



# 2022-2023 Management Development Program SESSION FIVE

January 10 – January 11, 2023

**Introduction to Strategic Planning**

**Dealing with Change in the Workplace**

**Staying Abreast of Issues Affecting Your Bank/Banking Industry**



# Session One: Intro to Banking

*Special Guest*

**Tom Rasey**

**SVP and Chief Operations Officer  
The Farmers Bank of Appomattox**



# About Tom Rasey

- Texas native, graduate of Hampden Sydney College
- Joined Farmers 2009
- Has partnered with member of executive management to develop the Bank's current employee mentorship program
- Has served as Bank's grassroots advocacy representative with federal/state regulatory agencies
- Has led Bank's financial literacy efforts, cultivating employee engagement to broaden the Bank's reach into area schools/local library
- Prior tenure with Scott Insurance (Lynchburg), Wachovia (Farmville), and GEICO (VA Beach)
- Served as Chair of VBA's Emerging Bank Leaders in 2019; EBL Committee Member since 2011
- Member, Board of Directors, VA Association of Community Banks
- Graduate: VBA School of Bank Management, 2013 (Second Honor Graduate)
- Graduate: VBA Executive Leadership Institute, 2017
- Graduate, Graduate School of Banking, LSU, where he served as Class Treasurer and member of the Student Advisory Committee for the Class of 2022
- Member, Payments Advisory Council for VA, Federal Reserve Bank of Richmond
- National winner, 2020: ICBA 40, *Under 40* Emerging Community Bank Leaders

# VIRGINIA BANKERS ASSOCIATION

## Management Development Program Progression Chart



**SESSION FOUR**  
Digital Banking & The Modern  
Bank Marketing Department

4

5

**SESSION FIVE**  
Introduction to Strategic  
Planning & Perspectives on  
Career Development, Advocacy  
& Industry Engagement Beyond  
MDP

**GRADUATION  
& BEYOND**

**CONTINUED LEARNING  
OPPORTUNITIES**  
Connect|Protect Experience  
Bank Supervisor School  
Commercial Lending School  
Treasury Management Symposium  
Virginia Bankers School  
of Bank Management  
Executive Leadership Institute

**VIRTUAL MINI-SESSION**  
Community Development/CRA  
and Community Engagement/  
Networking 101



**SESSION THREE**  
From the CEO Seat – Defining  
Moments in our Professional  
Development Journey

3

**SESSION TWO**  
Insights® Discovery:  
Learning Your Personal  
Leadership Style

2

**VIRTUAL MINI-SESSION**  
The Banking Technology Tsunami  
Is Here - Can You Swim?



**SESSION ONE**  
Introduction to Banking &  
A+ Accounting and ALCO

1

**ORIENTATION**  
Bank Regulation, Bank  
Competition, and the History of  
the VBA, Intro to Advocacy &  
VBA Emerging Bank Leaders





# Session Five: Recap

## Quick Recap of Our MDP

### Purpose:

**"Five month program designed for bankers who:**

- have developed a passion for banking,
- want to enhance their knowledge of banking,
- are motivated to excel in their careers"

**You were specifically identified/nominated by your CEO or other senior exec within your bank!**



## Session Five: Recap

# Quick Recap

MDP Class of 2022-2023

Sessions 1-4



# Session Five: Recap

## Quick Recap of Our MDP, cont.

### *Session One: Introduction to Banking*

#### Part One: Bruce Whitehurst

- Overview: History of Banking in VA
- Role of Regulators Over Past Decades

#### Part Two: Andy Davies

- Key Topics: Balance Sheet and Income Statement
- Creating a Custom Peer Group
- Defining and Creating 'Core Values'
- Defining and Creating a 'Vision Statement'
- Measurable Ways to Become "High Performing Bank"
- Leadership



# Session Five: Recap

## Quick Recap of Our MDP, cont.

### *Session One: Introduction to Banking*

#### Part Two: Michelle Austin

- “ALCO in 90 Minutes”
  - calculating ROA, ROE, EPS
  - comparing Ratios & Peer Group
  - consolidated Balance Sheet
  - consolidated Income Statement





# Session Five: Recap

## Quick Recap of Our MDP, cont.

### *Session Two: Leadership and Management*

Serena Fulton, Floricane

- **Focus on leadership and management styles**
- **Learning to leverage your personal brand**
- **Self-assessment tools**
  - Personality style
  - Being effective professionally
  - Building relationships



