

# BANKER & TRADESMAN

SERVICES AND REAL ESTATE WEEKLY FOR MASSACHUSETTS

A Publication of The Warren Group



ER  
D  
NMENT

acts Investors



THE CLOCK IS TICKING

## Credit Training Programs Coming Back In Style

### Faced With Looming Wave Of Retirements, Industry Groups Re-Up Education Efforts

BY LAURA ALIX  
BANKER & TRADESMAN STAFF

Just a few years ago, Sep Salimi felt a little aimless in his career. Armed with a fresh, new MBA, he had dabbled in investments, insurance and branch banking, but he realized that it was commercial lending that was really calling his name. He had just one problem: he wasn't credit trained.

But today, Salimi is a credit analyst with Cambridge Trust Co., a career move that he says was only possible because he hooked up with David Nicholson, Marlborough Savings Bank's senior vice president of commercial lending.

Seeing a need in the industry for more credit training programs, much like the one he benefitted from early in his career at Fleet, Nicholson was toying with the idea of teaching his own credit training course, and when he mentioned this to Salimi, Salimi

*Continued on Page 9*

COMMERCIAL INTERESTS

## GXI Is Essential

# Growing Hodgepodge Of Programs Addresses Lack Of Commercial Lending Training

Continued from Page 1

jumped at the opportunity.

"I've seen so many individuals get hired who struggle when they come in and they just don't have what they really need to be successful, to do well and really protect the bank's assets," Nicholson said. "Over the years, I've helped people who struggled and over the years I've developed this way of teaching."

So he put together a curriculum and settled on a price point. He would meet with his students two nights a week, usually in a conference room at a public library, and they would spend their evenings learning how to analyze a company's financial statements and determine whether it was creditworthy.

He's put four students through his curriculum so far. Salimi completed Nicholson's pilot round of credit training, and his second round of students took their final exam just the night before Nicholson spoke to Banker & Tradesman.

Salimi had had difficulty getting calls back from potential employers prior to the course, but after he took that credit training class, he landed at least 15 or 20 job interviews before he found his current gig.

"The credit training made all the difference," he said. "If I didn't take that credit training, I would have never been able to get the job that I wanted so quickly."

Where once upon a time, credit training programs were about as common as crocuses in spring, they largely dried up around the turn of the century. For one thing, they were expensive. And for another, many of the banks that offered them no longer exist.

That dearth of credit training programs has arisen as a crucial issue now that many

**"There is more and more reliance on portfolios that are managed by less qualified, less credit trained, and less experienced individuals. The clock's ticking and at some point we're going to be relying on untrained people to manage these portfolios."**

— David Nicholson, senior vice president, commercial lending, Marlborough Savings Bank

of those credit training alums are beginning to approach retirement, now and in the coming decade.

And while Nicholson has struck out on his own to offer this credit training, he's not alone in his efforts. Other banks and industry organizations have stepped up to fill the need. People's United Bank, Eastern Bank, and Citizens' Bank are just a few that offer their own in-house training programs, said Tanya Duncan, the Massachusetts Bankers Association's director of management development. And of course, the association offers its own training programs, geared toward commercial lenders at various stages in their careers.

In fact, Duncan said that the association's entry-level credit training program had its busiest year ever in 2015, graduating 50 people from its program.

"I do believe that some of the bankers who are retiring will work as consultants if necessary," she said. "But it's important to have individuals who are trained and ready to fill those positions."

## Bankers Back On Campus

Colleges and universities are starting to catch onto the issue, too, Duncan said. Since launching his own program, Nichol-

son has hooked up with Bentley University and recently got the green light to promote his program to Bentley students and teach in their conference center.

"Frankly, I believe the credit analyst role is one that's ideally suited for a Bentley student who has superior grounding in accounting and finance principles," said Leonard Morrison, Bentley University's director of undergraduate career services.

And Morrison should know, too: he worked as a commercial lender with Shawmut Bank until 1995.

"We've seen increased interest from banks, from Citizens, People's United, Enterprise, JP Morgan; they all have programs of one kind or another, and others as well, who have approached us," he said. "It feels to me like these programs are beginning to make a comeback and I want our students to participate in them, but we do have to educate students as to what it is."

That means the school brings alumni onto campus to talk to students about their possible career paths and allows banks onto campus to recruit graduating seniors. Already, Bentley can point to a few success stories.

Yaritza Brea is one. She's currently finishing up her undergraduate degree at

Bentley University. When she graduates with a double major in economics and management she'll launch into a full-time credit analyst position with People's United Bank. She said the bank's in-house credit training program was a major draw for her and that she chose the commercial lending field because it offers job security.

At 28 years old, Salimi is almost always the youngest person in the room at any networking events, and he says he's still learning the ropes, too.

But he feels that credit training prepared him well for his career, and he thinks that banks could benefit tremendously from sending their junior credit analysts to outside training and combining that with mentoring by seasoned commercial lenders.

Of course, Nicholson doesn't train people for free. He set the price for his course at \$5,200, which he said ensures his students are really serious about the program. Salimi told Banker & Tradesman that was still more affordable than other programs he considered.

But even though he does earn something for his expertise, Nicholson sees this as a way to give back to an industry that's treated him well over the years.

He sees the issue as a matter of risk, too.

"There is more and more reliance on portfolios that are managed by less qualified, less credit trained, and less experienced individuals. And they're relying more on people my age and older to manage these portfolios," Nicholson said. "The clock's ticking and at some point we're going to be relying on untrained people to manage these portfolios." ■

Email: [lalix@thewarrengroup.com](mailto:lalix@thewarrengroup.com)