



# COMPENSATION TRENDS AND STRATEGIES FOR EXECUTIVES AND BOARDS

## GBA 2018 PRESIDENT/CEO CONFERENCE

October 2, 2018

Presented by:

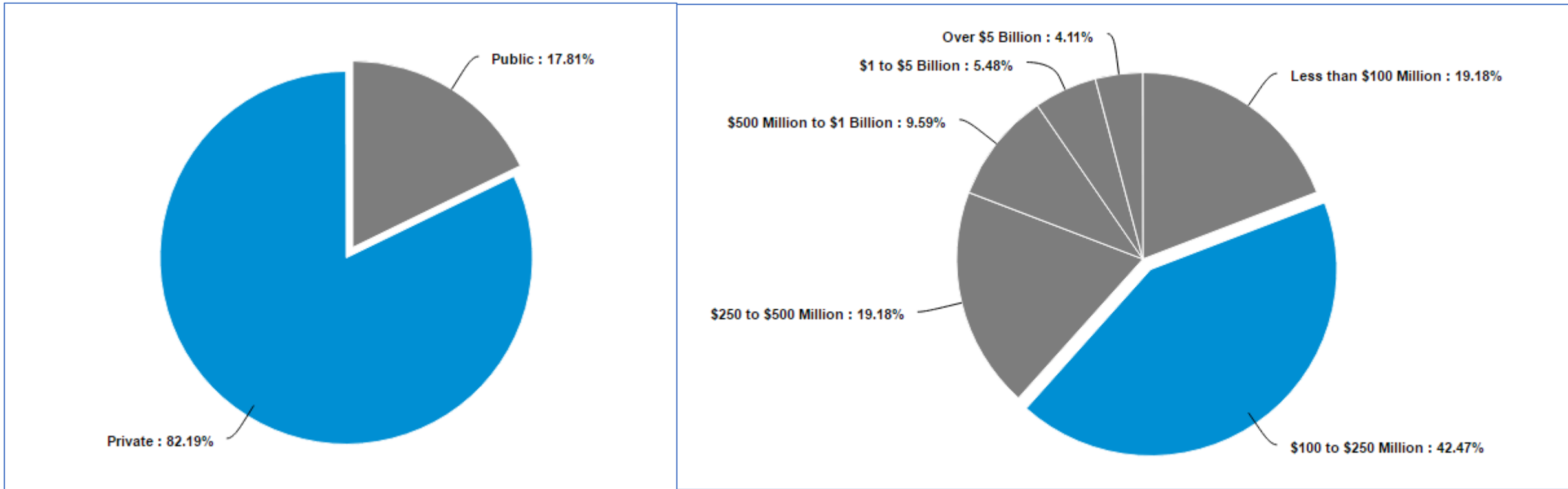
J. Timothy O'Rourke, CCP

Chairman, President & CEO

MATTHEWS, YOUNG – CONSULTING

A Division of MATTHEWS, YOUNG & ASSOCIATES, INC.

# CEO Supplemental Survey



Please indicate below any key positions your bank has recruited during the last 12 months or so?

	<b>Overall (Cumulative Frequency)</b>	<b>Less than \$100 Million</b>	<b>\$100 to \$250 Million</b>	<b>\$250 to \$500 Million</b>	<b>\$500 Million to \$1 Billion</b>	<b>\$1 to \$5 Billion</b>	<b>Over \$5 Billion</b>
<b>Commercial Lenders</b>	34%	24%	33%	37%	35%	36%	50%
Top Executive(s)	15%	8%	23%	11%	6%	18%	0%
Technology Management	15%	16%	12%	20%	18%	18%	0%
Other	14%	28%	17%	6%	12%	0%	0%
Compliance Management	12%	16%	10%	14%	12%	0%	17%
Risk Management	7%	8%	3%	6%	18%	0%	33%
Wealth Management	4%	0%	2%	6%	0%	27%	0%

# What skills will your bank recruit for over the next 12 months?

Assets	Overall (Cumulative Frequency)	Less than \$100 Million	\$100 to \$250 Million	\$250 to \$500 Million	\$500 Million to \$1 Billion	\$1 to \$5 Billion	Over \$5 Billion
Commercial Lending	26%	20%	24%	33%	30%	25%	33%
Retail/Customer Service	14%	17%	14%	13%	15%	17%	11%
Entry Level Trainees	13%	14%	15%	13%	15%	8%	0%
Technology	11%	11%	11%	5%	15%	17%	11%
Executive	10%	14%	11%	8%	10%	0%	0%
Specialty Lending	7%	3%	6%	10%	5%	8%	22%
Analytics / Business Intelligence	7%	9%	4%	8%	5%	17%	22%

# Currently, what are the three (3) greatest compensation challenges at your bank?

Assets	Overall (Cumulative Frequency)	Less than \$100 Million	\$100 to \$250 Million	\$250 to \$500 Million	\$500 Million to \$1 Billion	\$1 to \$5 Billion	Over \$5 Billion
Managing compensation and benefit costs	17%	24%	17%	14%	10%	17%	11%
Tying compensation to performance	17%	17%	17%	12%	10%	33%	33%
Recruiting younger talent	15%	12%	14%	19%	24%	0%	11%
Recruiting commercial lenders	14%	10%	11%	19%	24%	17%	11%
Offering competitive pay	10%	17%	9%	10%	5%	8%	0%
Succession planning for the CEO and/or executives	7%	7%	7%	12%	0%	8%	11%
Retaining key people	7%	2%	9%	2%	10%	8%	22%

Are you satisfied with your bank's ability to attract and retain the talent needed to ensure the future success of the bank?



# What are the primary barriers preventing your bank from attracting and retaining the talent it needs?

Assets	Overall (Cumulative Frequency)	Less than \$100 Million	\$100 to \$250 Million	\$250 to \$500 Million	\$500 Million to \$1 Billion	\$1 to \$5 Billion	Over \$5 Billion
Location isn't attractive	24%	33%	28%	14%	30%	0%	0%
Banking is no longer an attractive career choice	19%	4%	26%	23%	10%	17%	0%
Recruitment efforts are weak	13%	8%	11%	18%	10%	17%	50%
Compensation package isn't competitive	12%	25%	7%	14%	10%	0%	25%
Culture is too traditional	11%	4%	14%	9%	10%	33%	0%
Other	11%	13%	11%	5%	30%	17%	0%
N/A	9%	13%	4%	18%	0%	17%	25%