advice, some of the best advice I have received is to foster a positive culture, because culture will dictate behavior. Our employees are some of our greatest assets, and I want all of them to thrive at Hanmi by embracing our core values of integrity, transparency, fairness and collaboration. In times of doubt, we will turn to these fundamentals to keep us on the right track to help our community thrive.

What advice would you share with someone entering the banking industry today?

Banking is a great business. I think of it as the great connector between all industries. Everyone will need a trusted banker in the modern economy. Community banks really support the backbone of the U.S. economy. Our role in helping small to midsize businesses is very rewarding. The best bankers are ones who have a passion for helping, for serving their customers and having the mindset of a good steward. While you can teach credit or underwriting, to be successful today you have to align your personal mission with the work that you do. >>

The best bankers are ones who have a passion for helping, for serving their customers and having the mindset of a good steward.

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20 Bank
24 Presidents
Seminar

January 10-11, 2024
Montage Laguna Beach
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Mortgage Measures on ADUs, Remote Online Notarization and Servicing Transfers Advance

By Kevin Gould, President and CEO, California Bankers Association

The California Legislature is getting closer to adjourning for the year. After they returned from their month-long summer recess August 14, the Legislature has until September 14 to conclude their business. Hundreds of measures will be up for a vote in the final weeks with many of them being sent to the Governor for signature or veto. In this edition, I thought we would share a few mortgage-related measures that we expect will make it to the Governor's desk.

As a means to promote more affordable housing, a measure moving through the Legislature allows for the separate conveyance of accessory dwelling units (ADU) from a primary dwelling. The measure, Assembly Bill 1033, is part of a multi-year effort to remove barriers associated with the construction and sale of ADUs. CBA raised initial concerns with the measure because of the impact the separate conveyance of the ADU could have on existing lien holders, who may be negatively impacted by a change in the nature of the collateral.

We successfully negotiated amendments that require that all lien holders consent to the separate conveyance, and that the consent be recorded in the land title records where

the real property is located. The language makes it clear that a lien holder may refuse to give consent and a lien holder may consent provided that any terms and conditions required by the lienholder are satisfied. In addition, CBA requested and secured amendments requiring that local agencies provide consumer disclosures so that individuals wishing to separately convey an ADU are aware that lien-holder consent is required should the owner subsequently wish to separately convey the ADU.

Another measure authorizes the use of remote online notarization in California and requires the Secretary of State (SOS) to adopt rules implementing remote online notarizations by Jan. 1, 2025. Senate Bill 696 updates state law by authorizing a notary public, or an applicant for appointment as a notary public, to apply for registration to be authorized to perform online notarizations. This measure also requires an entity to register with the SOS as an online notarization platform or depository and establishes requirements for online notarization platforms to ensure consumer personal information is protected. For purposes of this measure, a "depository" is an individual or entity capable of storing a journal entry or audio-video recording on behalf of a notary public.

While CBA supports the underlying public policy objective of allowing California notaries to join the vast majority of the nation in providing notarization services in a remote manner, we remain concerned with a private civil cause of action in the measure that could be imposed against an online notarization platform or depository for a violation of the law. We don't expect the private right of action to be removed. While we remain supportive, we thought it was important to state our concerns about private rights of action, even if they are not directly impactful in this circumstance to banks.

Following a series of devastating wildfires in California, a measure nearing the final stages of the legislative process requires better communication between mortgage servicers when mortgage servicing rights are transferred. More specifically, Senate Bill 455 requires a transferor mortgage servicer servicing a mortgage that is within the geographic limits of a proclaimed state of emergency or local emergency to deliver to a transferee mortgage servicer any material written records between the borrower and the mortgage servicer relating to the borrower's election to use insurance proceeds to repair or replace property damaged by a disaster for which the state of emergency or local emergency was proclaimed. The measure is applicable to mortgages secured by residential real property that is improved by four or fewer residential dwelling units.

A second provision in the bill prohibits a transferee mortgage servicer from dishonoring a previous written agreement to repair property made prior to the transfer between the transferor mortgage servicer and the borrower and approved by the owner of the promissory note. Ear-

lier versions of this measure were problematic as they applied more broadly to all property and required mortgage servicers to forward borrower's verbal intentions. The final version of the measure reflects CBA-requested amendments.

The Governor will have an extended period of time to take action on measures that reach his desk given the high volume of bills passed at the end of the legislative session. This year, the Governor will have until October 14 to sign, veto, or allow measures to become law without his signature. We look forward to sharing more updates on legislation and

actions taken by the Governor in the next edition. >>



Kevin Gould is the President and CEO of the California Bankers Association. He joined the CBA in 2004, bringing with him more than seven years of legislative experience. In his role as president and chief executive officer, he is responsible for executing the association's mission and vision. Kevin led the association's state and federal government relations department before being named president and chief executive officer in July of 2023. He continues to serve as one of CBA's three registered lobbyists and remains engaged in the association's advocacy efforts.

