



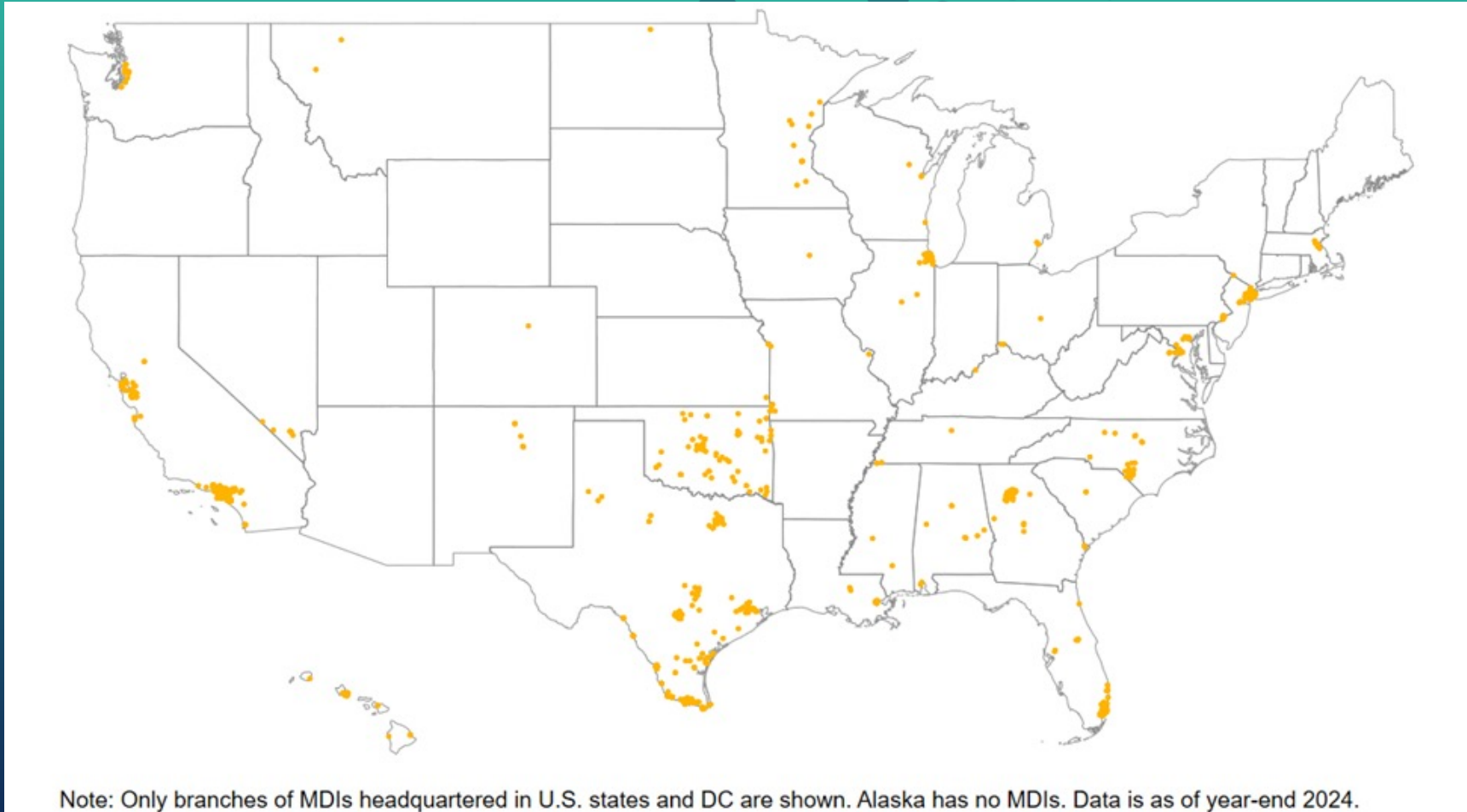
Conference 2025

DRIVING GROWTH

MISSION-DRIVEN BANKS FUELING ECONOMIC CHANGE

2025 Research Highlights

The Geography of MDI Bank Branches



The Geography of MDI Bank Branches

Table 1: MDI Community Demographics

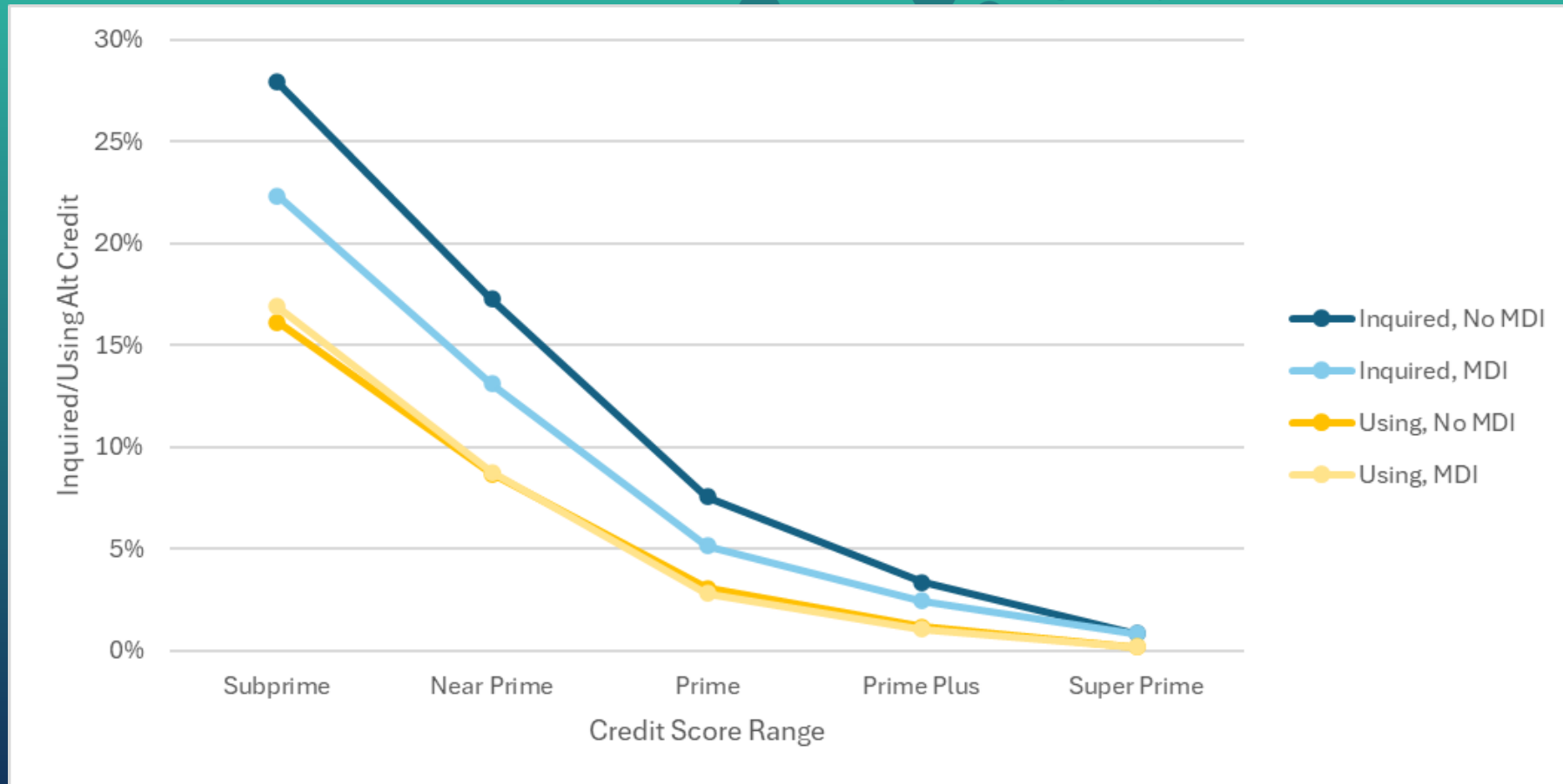
	National Benchmark	MDI Communities
Minority	42%	65%
Foreign-Born	14%	25%
Poverty Rate	12%	16%
Expanded Poverty	16%	20%

MDIs and Credit Health

Previous National Bankers Association research using TransUnion data, demonstrated that **communities with MDI presence have better credit health – as measured by factors like credit score, total credit available, credit utilization, and delinquency rates** – relative to demographically similar communities that do not have an MDI branch

This year, we explored use of alternative credit (payday lending, title loans, etc.) in MDI communities...

