



888-399-1930 | www.pcbb.com

drawing in talent, such as a local college or business school. Large banks have teams of HR recruiters, while community banks often go into reactive mode when someone gives notice. Expanding your network of referral sources is a good idea too, so reach out to good customers and see if they know anyone perhaps. You should also offer a compensation bonus program when employees refer others to open positions. Doing so keeps referral money inside your house, employees have friends working with them once hired and they enjoy the job more over time. These are all good things and employees can be some of the best recruiters money can buy.

Certainly, the talent war at banks is very different from reality TV. The competition, however, is equally fierce. Banks that want to compete effectively may want to consider scrapping their old ways of acquiring talent and explore new ones to keep expanding and growing over time.

BANK NEWS

M&A Activity

State Bank of Chilton (\$171mm, WI) will acquire Calumet County Bank (\$91mm, WI) for an undisclosed sum.

For Sale

French bank BNP Paribas is reportedly considering strategic alternatives for its First Hawaiian Bank unit as it seeks to boost capital levels by mid 2017.

Deposit Rates

JPMorgan announced it will increase deposit rates for some larger clients in Jan of 2016, making it the first mega bank to take such action.

Mobile Banking

Bain research finds bank customers that are frequent mobile users are 40% less likely to switch banks than those who rarely use mobile. Meanwhile, customers who use branches frequently are 300% more likely to switch banks than infrequent branch users.

Online Lending

The Wall Street Journal reports online lenders are feeling pressure, as rising interest rates, corporate bond market volatility and funding issues begin to weigh on some. These factors and others have led to higher funding costs, weakness in prices backed by online originated loans and delays in launching new deals.

Biometrics

Gartner reports voice biometrics function perfectly more than 90% of the time. Perhaps this is one reason the major banks are actively rolling out voice authentication in 2016.

Settlement

The FDIC indicates The Bancorp Bank (\$4.7B, DE) has agreed to pay \$3mm in penalties and \$1.3mm in restitution related to its prepaid card programs. The bank reportedly issued prepaid cards on behalf of nonbanks (which violated certain FTC laws), charged deceptive fees and failed to resolve account errors according to the FDIC.

New CRA

Bank regulators have adjusted the asset size threshold for CRA to <\$1.216B to be considered a small bank and \$304mm to \$1.216B to be considered an intermediate small bank.

Branches

Celent reports consumer visits to bank branches are declining at a rate of about 5% to 10% per year.

Settlement

The FDIC announced settlements with WEX Bank (UT) for \$1.75mm and HigherOne (CT) for \$2.23mm for deceptive practices under FTC laws related to debit card-based products for student financial aid disbursement services.

Copyright 2021 PCBB. Information contained herein is based on sources we believe to be reliable, but its accuracy is not guaranteed. Customers should rely on their own outside counsel or accounting firm to address specific circumstances. This document cannot be reproduced or redistributed outside of your institution without the written consent of PCBB.