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It's a Sprint to the Finish for Lawmakers in Sacramento

By Melanie Cuevas, Vice President of Government Relations, California Bankers Association

With about one month until the final legislative deadline, the finish line to this year's California legislative session is in sight. What will this remaining month hold?

To know where you're going, it's essential to know where you've been. This legislative year commenced on Jan. 4, 2023, when the legislature officially convened. Up until this point, we've passed a bevy of legislative deadlines, including:

- The January 20 bill request deadline, when policy ideas must be drafted by the legislative council into official bill format;
- The February 17 bill introduction deadline, when measures must be introduced by an Assembly Member or Senator and a bill number is assigned;
- And the June 2 house of origin deadline, when the Senate must finish all business on Senate bills and the Assembly must finish all business on Assembly bills.

The legislature recently returned from its Summer recess, a time when committee hearings and voting in Sacramento take a brief pause so that elected officials may reconnect with constituents in their districts or even take family vacation time. Official legislative work in the Capitol resumed on August 14 with a five-week sprint to the end of the session on September 14. The Governor will have until mid-October to decide the fate — sign, veto or let pass without signature — the measures that are sent to him by the legislature. This year alone, the Governor will likely review anywhere from 1,000 to 2,500 measures.

When the legislature reconvened on August 14, measures that have a fiscal impact on the state — like SB 253 (Wiener, 2023) — were heard by an Appropriations Committee so that elected officials could assess not only the policy but the monetary cost of the proposal. This is a measure that mandates reporting of greenhouse gas emissions by the business community to the California Air Resources Board. That state agency must aggregate, organize, make public, and report on the data that it receives, which, according to

the Department of Finance, will likely cost millions of dollars annually from the state's General Fund.

Measures that have little to no fiscal impact on the state — like AB 1414 (Kalra) — will bypass the Appropriations Committee step and instead go immediately to the Senate or Assembly Floor for a vote by the entire body. This is a measure that eliminates the use of a common count claim, forcing lenders, collectors, and debt buyers to instead sue on breach of contract, producing the original contract in addition to “records of all debits and credits forming each and every transaction used to determine the amount alleged to be due.”

Inactive measures, or measures that have been set aside earlier in the deadline process — like SB 278 (Dodd, 203) — likely will not move for the remainder of the legis-

lative year. It is important to note, however, that California conducts legislative business in two-year sessions. Because we are in the first year of a two-year session, measures like SB 278 will be eligible to be heard again as early as January, 2024 when the Legislature reconvenes to begin the bill-making process all over again.

In November, CBA will host the Annual Legislative Forum to discuss the legislative session and plan for the 2024 legislation session. >>



Melanie Cuevas serves as the vice president of government relations for the California Bankers Association, where her advocacy portfolio focuses mainly on issues related to cannabis, debt collection, labor and employment, political reform, privacy, and agricultural, student and military lending.

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Q&A



ASK THE COMPLIANCE GURU

On Regulation E error investigations, does a customer have to be given provisional credit if the investigation is conducted within the first day of the dispute and proven the customer is liable for the purchases?

A: You're required to provide provisional credit if an investigation under Regulation E 1005.11 extends beyond 10 days. [https://www.ecfr.gov/current/title-12/chapter-X/part-1005#p-1005.11\(c\)\(2\)](https://www.ecfr.gov/current/title-12/chapter-X/part-1005#p-1005.11(c)(2)) So, if you're resolving your investigation and issuing findings before that deadline then there is no need for provisional credit under the Regulation.

Q: For the bank's Privacy Notice, is the bank's holding company considered an affiliate?

A: Reg P defines an affiliate as follows:

“(1) Affiliate means any company that controls, is controlled by, or is under common control with another company.” <https://www.consumerfinance.gov/rules-policy/regulations/1016/3/#a-1>

Since the holding company has “control,” they are an affiliate. This said, you'd only need to list the affiliate (including holding companies) with whom you're sharing information. If you do not share information with the holding company, then they do not need to be listed, but if you are sharing with them then they should be listed on your privacy notice.

Q: We have a loan request to consolidate multiple student loans secured by a car title? Is a consolidation of student loans a “private education loan” under Regulation Z that requires student loan disclosures?

