

# Agricultural Lender Training: Farm Credit University Getting Big Push & High Marks

*At last fall's North American Agricultural Lenders Conference in Omaha, NE, a session was devoted to educational opportunities for agricultural lenders. The future of agricultural lenders training was a major topic of discussion. With up to half of current ag lenders transitioning into their "golden years" in the next five years, training of new lenders must be a priority for many ag lending institutions. As Dr. Dave Kohl, a very popular consultant to the ag lending industry warns, the "baby boomer" ag lender who experienced the farm financial crisis of the 1980s will be eligible for retirement, which will result in a loss of institutional knowledge in a short period of time unless that knowledge and experience is transferred to the next generation of ag lending leaders and managers.*

## **What Exactly is Farm Credit University?**

According to designers, it's a high-energy program to meet the needs of today's time- and task-stressed ag lenders. It offers a state-of-the-art learning experience by combining the best of many training mediums. In less than two years since its' conceptualization, a team effort by **AgFirst Farm Credit Bank**, **ECI Software Co.** and **AgriVisions, LLC** has offered an innovative way to educate future leaders and managers in banking. So far, over 200 ag lenders have taken the course.

Dr. Dave Kohl, Professor Emeritus at Virginia Tech and President of AgriVisions, LLC, Blacksburg, VA, saw a need for innovative ag lender training as he traveled across North America. "Working in the field of agricultural finance for over 30 years as an academic and consultant, I could see the industry coming to a crossroads in the workforce, concerning retirement and future training

needs," he says, adding, "Farm Credit University has allowed myself and other industry leaders to capture our collective institutional knowledge and experience, and deliver it using a cutting-edge educational format to a demanding, time-stressed ag lending industry."

## **How it Works**

Farm Credit University's "blended training" involves a combination of learning media. Online interactive content throughout each module features Dr. Kohl as the voice of agricultural finance; explaining content, sharing actual stories and experiences based on his interaction with the ag lending field. (Students periodically quiz themselves in a game show format to develop a further understanding of subject matter.)

The training also incorporates online comprehension tests and written application exercises to reinforce the material. There is also face-to-face classroom instruction, an online discussion forum, and oversight and interaction with mentors throughout the process. (Many mentors comment that they also benefited from the educational experience through review of educational material and assignments and interaction with the new trainees.)

## **The FCU eLearning Center**

This is a robust Learning Management System (LMS), which allows for instantaneous feedback on testing and allows management and trainees to see real results as they progress through each curriculum. The current curriculum, titled "Lifestyle Lending," is nine months in duration and is offered three times per year. FCU trainee, **Joi Saville**, Agricultural Lender at **First Bank and Trust Co.**, Blacksburg, VA, says the uniqueness of the FCU training provides both a challenging and stimulating learning experience. The blended training styles provide students a chance to learn about agricultural financing at their own pace under the close supervision of a mentor without having to attend classes on a regular basis. "The half-time training session then brings it all together and you get a chance to meet all your classmates," says Saville, concluding, "The curriculum has enhanced my agricultural background and provided a sound beginning in the agricultural lending profession."



## Demographic Profile of Trainees To-Date and their Evaluation of the Program

Over 85 percent have had less than five years of experience in ag lending, while some who were changing positions or wanting to "brush up" on their lending skills had over 10 years of experience. Ninety-five percent rated the comprehensive subject matter "good" to "excellent," providing a solid background in the dynamics of understanding the industry as well as the mechanics of initiating and analyzing credit. The on-job real-world applications for deepening the educational experience accomplished their objectives with over 90 percent "strongly agreeing" or "agreeing" that they assisted in learning and retaining subject matter, as well as assisting the institution in solving problems.