## Session Five: Recap

### Quick Recap of Our MDP, cont.

*Following Up On Serena's*

**"Insights Discovery Wheel"...**

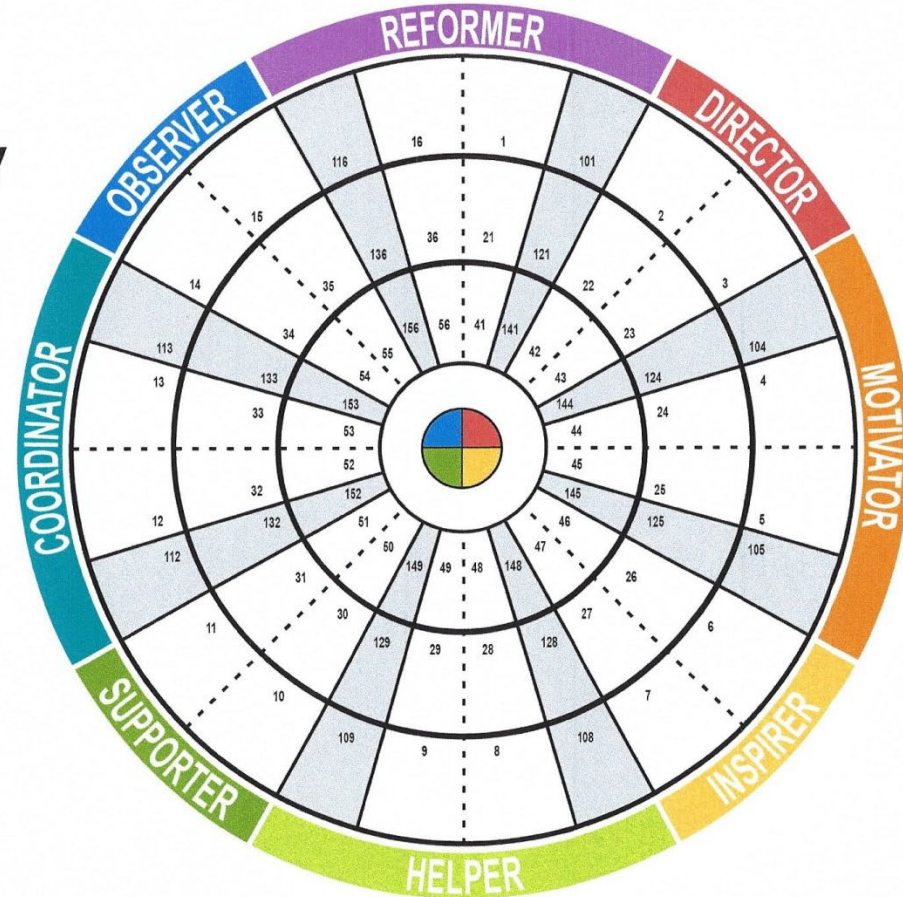
*In Andy's view...*

*Ideally, as each of you progress in your careers, you should strive and balance/use all of these types!*



## Session Five: Recap

### Insights Discovery 72-Type Wheel





# Session Five: Recap

## Quick Recap of Our MDP, cont.

*Session Three: From the CEO Seat: "Defining Moments In Our Professional Development Journey"*

**Vicki Kraai**

- **Insights into various components of a bank**
- **Specific focus on key areas:**
  - Retail, Asset Liability Management, Lending Portfolio Management, Operations, IT, and Compliance Management



# Session Five: Recap

## Quick Recap of Our MDP, cont.

### ***Session Four:***

### ***The Modern Bank Marketing Department: Branch, Digital, Data and Experience Ambassadors***

### **Hunter Young**

- Progressive banks are changing how marketing becomes a center force for changing your customers' experience, the financial products you offer, technology decisions you make, and the channels through which you serve your clients' needs.
- 4 key tenets of a modern bank marketing department:
  - brand communication, digital marketing, data analytics and experiential product and service development.



## Session Five: Recap

### Reap the benefits of YOUR VBA!

#### “Emerging Bank Leaders”

- 571 members in 6 regions across the Commonwealth
- **MISSION:** ensure continuum of **LEADERSHIP** for future of VA banking
- **Objectives for YOU personally:**
  - *develop your professional skills to grow/progress in your career*
  - *connect/network with other bank professionals*
  - *engage: work to improve financial literacy in youth*
  - *engage: meet/foster relationships with key legislators*
- **Next annual conference: Date/Location TBD**
- **More info: [www.vabankers.org/VBA-emerging-bank-leaders](http://www.vabankers.org/VBA-emerging-bank-leaders)**



## Session Five: Recap

Reap the benefits of YOUR VBA!, cont.

### VBA's "School of Bank Management"

*As result of your participation in our 'Management Development Program', you've received basic exposure to banking concepts that will better prepare you to attend VBASBM.*



# Session Five: Overview

## Session 5!

### *Key Topics We'll Cover During Our 2 Days*

**Leadership, Dealing with Change,  
Staying Abreast of Issues Affecting Your Bank and Our Industry,  
Highlights of Session 5 Pre-Work and Results of Random Poll**  
*(Andy Davies and Tom Rasey)*

### **Strategic Planning**

- *What is it? Who cares?*
- *What's the Role of Board, Management, Regulators?*
- *Review: Sample Plan Format*
- *Group Exercises: Create 2 Annual Goals for 2022*  
*(Andy Davies and Tom Rasey)*

### **Building Valued Relationships**

*(Cody Florence)*

### **Panel of Senior Bank Executives**

- *Dealing with Change in the Workplace*
- *Leadership*
- *Guidance from Individual Career Experiences*  
*(Taylor Harrell, Pat Lewis, Tom Rasey and Sherri Sackett)*