A: Whether this is a private education loan requiring disclosures under Reg Z depends on if it meets the definition of a private education loan. Regulation Z commentary explains that a loan to consolidate pre-existing private education loans is considered a postsecondary education expense so this is potentially a private education loan requiring Reg Z disclosures. <https://www.consumerfinance.gov/rules-policy/regulations/1026/interp-46/#46-b-5-Interp-1>

“(5) Private education loan means an extension of credit that:

(i) Is not made, insured, or guaranteed under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.);

(ii) Is extended to a consumer expressly, in whole or in part, for postsecondary educational expenses, regard-

less of whether the loan is provided by the educational institution that the student attends;

(iii) Does not include open-end credit or any loan that is secured by real property or a dwelling; and

(iv) Does not include an extension of credit in which the covered educational institution is the creditor if:

(A) The term of the extension of credit is 90 days or less; or

(B) an interest rate will not be applied to the credit balance and the term of the extension of credit is one year or less, even if the credit is payable in more than four installments.” : <https://www.consumerfinance.gov/rules-policy/regulations/1026/46/#b-5>

Q: Does CAN-SPAM require a marketing email to have some variation of “AD”, “ADV” or “ADVERTISE-MENT” in the subject line?

A: That is not a specific requirement. What the law requires is that there is a clear and conspicuous identification of the message as an advertisement. CAN-SPAM gives you a lot of leeway in how you accomplish that but stating “advertisement” in the subject line is a common, but not exclusive, means of accomplishing that. 15 USC 7704(5) 15 USC 7704: Other protections for users of commercial electronic mail (house.gov)

Q: Can we waive the flood insurance on a real estate loan if the balance owed is only \$1,000 or less?

A: Unfortunately, if it’s still technically required assuming the loan is still secured by a building in an SFHA, and not subject to any exception. There’s not a “de minimis” ex-

Reviews are needed to ensure that appraisals and evaluations contain sufficient information and analysis to support the institution’s decision to engage in the transaction.

ception for the outstanding balance being low at this point.

There is an exception for smaller loans, but it doesn’t apply unless the original principal balance was \$5,000 or less, plus the term would have to have been a year or less, so if that is your scenario then it would be possible to waive it. Otherwise, there is not an applicable exemption based on the current principal balance alone:

“§339.4 Exemptions.

The flood insurance requirement prescribed by §339.3 does not apply with respect to:

... (b) Property securing any loan with an original principal balance of \$5,000 or less and a repayment term of one year or less; or” <https://www.ecfr.gov/cgi-bin/text-idx>

Q: Please advise if there is regulatory guidance as to when an appraisal “review” is required?

A: Based on the interagency guidance all appraisals need some level of review. Reviews are needed to en-

sure that appraisals and evaluations contain sufficient information and analysis to support the institution’s decision to engage in the transaction. But some will only require a more surface-level review to make sure the information is accurate, while others will require a deeper review which analyzes the report. The interagency guidance has a section on the depth of the review, based on risk:

“...An institution should implement a risk-focused approach for determining the depth of the review needed to ensure that appraisals and evaluations contain sufficient information and analysis to support the institution’s decision to engage in the transaction....”

<https://www.federalregister.gov/d/2010-30913/p-256> »

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MEMBERSHIP UPDATE

Rudy Medina Retires



Congratulations to Rudy Medina, President of Southern California Market at U.S. Bank, on his retirement.

Medina spent more than 35 years in the banking and financial services industry. Prior to joining U.S. Bank, he served in several executive positions at Bank of America, including as

chief operating officer for the business banking division.

Medina has served as a member of the CBA Board of Directors, CBA's Executive Committee, and most recently, as a member of the Executive Committee's CEO Search Committee.

Medina has also served as a board member of the Pacific Coast Banking School and chairman emeritus of the Fresno Hispanic Chamber of

Commerce. He also served as chairman of the Business Advisory Committee of the Craig School of Business at California State University Fresno. He also shared his time and expertise with Reading and Beyond and the Fresno Food Bank organizations.

CBA is grateful for his steady leadership and years of service to the association and wishes him the very best in this new chapter.

Shawn Lipman Named Chief Credit Officer at Santa Cruz County Bank



Santa Cruz County Bank announced that Shawn Lipman was named Chief Credit Officer. Lipman has been with the bank for 12 years and

served in several roles, most recently as Senior Vice President and Director of Credit Administration. Under his leadership, the bank's credit portfolio grew substantially in size and complexity, with privately placed

muni bond purchases, loans issued under the New Market Tax Credit program, and structured credits originated by the recently formed Asset-Based Lending Division. In addition, Lipman led the department through systems conversions, the merger with Lighthouse Bank, and the Paycheck Protection Program.

Earlier in his career, Lipman served as Senior Vice President and Regional Portfolio Manager at GMAC Com-

mercial Finance, where he was responsible for managing new business for the western region. In addition, he served as Senior Relationship Manager and Team Leader at Union Bank, where he managed a growing portfolio of loans throughout California.

Lipman earned his Bachelor of Science degree in Business Administration and Finance from San Diego State University.

