VISTAGE

MemberStories

Tom Geiger, CEO
Heritage Bank
Minnesota and Iowa

At a glance

Role: *CEO/Owner*
Industry: *Banking*
Employees: *76–150*
Vistage chair: *Don Kielley*

Company background

[Heritage Bank](), with 12 branches in northwestern Iowa and western Minnesota, serves consumers and businesses in rural communities. The company specializes in serving agriculture customers and small and midsize business customers. The privately owned bank has 140 employees.

Before he decided to jump into the family bank business, Heritage Bank CEO Tom Geiger spent 15 years pursuing his passion for agriculture at Cargill, Inc. in Minneapolis. He started out as a grain trader in the corn milling division then went to Amsterdam to run the company's non-grain feed ingredients desk before coming back to the states to manage Cargill's ethanol business. Tom's Cargill stint turned out to be a great training for the job of leading Heritage Bank's 12 branches and 140 employees.

The bank, started by Tom's father in the mid-60s, has deep roots in the agriculture economies of northwestern Iowa and western Minnesota. Its branches are located close to their customers in rural farming communities. "Forty percent of our business loans are to farmers, and about 35 percent are to small and midsize businesses, many of them manufacturing companies," Tom shared.

When Tom left the comfort of a management position in a large corporation to lead his family business, he turned to Vistage for a source of business ideas and to meet other CEOs and senior leaders with experiences and tales to tell. That was 17 years ago. For close to the past nine years he's worked with chair Don Kielley.

Tom credits Vistage with helping develop his bank's mission and values years ago. During that process it struck him how similar his organization is to Vistage's mission. "We're all about helping people succeed in their business," he said. "Hopefully we'll make loans and our products can be part of making that happen for them." he summarized. Constructive feedback from fellow Vistage members and his chair helped him refine Heritage Bank's mission into what it is today:

"Heritage Bank's mission is to help people succeed financially. Specifically, that means:

- Helping our customers meet their goals and achieve their dreams
- Supporting our communities and helping them thrive
- Providing a gainful and enjoyable workplace for our employees
- Providing a sound and profitable return for our investors"

Consistent, constructive feedback

Consistent, constructive feedback is actually one of the top reasons why leaders are drawn to Vistage. As Tom explains it: "Someone once said 'I don't come to Vistage to get my questions answered, I come to Vistage to get my answers questioned.' That's exactly what I value most from my group. When I bring an issue and explain my approach to the decision, members invariably challenge me with different ways to look at the issue. As a result, I've avoided sinking money into bad ideas."

Tom shared he's impressed with the other members in his group and the exciting things they are doing in their respective companies. "I enjoy being at the table and having a small role to play in helping them succeed," he said. He's also impressed with the quality of the monthly speakers that Don brings to his group. "Some of the tools I picked up from Vistage speakers and other members have made a big difference," said Tom.

Tom cites several standout speakers that have made a tremendous difference for him and how he leads Heritage Bank. He mentioned Howard Hyden and his lessons on how to build a customer-focused company; Gerry Faust on management roles and organizational life cycles; and Michael

Alosso on you on your best day. Since Tom's been a Vistage member for 17 years, he has seen a few of the speakers multiple times, but hearing the messages again only reinforces the rich content.

Tom likes the monthly discussions and vetting of business issues with Vistage colleagues in his group. Group members come from a diverse collection of industries: manufacturing, technology and professional services to name a few. Moreover, as a bank, Tom's company serves customers in a variety of industries.

"Learning about other members' businesses helps me understand our customers' businesses as well," he said. When group members share their most vexing issues they really aren't surprised how common the challenges are from one industry to the next. "We have similar issues dealing with strategic thinking, business planning and implementation," Tom said. Hiring and firing is another common topic.

With added government regulations and oversight the bank has had to increase reports and documents, which add complexity and inefficiencies to the loan application process. The more steps Heritage must add to its process the more expensive loan processing becomes. According to Tom, "Processing loan applications is 40 percent more expensive than it was in 2011 because of the regulatory environment that we're living in."

To deal with this situation, Heritage has adopted tools from other businesses, like lean manufacturing. Tom employs Kaizen events to deconstruct loan application processes to make the loan application process more efficient and fluid. "It's still a more complex process than it was before because of the regulatory environment, but without the Kaizen I'd be probably looking at trying to get out of that business" he shared.

Tom credits Vistage for giving him some of the tools and insights into other industries that have helped him forge a stronger, more robust company. Tools like Kaizen, and the Entrepreneurial Operating System (EOS), for example. He also says "Members are good at dishing out tough love. They don't cut slack to be nice and often give feedback that nobody else does. It's not always pleasant on the receiving end, but it has been excellent for my growth as a leader," quipped Tom.

But Tom wouldn't want it any other way. In his words, "As long as I feel like I'm still getting some value out of it I'm still around." Someday, he may even become a Vistage chair. *V*