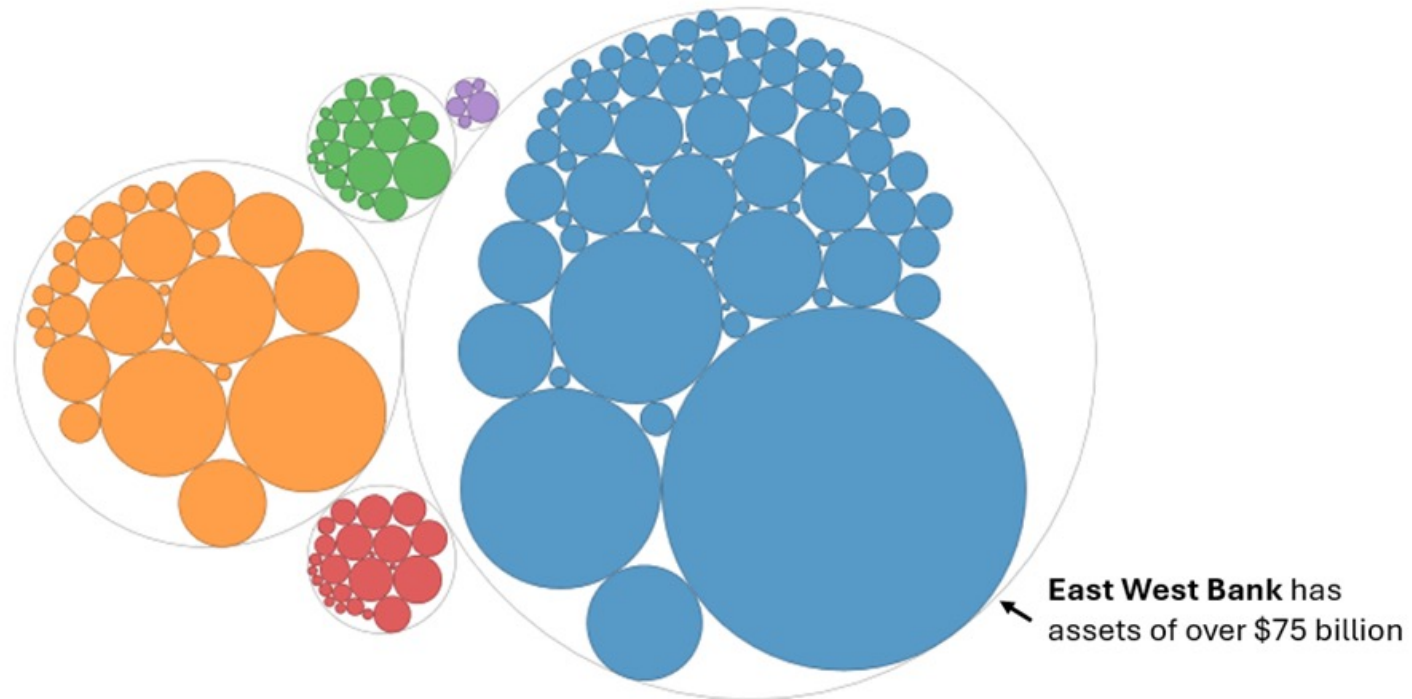
Alternative Credit and MDI Presence



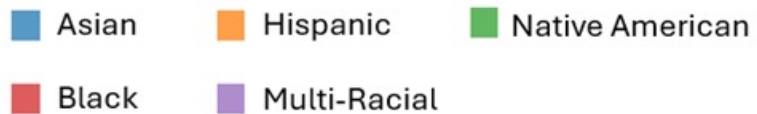