## **Session Five: Strategic Planning**

**This session  
combines two sets of experiences:**

**Andy's Experiences as CEO and as  
Strategic Planning Consultant**

**Tom's Experiences as SVP/COO  
and Member of his Bank's  
Executive Management Team**



## Session Five: Strategic Planning

# What's Strategic Planning All About?



## Session Five: Strategic Planning

***Tom Rasey's View From the C-Suite:***

**"Why should I CARE about my bank's Strategic Plan?"**

**BECAUSE:**

- *it's a clear roadmap for the bank's (and your) future*
- *as you plan the next steps in your career with your bank, you should consider the future relevance of 'next steps'*
- *management's future direction/goals (stated in the plan) can help you see what positions may be most relevant and what additional internal/external education and training may help you achieve your next position(s)*



## Session Five: Strategic Planning

**There is a critically important relationship  
between a Bank's  
VISION Statement  
and its  
STRATEGY Statement**

**FIRST:**

**A VISION STATEMENT**, which we discussed during Session One  
states **WHAT** a bank aspires to become.

**SECOND:**

**A STRATEGY STATEMENT**  
states **HOW** a bank will achieve the Vision.



## Session Five: Strategic Planning

### 'Strategy' Defined:

A plan, method or series of maneuvers to obtain a specific goal or result

[www.dictionary.com](http://www.dictionary.com)



## Session Five: Strategic Planning

When creating a strategy statement,  
a key question to ask/answer is:

**“Who is/are our customer(s)?”**

*Identify your primary customer(s)*  
will guide you in allocation of resources.

Your focus then should be to  
allocate all of those possible resources to  
*meet/exceed*  
the needs of your primary customer(s).



## Session Five: Strategic Planning

### Considerations in Crafting a 'Strategy'...

- **Role of CEO/Executive Management Team:**
  - define the strategy
  - craft and implement a 3-year plan
- **Role of Board of Directors:**
  - evaluate, approve, monitor the strategy and the strategic plan
  - ideally, consider devoting 30% of each board meeting to a discussion on specific parts of the strategic plan



## Session Five: Strategic Planning

### What's the Role of the Board in the Strategic Planning Process?

*Tom's View and Experiences*  
*Andy's View and Experiences*

#### **"How involved does the board want to be in the PROCESS to craft the Strategic Plan?"**

- *At the beginning and then occasionally during the process... or... only at the end when the plan is complete?*
- Is board's expectation to be 'watchdog' or more active role?
- Is board's interest primarily in the *overall plan...* or... do directors want engagement in discussing *some/each of the major lines of business and key goals crafted during the process?*
- Are there *specific areas* directors want to monitor more closely than other areas once plan is complete/ approved?





## Session Five: Strategic Planning

### What's the Role of the Board in the Strategic Planning Process?

**ANNUALLY,**

**TOGETHER WITH THE CEO and**

**Members of Executive Team:**

- discuss existing 'strategy/strategy statement' and determine if it's still relevant for the organization and its shareholders
- review '4 Strategic Growth Alternatives':
  - should we focus solely on continued organic growth?
  - should we make an acquisition (enhancing organic growth)?
  - should we consider a specific merger of equals (enhancing organic growth)?
  - should we consider a sale to a larger bank?



# SUCCESSFUL PLANNING PROCESS FOR A COMMUNITY BANK





## Session Five: Strategic Planning

Consideration in  
Creating a Bank's

**STRATEGY**

Often, successful community banks  
have identified and are focused on some type of

**"NICHE"**

(customer, industry, product, bundled relationship, etc.)



# Session Five: Strategic Planning

## “NICHE” Opportunities

### Questions to Consider:

#### **Do any niche opportunities exist?**

- *If yes, have we evaluated 'risk vs. reward'?*
- *What are we/can we be REALLY GOOD AT?*

#### **CUSTOMERS:**

- *Who are our target customers?*
- *Do we know which are most profitable?*

#### **PRODUCTS and SERVICES:**

- *Which are distinctive/unique?*
- *Which are most profitable?*

#### **COMPETITORS:**

- *Who are our PRIMARY competitors?*
- *What are THEY doing that WE are NOT doing?*



## Session Five: Strategic Planning

Strategic Planning  
Involves

***MAKING CHOICES***

about

***“Strategic Alternatives”***

(Distribute and Review Handout)



## **Session Five: Building Relationships**

# **How Civic Engagement and Leadership Can Enhance Your Career Growth**



## Session Five: Building Relationships

### How Civic Engagement and Leadership Can Enhance Your Career Growth

***#1: ID organizations/causes that INTEREST YOU and via your active participation, should BENEFIT YOUR BANK***

***#2: Become involved... earn your stripes and respect of staff and fellow volunteers... over time, gain leadership positions***

#### **Examples:**

United Way

Junior Achievement Chamber of Commerce

Economic Development Authority



## Session Five: Building Relationships

### Andy's Thoughts on 'Career Advice'

#### #1: Master Your Current Position

(as you always examine new opportunities of interest within your bank)

**#2: When you feel you have successfully  
accomplished what your bank asked of you, *and*  
if you have identified an internal career move,**

**RAISE YOUR HAND!**