



2022 SBA INDUSTRY COMPENSATION STUDY

Proprietary Research
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Project Summary & Methodology

BACKGROUND

Baker Lewis is an independent consulting firm specializing in talent management with a particular emphasis on the U.S. Small Business Administration's (SBA) 7(a) loan program. As such, Baker Lewis conducts research projects on issues of particular importance to SBA lenders, including industry compensation practices.

This report is the result of research conducted by Baker Lewis in the 2nd and 3rd Quarters of calendar year 2022 to discover both the compensation methodologies and actual compensation paid by top national SBA lenders to employees in the most common roles within SBA Lending Divisions. This report details the findings of our research.

PEER GROUP SELECTION CRITERIA

In assembling our Peer Group, Baker Lewis focused on the nation's top 100 7(a) program lenders for the SBA's fiscal year 2021, thus ensuring that the employees represented by our data have an exclusive focus and well-defined skillset around SBA lending.

PEER GROUP SUMMARY

Our resulting Peer Group is an indicative cross section of the elite participants in the SBA's flagship loan programs. By way of summary, the members of the final Peer Group:

- Accounted for 15.1% of all SBA 7(a) program market share by dollar volume in 2021 (which was by far the 7(a) program's record largest year by dollar volume).
- Averaged 279 SBA 7(a) transactions in FY 2021, compared to an industry average of 30 transactions (The group median was 190, while the global median for all program participants was 5).*
- Averaged \$220.8MM in SBA 7(a) dollar volume in FY 2021, compared to an industry average of \$19.3MM (The group median was \$172.3MM, while the global median for all program participants was \$2.3MM).*
- Include 25 of the top 100 SBA 7(a) lenders nationally by dollar volume in the SBA's fiscal year 2021, and 16 of the top 50.*

* Per SBA Office of Financial Assistance data

Members of the Peer Group are listed on the following page, along with key metrics for each institution related to unit and dollar volume of SBA 7(a) lending activities and lender ranking for FY 2021.

DATA COLLECTION METHODOLOGY

To be certain of the accuracy and validity of the data provided in this report, we have ensured the absence of "self-reporting" in Peer Group responses to the survey instrument. By default, Baker Lewis has engaged the Human Resources or Compensation Department at Peer Group institutions to complete the instrument. In the case of smaller institutions with fewer resources, bank or divisional executives (typically at the CEO / CFO level) were invited to complete the survey with HR or Compensation Department review and approval. In addition, to ensure validity, we have not included any position for

which we received fewer than 5 responses from Peer Group members. In every case, we were able to validate / authenticate the source of the data.

UNDERSTANDING THE REPORT

In an attempt to provide the sharpest picture of the research, and to make the data most relevant to Peer Group members, we have presented it in several strata. This allows each lender to compare its compensation practices for its SBA personnel to those of the Peer Group for their employees who perform substantially the same function and have a comparable level of experience.

Reviewing the following explanations may help Peer Group members make the best use of this report:

- **Years of SBA Experience** – We have separated compensation data for non-managerial positions into four categories of relevant industry experience. Those categories are:
 - 0-2 years
 - 2-5 years
 - 5-10 years
 - 10+ years
- **Position Descriptions** – When completing our survey, Peer Group respondents were asked to match the most relevant position at their institutions to a one-paragraph position description for the role being researched. For context, we have provided that description for each role at the beginning of the statistical analysis for that position.
- **Incentive Compensation, Its Frequency, and Its Basis** – Because incentive compensation is a key component of an institution’s total compensation strategy, we have taken a detailed look at the amount, type, and where relevant, the basis of incentive or bonus compensation for each position reviewed. This information is primarily depicted visually in charts and graphs.
- **High / Low** – In addition to Average, Median, and Percentile (25th / 75th / 90th) statistics, we’ve also provided the High and Low numbers for each statistical category measured. These numbers represent the highest and lowest compensation amounts among all respondents in a data category.