Seventy-five percent of the trainees indicated that they felt they were productive staff members after nine months on the job. This can be compared to an industry average of one year to become a productive lender. The mentor-based education along with the applications and the face-to-face training were frequently cited as reasons for the productivity increase. FCU graduate **Julie Veatch**, Senior Associate Accountant, **Farm Credit of North Florida**, Alachua, FL, comments: "The FCU training gave me the skills required to effectively sell our company and products to potential customers with knowledge and confidence in myself. I had a better understanding of the Association after completing this course and would recommend it to any new employee or to an experienced one moving to a different department. No matter where I go, I feel confident in my ability to sell and promote Farm Credit loans. I am proud of where I work and now I can show it intelligently."

Trainees and mentors indicated this program presented situations and experiences that sometimes would not have been experienced for years. Of course, doing lending tasks more quickly and efficiently were stated as benefits as well. FCU graduate **Rusty Gaines**, Loan Officer, **First South Farm Credit**, Muscle Shoals, AL, says, "The Lifestyle Lender course helped to accelerate my compre-

hension and application of practical lending and marketing concepts, and the use of a mentor helped apply the training to my association's specific policies and procedures."

## High Praise from Bank Officers Who Have Used FCU for Training

**Bette Brand**, Chief Sales Officer for **Farm Credit of the Virginias** in Roanoke, VA, sees a definite advantage in using FCU for training. "Farm Credit University allows Farm Credit of the Virginias to effectively train its new sales and lending officers in multiple locations, knowing that they will receive a uniform education." She reports the cost to train a new hire is now much less as travel time is reduced, mentors and managers have more time to be productive, and the trainees are able to move more quickly into producing loan officers. Brand adds that Farm Credit University also provides an excellent network of peers for the trainee to develop working relationships beyond the association.

The online modules help the students develop a sense of independence as they work through the program and provide regular feedback to the students and a comparison for the manager to evaluate each student's progress. Says Brand, "With the expected retirements in our association, and the number of individuals that are needed to handle our growing portfolio, we would never have been able to train so many people without Farm Credit University." She's not alone in that assessment. An independent academic study group analyzed the savings through increased productivity and efficiency in FCU training. Given salary and benefits of trainees, they estimated that FCU had saved participating institutions nearly \$1.4 million so far through the first "Lifestyle Lending" curriculum.

## FCU is Not Just for Farm Credit Lenders

While originally developed for Farm Credit lenders; a customized version of FCU is ECI's "ProLearnUniversity.com" provides the same dynamic content as FCU, with an emphasis on agricultural banker training. ProLearn University also customizes training content, con-

verting lending institutions' existing training content into digital learning assets. This may include classroom-deployed content, video and audio content, PowerPoint presentations, and paper-based content. ECI takes that existing content and delivers it in short, soluble modular learning units or "chunks" that are key to enhanced learning and are easily updated, significantly saving institutions on their training program expenditures. All this is tied to the LMS for management tracking of training programs to quantify their training program investments.

## A Look Into the Future

Development is now underway for the 10-module "Commercial Ag Lending" training curriculum, with plans for roll out in mid-2006. Phasethree will be designed in 2006 and will focus on very large complex credits, including capital market and agribusiness lending, to be rolled out in 2007. The curriculum content is reviewed by academics and industry experts, many who served on the Farm Financial Standards Taskforce.

"We bill ourselves as a 'learning organization' and FCU is integral to helping us meet our training needs," says **Allyn Lamb**, President and CEO of **AgChoice Farm Credit** in Mechanicsburg, PA. "It is self-paced, which allows our people to work it into their own schedule. It is interesting to see that students tend to complete the courses faster as a result." Lamb says that fast learning pace is in large part due to the multi-faceted, interactive approach to the programs that keeps students engaged, alert and involved. "The immediate feedback they get as they go through the programs also helps keep them engaged," he explains, adding, "The course programs are made to order for employees interested in a clear career path and it has direct application to our current business needs as well. FCU is the model for training in the future that we will use as the centerpiece for all of our training."

For more information visit the Farm Credit University website at [www.fcuniversity.com](http://www.fcuniversity.com) or contact the training administrator at 1-800-845-1745 ext. 635. ♦