



ICBA Community Banker of the Year: The 2017 winners

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—Peter Nelson, Glenwood State Bank

At your service

Glenwood State Bank president Peter Nelson lives and breathes the golden rule to the benefit of employees, customers and the bottom line.

By Karen Epper Hoffman

Peter Nelson

President, Glenwood State Bank

Location: Glenwood, Minn.

Asset size: \$272 million

Founded: 1899

Website: glenwoodstate.com

Most community bankers define the difference between their institutions and larger competitors in terms of customer service—usually the service that frontline employees provide to customers.

But for Peter Nelson, president of Glenwood State Bank of Glenwood, Minn., service is not simply about extra hand-holding from branch staff. He believes that the strength of his community bank and his skill as a leader lies in how he serves not just his customers but his employees. “In general, I try to focus on the people versus the bottom line,” Nelson says. “Building [our bank] has been about investing in our people, growing those people and trying to get them to their highest levels.”

Nelson’s sharp focus on his people is likely the very reason that the \$272 million-asset bank has more than tripled its assets since he assumed leadership almost 12 years ago, nine years and a few months after he joined Glenwood State Bank. This year, employee retention has exceeded an eye-popping 98 percent.

A certified public accountant by training, Nelson deduced that his combined “interest in numbers and interest in people [made] community banking a good fit.” He also chose to join the bank to move his family from a large city to a smaller community. His approach to success is simple: He finds the best people he can—those who fit with the bank’s values—and the bank invests in them. Nelson has often moved good employees three or four times to different jobs in the bank to help them find the right fit and keep them on board. “For better performers,” the community bank has even subsidized educational opportunities, he adds.



Next generation—Glenwood State Bank CEO Peter Nelson’s penchant for investing in people extends to youth as well as his employees. Right: Nelson’s Fellowship of Christian Athletes exploring Montana. Below: Nelson stands with children during his most recent mission trip to the Dominican Republic.

Take, for example, employee Karla Johnson. Johnson was hired in 2006 for a part-time position, but she quickly realized the job would not suit her career aspirations. After expressing these concerns to Nelson, he spent the next year trying her in four different roles at the bank to help her find her dream career path. “He treated me like I mattered and with respect,” Johnson says. “He wasn’t about filling a position at the bank; he was about helping me feel fulfilled.” Johnson is now using her skills as the bank’s vice president of compliance.

In November 2015, Glenwood State Bank even created a position for a director of organizational development—

unheard of for a bank of its size. For Nelson, it was important to have “someone solely focused on this, whose only job is to grow people.”



Since then, Glenwood State Bank has been busy creating more consistent and comprehensive competencies for the various positions at the bank. It has also taken more than a dozen of its employees for off-site training on topics like managing conflict, improving listening skills and having critical conversations.

The inclusive, employee-focused culture led by Nelson has helped \$50 million-asset Lowry State Bank, a smaller Minnesota community bank that the ownership of Glenwood State Bank acquired about 15 years ago. Instead of simply absorbing Lowry State Bank, Nelson and his team and board decided to keep it as a “sister bank,” allowing it to keep its own identity in the communities it serves while benefiting from being part of a larger operation. “From the beginning, we really, really treated it as one organization,” Nelson says.

Nelson hopes technology will help Glenwood State Bank become even more technology-focused—something that could help community banks level the playing field as they face off against larger rivals and nonbank fintechs. “We always want to positively impact the employees and the community, as well as the customer,” Nelson says. “I don’t want to take my eyes off that.”

Karen Epper Hoffman is a writer in Washington state.