The Financial Health of the MDI Sector



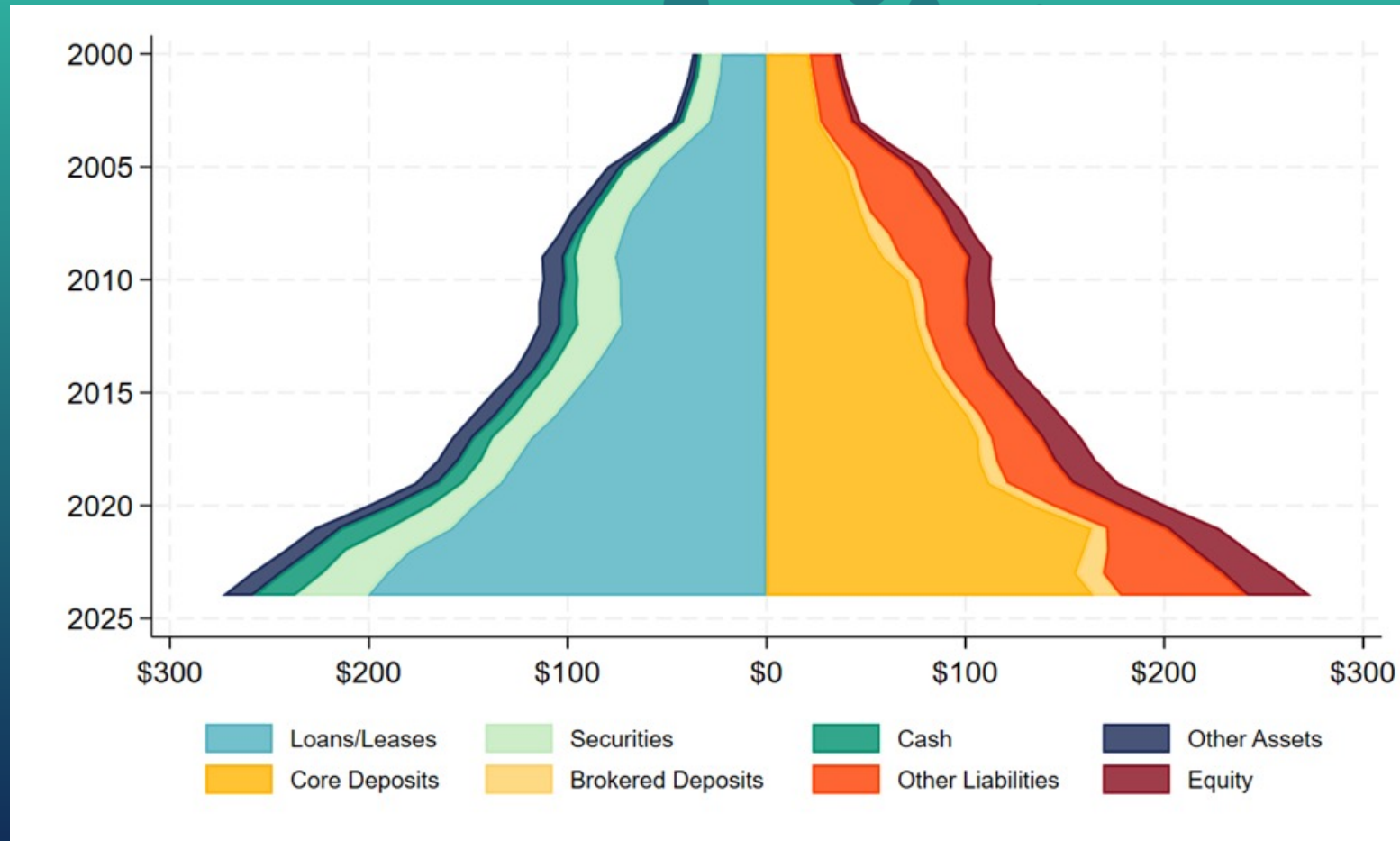
MDIs by Asset Size



