

BOARD REVIEW

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President & Chief Executive Officer, The Farmers Bank, Frankfort

What I value most about my background as a certified public accountant is the “public” part. True to my training, I do take an orderly approach to life and work, but always with an emphasis on people.

As president and chief executive officer of The Farmers Bank, Frankfort, my responsibility is to help chart the future of the bank. No two days are alike, and I have the opportunity to interact daily with customers, employees and vendors.

My career began with the CPA firm of C.S. Oats Accountancy Corp. in Lebanon, where I was a staff accountant. I had chosen accounting as a major at Ball State University, because I have always loved working with both numbers and people.

After nearly 10 years as a CPA, I had a chance to join the former Clinton County Bank & Trust, here in my hometown of Frankfort. I came aboard as a loan review officer, with the understanding that I would eventually become chief financial officer.

As planned, the predecessor CFO moved on to a new position, and I was named to fill his role. What was unplanned was that, during the next 10 years, the bank would be sold twice—to Summit Bank out of Fort Wayne, then to NBD Bank out of Detroit. These mergers made for an invaluable learning experience for me.

First, my position was expanded to a regional scale, giving me the chance to oversee facilities, security, human resources and other areas. Second, I had the benefit of working under different management groups, gaining firsthand exposure to diverse styles of leadership.

My next career transition came in 1995, when I received a call from The Farmers Bank, Frankfort. The bank needed a CFO, and asked me to consider the position. Ready to return to traditional community banking, I accepted.

I relished coming to The Farmers Bank and eagerly took on additional responsibilities. Before long I was serving as executive vice president, in addition to chief financial officer. Our leadership wisely recognized that the dual role was too much to maintain and hired a new staff person to serve as CFO.

The new arrangement was ideal. Able to let go of the financial responsibility, I could focus on my EVP duties and continue to grow professionally. That experience primed me for our president’s retirement in 2006, when I was offered the position of CEO.

Nowadays, as leader of The Farmers Bank, I work with a dedicated staff. Every afternoon at 4:09, the management committee convenes for a stand-up meeting. We review the day, discuss problems or bottlenecks, synchronize schedules and plan follow-up as appropriate. Our meeting time is 4:09, to make it meaningful, and our approach is stand-up, to make it efficient.

The goal is simple. Each and every day, we want to make our bank the best in the world at relationship banking. We know that



we can’t compete against larger banks in number of branches or ATMs, but we can assure our customers that we will get to know them. We will talk to them when they visit, show genuine concern about their lives and their businesses, and work with them ... through good times and bad.

About three years ago, our bank made a conscious effort to improve our culture. We already had a good one, but we wanted to make it *great*. So we teamed with a consultant, did much self-assessing and developed five core values: (1) choose joy and spread fun; (2) embody quiet competence; (3) live your word; (4) ensure everyone you touch knows you care; and (5) embrace change.

When we kicked off our improvement initiative, we did not announce it to customers, but they certainly noticed. To this day, not a week goes by that I don’t get a phone call, e-mail or letter from a happy customer complimenting our positive energy.

My interest in bank improvement stems from a lifelong quest for personal self-examination and betterment. I gravitate to books about leadership and emotional intelligence, and have started posting “President’s Picks” books on our bank’s website.

Like a good accountant, I keep track of my reading. I can tell you every book I’ve read and every movie I’ve watched since 1999. I like to set goals, and keeping a list helps me stay on track. It also makes for purposeful choices.

Additionally I enjoy spending time in community service. Some groups I’ve been involved with include the Frankfort Main Street board, Clinton County Partners in Progress, the Clinton County Chamber of Commerce, the Clinton County Community Foundation and First Christian Disciples of Christ.

At our bank, we encourage community involvement on the part of all staff. One concept we talk about is that life gives to the givers, and takes from the takers. Posted on my wall is a plaque from my college days: “Give to the world the best you have, and the best will come back to you.” We’re here for a higher purpose than just to count money.

I have been strongly influenced by my parents, who love people of all kinds and never gave in to complaining. My father, a veterinarian, had a strong work ethic, yet always had fun. And my mother was a speech and hearing specialist, who set aside her career to raise seven lucky children.

Home life today is equally blessed. I have a wonderful husband, Greg, who gives his all through his profession as a firefighter and emergency medical technician. He also is a master carpenter, enjoys our annual trips to South Carolina, and devotes time each day for a reflective walk with me.

As a former CPA, I’ve always believed that one plus one equals two. As a community banker, I’ve learned that—when we work together to serve others—one plus one equals so much more.

Karen