***Independent Banker***

**Columns: From the Top**

**September 2022**

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**From the Top**

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**Brad M. Bolton**

Chairman, ICBA

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In today’s intense regulatory landscape, compliance extends to every aspect of banking, so much so that no one person or team can be solely charged with managing a bank’s compliance requirements. In fact, compliance has grown to become a massive responsibility that must be part of every employee’s job. We’re looking at the need for a full culture of compliance.

But what does it take to get to that point? It has to start at the top. When I was new to my CEO position, we were faced with the retirement of a seasoned compliance officer, and we transitioned that role by promoting a rising leader to the position. This individual is exceptionally bright, but we saw the writing on the wall: Compliance is far more than a silo within the bank. So, we made a commitment to her that we would walk beside her and support her in her compliance journey. Our senior leadership team took that to heart, and it stuck with us, creating an environment in which compliance plays a significant role in everything from our strategic direction to our daily operations.

We didn’t realize that we were creating a shift in our habits, but we have benefitted from that decision. To this day, I still share important regulatory and compliance articles with relevant team members, emphasizing hot-button issues or key notes along the way. I hope by exemplifying an emphasis on compliance, the rest of the organization recognizes its importance to our business.

Regulations are there to require what we do every day as community bankers: protect our customers. That is probably why managing compliance is a role that community bankers take more seriously than any other segment of the financial services industry. We know the decisions we make, the way we do business, and the manner in which we conduct business has an effect on our customers and communities.

Thankfully, everybody wins when compliance becomes a bank focal point. Employees gain a broader understanding of the “whys” behind decisions. Customers benefit from additional protections, disclosures, and support. Regulators win when a bank’s exam is simple and straightforward, and it eases their workload when compliance is a priority. Even shareholders receive an advantage because a happy customer base is a referring customer base.

So, as you read this month’s compliance issue, I hope you’ll consider how to create or enhance your own culture of compliance. Because when you do, you strengthen not only your bank but the products and services you bring to your community as well.

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Connect with Brad **@BradMBolton**

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**My top three**

**Compliance discussions for every team**

1. Reg E/Overdraft Programs and Representments
2. Fair Lending/Section 1071/TRID
3. Data/Third-Party Management/Cyber

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