

Progress Bank: Simple Sophistication

Spotlights

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David Nast, president

Banking doesn't have to be complicated, nor should it be. At least that's what David Nast of **Progress Bank** believes. Four years ago, he and a group of colleagues had a vision to bring big-banking sophistication to the community bank arena. Three thriving branches and \$322 million in assets later, this community bank is proving that good service and promising success can derive from simplicity.

"There's no real secret to what we are doing here," said Nast, president. "We bankers aren't known to be particularly innovative, but we used our entrepreneurial spirit and vision to form a quality banking environment for our customers. We wanted to get back to the basics of banking: offering great services and products through easy and uncomplicated processes."

Nast, who has spent most of his 28-year career in large regional banks, saw the opportunity to reach North Alabama customers within the community bank market four years ago. After assembling an experienced senior management team and board of directors, Nast and his team raised the community's approval and more than \$31 million in capital for the project.

In 2008, the bank opened two locations in Huntsville and Decatur, Ala. This year, the company is still going strong, opening a third branch in Huntsville-Jones Valley and serving the three communities with more than 70 employees. Nast said that he and his team have worked hard to get the bank where it is today and also commends good timing for playing its part.



"We came in right at a time where everything was shifting as a result of the economic downturn," said Nast.

"Regulations and lending practices were changing, and we understood the value of those changes. The timing helped us prioritize and start things off on the right foot, as we continue to honor the good standing relationships we have with our regulators that will help us to keep growing conservatively in the future."

No-fuss financials

The changes in the industry further encouraged Nast to keep Progress Bank's product lines simple. Rather than deploying a large amount of lending and investment products, Nast and his team kept the bank's offering focus more narrow and direct with simple options such as basic savings and interest-free checking accounts.

"The best way to gain a customer's confidence and trust is through straightforward and secure products," said Nast. "I

don't think any customer would favor selection over a sense of security. Choices are wonderful, but you don't want to offer so many that you overwhelm your customers."

Progress Bank is also applying that simple and speedy concept to its lending practices, said Nast. The bank has worked hard to reduce wait times on lending decisions by streamlining its evaluation processes. Removing unnecessary steps has allowed the bank to shave weeks off the process for its customers. That result came from communicating thoroughly and effectively with employees, said Nast.

"Naturally, we have to evaluate every loan carefully, but that doesn't mean it has to be a long, drawn-out, frustrating experience," said Nast. "We know our decisions have a great effect on someone's life, so it's important we deliver our options to them efficiently."

Providing customers with efficiency and convenience is important to Progress Bank, said Nast. That's why it's made it a priority to offer all the technology and applications that a larger regional bank provides to its customers. For example, the bank offers online banking and cash management services, such as obtaining access to account statements and histories and transferring money between accounts.

"We are striving to offer the best of both worlds here," said Nast. "Not only do we want to make our lending and savings processes easy for our customers, we also want to provide them with technologies that are offered by the larger banks. We have a small-bank customer experience, but we offer bigger conveniences, and I think that's a winning formula for our customers."

Entrepreneurial earnest

Touching its customers with technology is only one example of how this bank reaches out into its communities. In addition to holding first-time buyers seminars and supporting local charities, Nast said he encourages his employees to make personal contributions whenever possible, such as visiting and reading to children at the local schools.

"We are here because the community has supported and welcomed us, and it's important we return that favor," said Nast. "We can be of service to our community through charitable contributions and by informing them about their financial opportunities."

Providing that level of service and commitment would not be possible without the dedication of Progress Bank employees, said Nast. To ensure that kind of customer-focused culture permeates throughout the organization, Nast said he takes careful measures when hiring employees. In addition to seeking out the right expertise, the bank's ownership incentives help to promote that positive and poised environment.

"We are a team of entrepreneurs, so we made it a priority to make our employees feel like owners," said Nast. "When you can call something your own, you take a certain amount of pride and care with it. That's what our employees are doing within their positions and what our leadership team is doing as a whole. We are extremely proud of what we've accomplished so far—our dream of serving the community has been realized."