It should be noted, particularly for non-managerial positions where there are multiple employees within the same institution in a specific role (such as SBA Loan Closer), that the “high” and “low” numbers do not represent the highest paid individual within that group, but instead the highest average salary and/or incentive compensation for all employees within an institution in a specific role at a particular level of experience. In other words, some individual performers may make significantly more than the “high” or less than the “low” figures provided. For each position surveyed, we have also provided true “high” and “low” figures, which are in fact the highest and lowest paid individuals fulfilling that role among all Peer Group members regardless of experience.

NON-DISCLOSURE PROVISIONS

This report in its entirety is protected by Non-Disclosure provisions signed by each Peer Group member and/or purchaser of the report. Under the terms of that Agreement, information from this report may not under any circumstances be shared by Peer Group members or purchasers of the report with any party outside their own institutions, except with their regulatory bodies as necessary.

PEER GROUP ROSTER

Lender	City , ST	# Loans	SBA Volume *	Avg. Loan	SBA Rank *
Byline Bank	CHICAGO, IL	549	\$687,909,400	\$1,253,023	5
ReadyCap Lending	BERKELEY HEIGHTS, NJ	489	\$616,165,600	\$1,260,052	6
Enterprise Bank & Trust	CLAYTON, MO	430	\$477,045,000	\$1,109,407	9
Bank of George	LAS VEGAS, NV	132	\$291,480,900	\$2,208,189	20
Citizens Bank (Acclivity Financial)	ELIZABETHTON, TN	348	\$262,307,000	\$753,756	24
Dogwood State Bank	RALEIGH, NC	262	\$226,679,000	\$865,187	28
Peoples Bank	MENDENHALL, MS	158	\$225,521,400	\$1,427,351	30
First Bank of the Lake	OSAGE BEACH, MO	153	\$221,742,600	\$1,449,298	31
Pinnacle Bank	NASHVILLE, TN	167	\$201,311,100	\$1,205,456	39
Fundex Solutions Group	SYRACUSE, NY	185	\$197,359,600	\$1,066,809	40
Umpqua Bank	ROSEBURG, OR	190	\$194,053,900	\$1,021,336	41
BayFirst National Bank	SAINT PETERSBURG, FL	408	\$192,982,400	\$472,996	42
First Internet Bank of Indiana	FISHERS, IN	151	\$172,374,800	\$1,141,555	46
Colony Bank	FITZGERALD, GA	105	\$159,602,400	\$1,520,023	48
First National Bank of Pennsylvania	GREENVILLE, PA	172	\$158,696,300	\$922,653	49
SouthState Bank	WINTER HAVEN, FL	159	\$157,350,600	\$989,626	50
United Community Bank	BLAIRSVILLE, GA	217	\$154,372,700	\$711,395	53
Old National Bank	EVANSVILLE, IN	143	\$140,835,500	\$984,864	61
Synovus Bank	COLUMBUS, GA	98	\$134,870,000	\$1,376,224	63
Fountainhead SBF LLC	LAKE MARY, FL	77	\$127,943,200	\$1,661,600	68
Paradise Bank	BOCA RATON, FL	71	\$118,548,500	\$1,669,697	73
FSB-Small Business Lending	JEFFERSONVILLE, IN	139	\$115,115,900	\$828,172	75
T Bank, N.A.	DALLAS, TX	60	\$108,193,600	\$1,803,227	85
Meadows Bank	LAS VEGAS, NV	90	\$92,848,800	\$1,031,653	91
Cullen/Frost Bankers, Inc.	SAN ANTONIO, TX	114	\$85,557,000	\$750,500	100
AVERAGE:		279	\$220,834,688	\$1,179,362	
MEDIAN:		190	\$172,374,800	\$1,109,407	
LOW:		60	\$85,557,000	\$472,996	
HIGH:		549	\$687,909,400	\$2,208,189	
25th PERCENTILE:		158	\$134,870,000	\$922,653	
75th PERCENTILE:		408	\$337,871,925	\$1,301,877	
90th PERCENTILE:		477	\$602,253,540	\$1,447,103	

* 2021 SBA volume & ranking based on gross 7(a) loan approvals for SBA FY ending 09-30-21; data provided by SBA Office of Financial