FDIC Regional Director Kathy Moe Retires



Our Chairman, Stan Ivie, and President and CEO, Kevin Gould, had the opportunity to join with the Washington Bankers Association and Oregon Bankers Association to honor Kathy Moe's extraordinary 38-year career at the Federal Deposit Insurance Corporation (FDIC) as she retires. Kathy served as Regional Director for the San Francisco Region, which included Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, Utah, Washington, and Wyoming. We are grateful for her guidance and leadership over the years and wish her the very best.

October 8-10, 2023
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Annual Convention


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2023 Annual Legislative Forum

Citizen Hotel, Sacramento, California | November 2-3, 2023

CBA's Annual Legislative Forum is a fast-paced state legislative advocacy event designed to bring key decision-makers and influencers to one location for a discussion on California politics.

This informative forum will feature representatives from the executive branch of government, California state elected officials, political insiders, and policy experts to discuss the biggest issues that lie ahead.

There is no registration fee for this event! To register, please reach out to Dee Peach at dpeach@calbankers.com.

The Citizen Hotel is offering a 15% discount on prevailing rates, based on availability.

Please share this invitation with members of your team that you believe would like to attend.

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Eight Training Tips for Effective Banking Sales Training

By Jeni Wehrmeyer, CMO/COO of Anthony Cole Training Group



Most people have heard the comment about training: “You get out of it what you put into it.” This becomes a greater truth when applied to soft skills like selling. Activities such as networking, building relationships quickly, consultative selling, and negotiating are refined skills that take practice, quiet confidence and methodical persistence. Successful bankers who are adept at building relationships have certain skills and if they are lucky enough to have a bank that invests in their development, there are always new things to learn. We regularly interview our clients and collect their thoughts on how they are developing their team of successful, relationship building bankers. Strong leadership, what we term “Shadow of the Leader” is a key to their success.

Here are eight tips we have collected to help your bank create effective banking sales training:

1.

Sales development is for everyone, even the senior bankers. It might be important to treat them differently, provide options and flexibility but greatness is achieved by always learning, so top performers must actively participate in sales training. Top performers help to demonstrate skills needed for others and training time can be the basis for important mentoring relationships. What successful person does not like to share their approach? This is a bank’s opportunity to shine the spotlight and with that, elevate the bar of expectation. Usually, top performers will par-

ticipate if training is positioned correctly. A learning culture is paramount and everyone, even top bankers, have room to grow and help others grow.

2.

Why be good, when you can be great? Speaking of culture, excellence is an underlying and consistent theme that drives the development efforts and generates engagement of the bankers. Who does not want to be part of a great team? The investment of time and money into bank training demonstrates the commitment of the company to higher standards.

3.

Sales training must be bank-wide, all lines of business must be involved for a successful bank sales team. The same language must be spoken and an easy-to-follow sales process must be used consistently for bankers to leverage opportunities and bring in partners. It is hard enough to generate across line-of-business introductions; a common approach, systems and processes and tracking puts the spotlight on providing clients with a holistic banking approach.

4.

Sales development is a capital investment and should be positioned and reported as such.

Many banks report quarterly on the number and dollars of deals in the pipeline vs year prior, as well as an improved “pull-through rate,” which is the number of sales compared to deals entering the pipeline. Sales development is also a key component to attracting and retaining key producers, an important human investment.

5.

Use Big Math for coaching. The data does not lie and it takes the personal out of the conversation. Of course, banks must collect the right data in order to do that including outreach, appointments, opportunities, presentations, approvals and deals closed. This data will tell a seasoned coach in which areas their bankers need to improve. Without this data, the coach is just telling their team to run faster. They must collect the data that allows them the insight as to where the banker is not excelling. For instance, perhaps their lenders are making plenty of outreach efforts but not getting many appointments. They likely need help with a more compelling value proposition and some practice asking stronger questions and listening to understand.

6.

Leverage small-group training even though it may be more time

» Banks must collect the right data in order to do that including outreach, appointments, opportunities, presentations, approvals and deals closed. »

intensive or costly, it is worth it. Small group training allows bankers to be more comfortable in front of others in role play. One leader said they practice until the banker no longer feels like “throwing up on their shoes.” It is so important to practice new approaches internally and not with prospects and clients. We avoid the term role play and focus on the practice aspect.

7.

Clear out the junk in the pipeline with regular 30- and 60-day reviews and personal coaching. Do not allow the sales pipeline to carry dead weight. This will help the pipeline be more predictive of future success as well as flush out the potential need for more prospecting activity on the part of the banker. This requires regular and thorough pipeline review meetings with bankers, which,

when combined with pre-call or post-call discussions, can be very effective.

8.

One way to make the pipeline more real is to require Opportunity Memos on those deals that are in the middle to end stages of the pipeline. This memo clarifies the prospect qualifies on the many scorecard attributes identified by the bank.

In today’s environment, many clients are reaching out to their banks to ask questions, explore options, get better rates and feel more secure. This takes banking out of its commodity state of years past and allows for bankers to differentiate and engage their clients and prospects in a new way. »



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