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The Executive Speaks

by Darcy Myers

1994 ABA National Agricultural Bankers Conference The Broadmoor Colorado Springs, Colorado November 13-16, 1994

Competition, whether it's from the Farm Credit System, Merrill Lynch, or the bank down the road, is a fact of life that bankers must deal with every day. It's important that methods are found to improve the performance of all bankers.

Agricultural bankers must be able to sell several products and services to prospects as well as existing customers. They still need to provide good service and response time in addition to doing their field inspections, credit analysis, dealing with regulatory issues and help make the bank more profitable. For some bankers there is a feeling that "this is not what I signed up to do when I began my banking career." Therefore, management needs to find ways to help these bankers do the above while having job satisfaction. Bankers need to improve skills in all of these areas, as well as keep abreast of changes in the agricultural arena and banking environment.

Darcy Myers is vice president of Norwest Bank Colorado, N.A., Denver, Colo. He is also vice chairman of the ABA Agricultural Executive Committee, and the chairman of the 1994 National Ag Bankers Conference Planning Committee.

With improving asset quality and good interest margins, the last few years have been very good for banks. How are bankers going to follow-up this good performance? Only by having the best bankers, products and services, while reducing expenses.

Fortunately, there are several sources available to us as bankers. I have had the pleasure to be on the American Bankers Agricultural Executive Committee for several years, and have learned bankers really do have a lot of innovative ideas. When I attend meetings with agricultural bankers I usually leave with new ideas and a better understanding of the banking and agricultural issues.

The American Bankers Association has developed several methods to help bank and banker performance. These include Sky Link and several publications, such as David Kohl's *Weighing the Variables*, *A Guide to Ag Credit Management*, Keith Schap's *Commodity Marketing: A Lender's and Producers Guide to Better Risk Management*, and *The Journal of Agricultural Lending*. All of these are great, but the most valuable resource is probably the annual ABA National Agricultural Bankers Conference. This year the conference will be in Colorado Springs and is appropriately entitled "Reach for the Peak," with the goal of Challenging Agricultural Banking's Potential for Profits, Performance and Productivity.

For the first time, the conference will have an entire afternoon dedicated to sales and service. It starts off with David Kohl moderating a panel of producers who will share their insights on what they expect from their lender. One of the important afternoon sessions will cover Relationship Banking: A Sales and Service Imperative. This session will focus on how to develop a successful sales calling program for account officers, cross sell products and ser-

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vices, and generally beat the competition.

All of this is available without adding to staff or making a substantial monetary investment. Other sessions include ideas regarding non-interest income alternatives from different sources, such as mutual funds, trust and secondary markets. There is also a session on how to implement a "service is everybody's job" attitude in the bank. David Kohl will provide a wrap-up of the day's workshop with ideas to bring your business development strategy into focus. All in all, this will be a very informative and busy afternoon.

The conference will focus on many other areas including the return of the Siskel and Ebert of Economics, Dr. Mark Edelman and Dr. Barry Flinchbaugh, addressing the challenges and opportunities facing Ag Banking today. There will also be an update on the ABA's Rural Economic Development Task Force, with a look at the latest rural development success stories.

Unfortunately bankers still need to deal with a myriad of regulatory issues that will never leave us. Sam Golden, the Ombudsman for the Controller of the Currency, will be addressing how to deal with regulatory issues and will explain the workings of the appeals process in depth. He will also share with bankers some of the successful appeals that banks have made. If you feel you are spending too much time with regulations, and who isn't, this is a session not to miss.

These are just a few highlights of what the conference will contain. The time spent at this conference will be very valuable as we strive to challenge agricultural bankers' and agricultural banks' potential for profits, performance and productivity. In the words of our closing speaker, John Amatt, a climber with Canada's first successful Mount Everest expedition, "Adventure isn't hanging on a rope on the side of a moun-

tain. Adventure is an attitude that we must apply to the day-to-day obstacles of life – facing new challenges, seizing new opportunities, testing our resources against the unknown and, in the process, discovering our unique potential." I look forward to seeing everyone in Colorado Springs in November. ■

Besides myself, bankers who are closely impacted by ag lending issues and programs made tremendous contributions to the planning and developing of this year's conference. I'd like to thank them and recognize the members of the 1994 National Agricultural Bankers Planning Committee:

Terry Barta, Senior Vice President
Smith County State Bank & Trust Co.
Smith Center, Kansas

Phil Burns, President
Farmers & Merchants National Bank
West Point, Nebraska

Jeffrey Damman, Vice President
Community State Bank
Ankeny, Iowa

B.A. Donelson, CEO/President/Chairman
The First State Bank of Stratford
Stratford, Texas

John Gilbert, President
Bank of Latah
Latah, Washington

Boyd Waara, Vice President
First National Bank
Phillip, South Dakota

Weighing the Variables A Guide to Ag Credit Management

Weighing the Variables is a single-volume library that translates the recommendations developed by the Farm Financial Standards Task Force into quick and simple-to-use guidelines and ratios for risk rating and strategies for managing credit.

Written in author Dr. David Kohl's unique style, *Weighing the Variables* is both entertaining and informative.

This invaluable guide can help you:

- **Recognize the degrees of risk** through an understanding of the fundamental credit analysis ratios.
- **Develop and use strategies**, based on research and field experience, for managing credit more effectively.
- **Analyze agricultural credit**, and communicate the analysis to both large and small credits, with time-efficient work sheets.
- **Turn problem loans around** before they become yours, and use innovative workout methods to turn them around if they're yours already.
- **Make projections based on the trends** that will be affecting ag lenders and lending institutions, as well as specific lending jobs.
- **Build a more profitable ag loan portfolio.**

Weighing the Variables, A Guide to Ag Credit Management is a must for the entire agricultural lending industry! The price is only \$58 ABA Members and \$87 Non-members. For further information, or to order, call ABA's Customer Service Center at 1-800-338-0626, or return the attached order card.