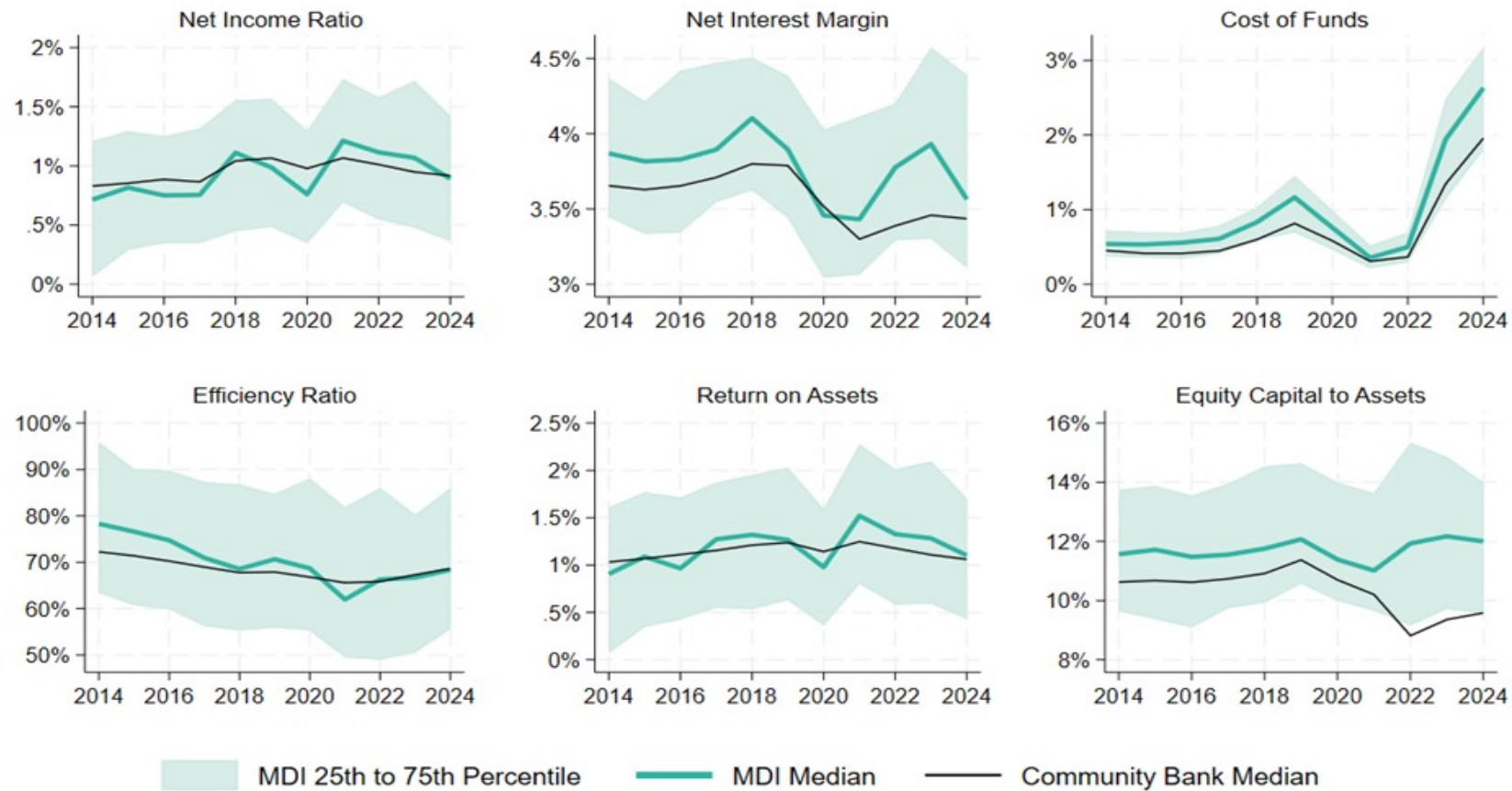
MDI Type



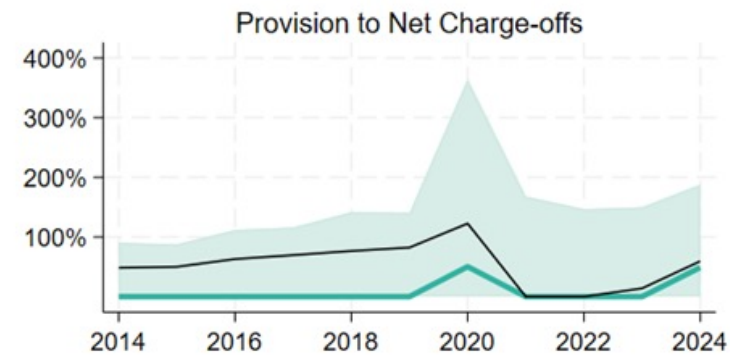
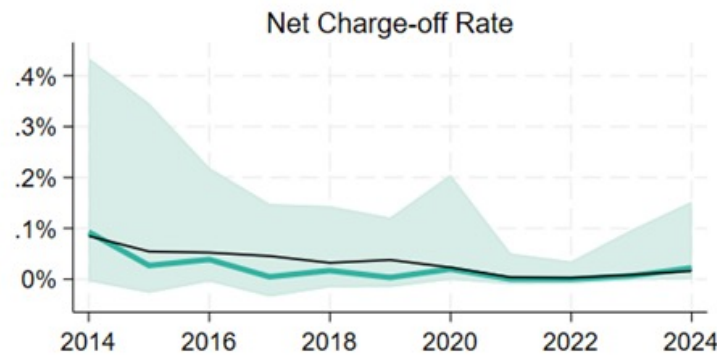
