**Independent Banker**

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**July 2022**

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**Rebeca Romero Rainey**

President and CEO, ICBA

As we kick off this year’s lending issue, I want to pause for a moment to reflect on just how much lending has changed. Remember, not that long ago, when a loan card was handwritten on a one-page form? You would just rip off the top sheet, fill out the terms and provide a description of the collateral. From there, the loan assistant would key it in and produce loan documents. That was it. That was the process.

Fast forward to where we are today, and you almost can’t believe it’s the same product line. The pendulum has swung from a simple solution to the point of extreme detail and complexity. While it has had some benefits, like stronger risk management for our banks, it has made the customer process much more daunting. In fact, the loan process has grown more complicated in lockstep with today’s financial landscape.

But community banks have adapted to address that shift. Over the past couple of years, we have drawn on technology to complement the human touch with digital efficiency and have been using behind-the-scenes automation more consciously to streamline the process. By implementing these new strategies, we have focused on what matters most: our customers.

Take, for example, how the Paycheck Protection Program (PPP) affected our infrastructure. The forced urgency behind that program lit a fire under us to implement new solutions quickly and efficiently, because our small business customers needed them. In fact, for many bankers, PPP compelled action around technologies they had been considering for years: everything from e-signatures to digital document processing and beyond.

That experience left me questioning what we could be doing now to anticipate what will come next. As we think about our ability to leverage technology, what are the low-hanging fruit? What new solutions can we stop kicking down the road?

It’s smart business strategy to turn inward and ask the tough questions, particularly as we’re up against such a competitive landscape. Loan providers are multiplying, and we cannot underestimate the need for a frictionless loan, one that removes hoops for our customers and feels simple, efficient and effective.

Today’s lending environment is markedly different from that of a decade ago, but we have weathered bouts of economic volatility, inflation and restrictive regulations in the past, and we have flourished despite them. So, while this next round of uncertainty will bring with it new challenges, the strength of the community bank business model remains intact. We, as community bankers, will continue to adapt to meet our customers’ needs.

[Twitter] Connect with Rebeca **@romerorainey**

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**Where I’ll be this month**

I’ll be attending the 2022 Idaho, Nevada, Oregon and Washington Bankers Associations’ Annual Convention in Coeur d’Alene, Idaho, and meeting with ICBA’s board of directors.