



College Recruiting For Community Banks

by [Steve Brown](#) Topics: [Human resources](#)

Summary: College is one of the best places to recruit future employees that can help expand online offerings and tune into changing technological landscape. How to convince collegiates to be bankers.

How sad is it when you hear technology has gone so far, and human interaction has pulled back so much that people are willing to go on virtual dates. In short, this means watching a movie on your laptop with someone who is somewhere else and talking with that person at points during the movie when it makes sense on the cell phone.

As you ponder where the world has gone when it comes to digital things, consider bank customers rely more on digital banking so the employment needs of banks have also changed. As a result, community banks may want to start thinking of focusing some of their hiring on younger and more technologically savvy employees to remain relevant to their customers' needs.

One of the best places for banks to find young, tech savvy and affordable employees is on college campuses. While business majors should not be overlooked, community banks should be aggressively courting IT majors as well. They can help expand your online offerings and are likely to be the most tuned in to the constantly changing technological desires of customers.

When it comes to courting millennials as potential employees, banks should also step a bit outside of their traditional interviewing approach. Asking what kinds of things these potential hires are looking for in an employer, in addition to the usual questions around courses, skill set, goals and internships will help in two ways. First, you can use their answers to better understand how to continue to attract and retain the right kind of talent needed by your bank. Secondly, you can see how the potential candidate would fit into your bank's corporate culture.

Given the importance that many millennials place on things such as work-life balance, giving back to their communities and the environment, some of the ways banks can increase their chances of attracting these qualified candidates are by offering perks. Perhaps the opportunity to work from home a few days each month and/or the opportunity to take part in bank-sponsored community service and environmental projects would work.

Of course, community banks' efforts to hire qualified employees shouldn't be limited only to colleges or first time employees. Just as technology and generational values have changed the things that younger bank customers may look for in their banks, these same attributes are often desired by more experienced employment candidates as well.

Like millennials, MBAs are increasingly focused on positions that will offer them a greater quality of life and roles that will lend themselves to greater longevity. More than 50% of MBAs polled for a recent survey said they are looking for positions where they can stay at least 3 to 5Ys, with another 17% interested in jobs they can hold beyond 5Ys.

The same survey also found that only 19% of MBA graduates hope for positions at major Wall Street banks, down 7% from just 1Y ago. Much of this change seems to be due to the overriding desire for a

more balanced job with fewer moves and more manageable hours. That fits community banks, so reach out and make them aware of your interest.

Of course, in a tight labor market it is easier for job candidates to be more choosy without sacrificing salary expectations. That means you may find it worthwhile to try different tactics to bring in the best qualified candidates.

The good news is that many college and MBA graduates are looking for more than just a high salary. Being able to accommodate the best candidates may take some creativity, but it may not take a greater portion of your budget even if you are introduced virtually to start.

BANK NEWS

M&A Activity

1) The Old Point National Bank of Phoebus (\$948mm, VA) will acquire Citizens National Bank (\$48mm, VA) for about \$7.9mm in cash (100%) or about 1.0x tangible book. 2) TCF National Bank (\$23B, SD) will acquire residential mortgage lender Rubicon Mortgage Advisors LLC for an undisclosed sum. Rubicon has 34 employees and operates in multiple states.

Compliance Cost

A Reuters survey of banks with \$10B or more in revenues finds they spent an average of \$150mm in 2017 on compliance activities around BSA/AML related to know your customer (KYC). This compares to an average of \$142mm in 2016. By the way, the same report found the average bank in this category has 307 dedicated KYC employees this year vs only 68 last year.

Lower Savings

The Commerce Department reports the US savings rate fell to 3.1% in Sep, marking the lowest level in 10Ys. Researchers say the decline is due to rising consumer optimism and increased spending.

HEDGING SERVICES FOR COMMUNITY BANKS

Community bankers seeing long-term fixed rate demand from business clients can transform payments into a floating rate on their books using [Borrowers' Loan Protection \(BLP\)](#).

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