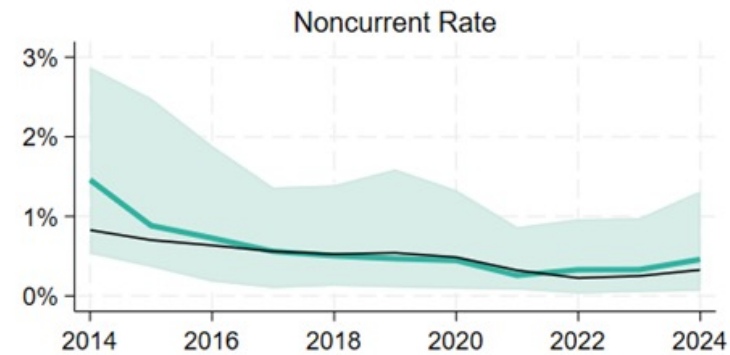
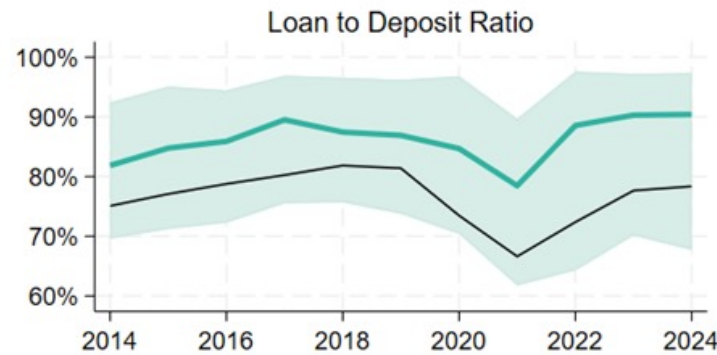
MDIs: Overall Sector Balance Sheet Over Time



Key Financial Indicators



Key Financial Indicators



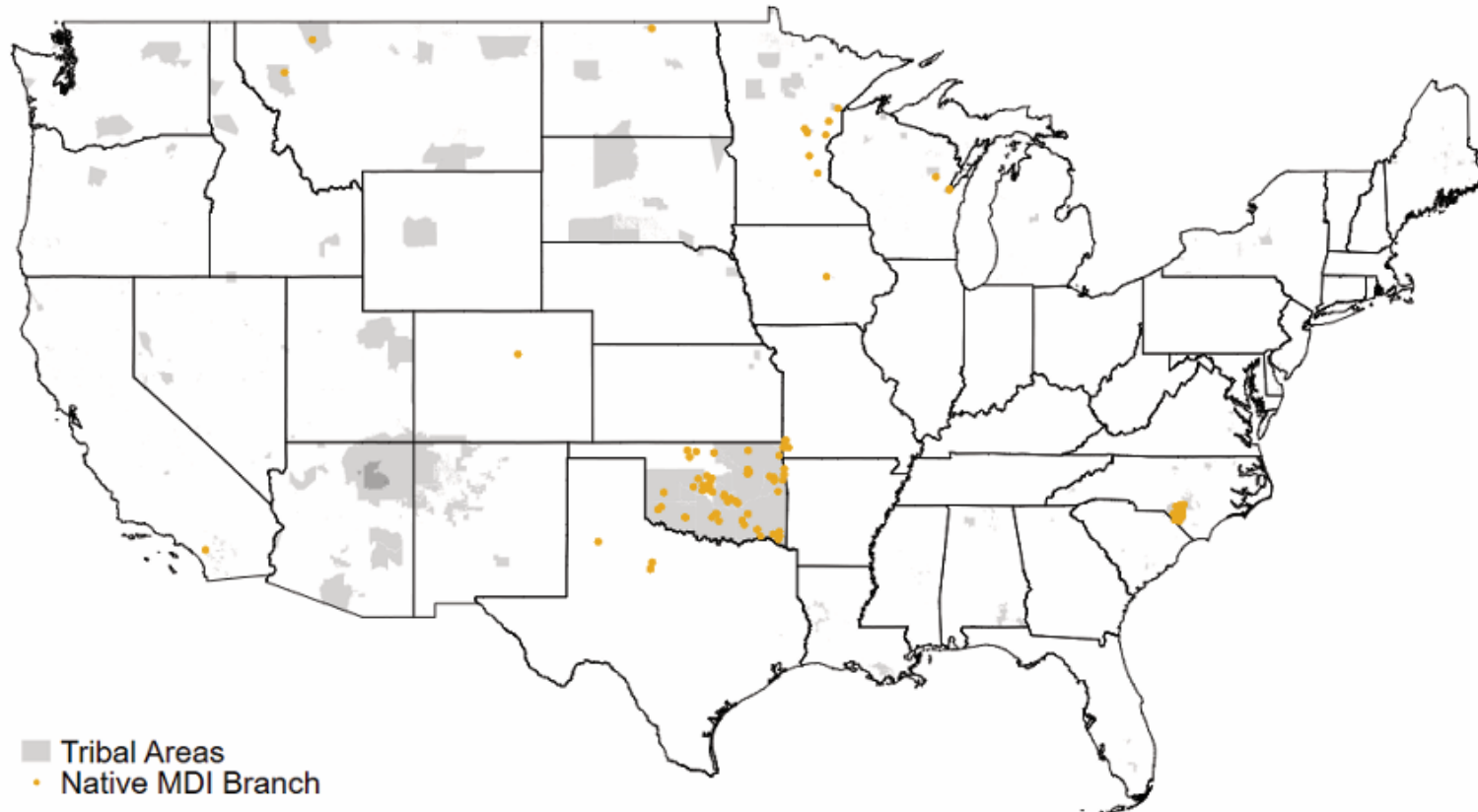
MDI 25th to 75th Percentile MDI Median Community Bank Median

New Research on Native MDIs



The Geography of Native Bank Branches

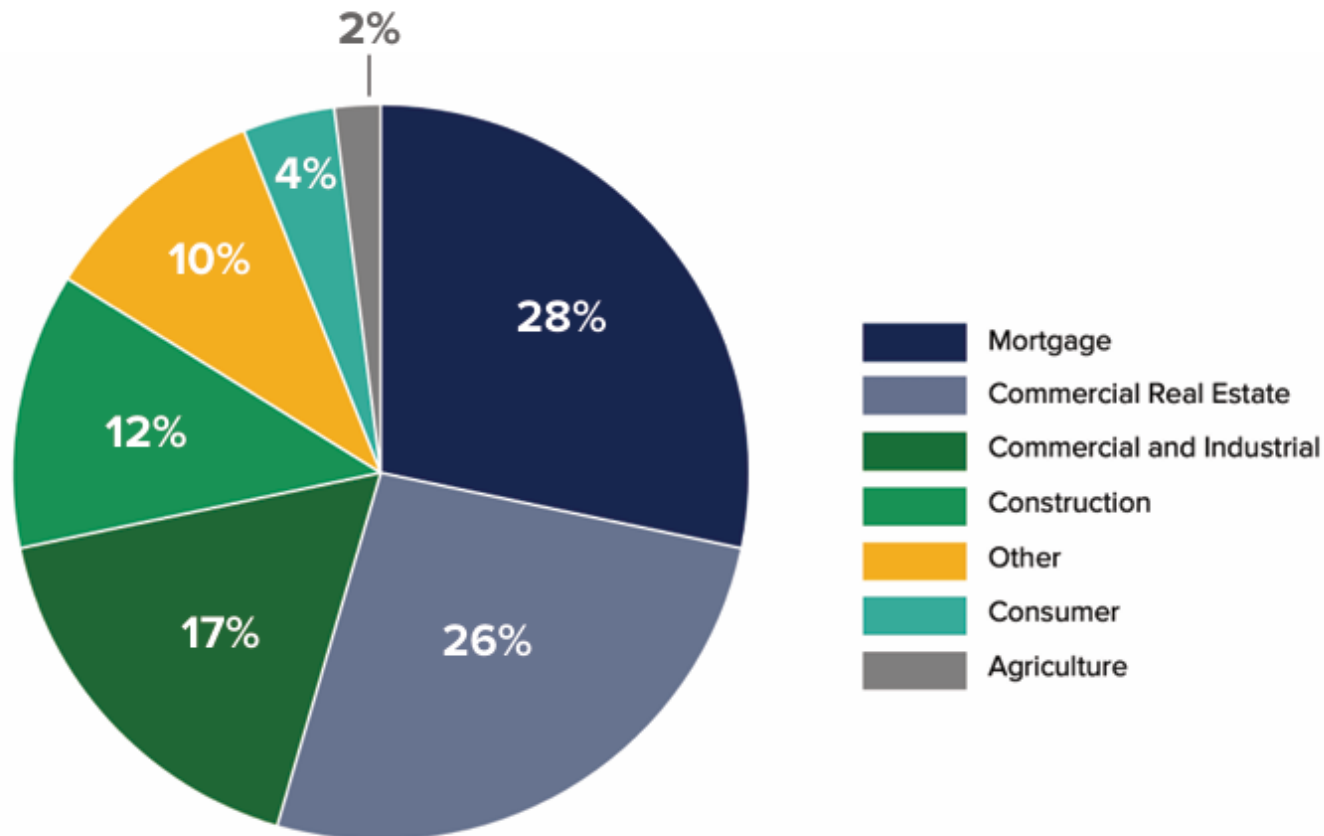
FIGURE 1: Native MDIs and Tribal Areas



Native Banks and Tribal Ownership

Bank	Tribal/Native Ownership	CDFI	State HQ	Assets (000s)
AllNations Bank	Absentee Shawnee Tribe		OK	\$66,503
Bay Bank	Oneida Nation	Yes	WI	\$278,225
Carson Community Bank			OK	\$162,027
Chickasaw Community Bank	Chickasaw Nation	Yes	OK	\$469,509
Eagle Bank	Confederated Salish and Kootenai Tribes		MT	\$152,247
F&M Bank			OK	\$772,050
FirstBank			OK	\$623,527
First State Bank			TX	\$112,999
Gateway First Bank			OK	\$1,894,749
Legacy Bank	Soboba Tribe		CA	\$74,737
Local Bank	Native owned	Yes	OK	\$401,622
Lumbee Guaranty Bank	Native owned		NC	\$519,985
Native American Bank NA	Tribal Consortium	Yes	CO	\$404,104
Pauls Valley National Bank			OK	\$325,253
People's Bank of Seneca	Eastern Shawnee Tribe of Oklahoma		MO	\$474,479
Pinnacle Bank	Sac and Fox Tribe of the Mississippi in Iowa		IA	\$291, 448
Security State Bank of Oklahoma		Yes	OK	\$373,072
Sovereign Bank	Citizen Potawatomi Nation		OK	\$1,203,043
Turtle Mountain State Bank	Native owned		ND	\$125,569
Woodlands National Bank	Mille Lacs Band of Ojibwe		MN	\$316,219

Lending Composition at Native Banks



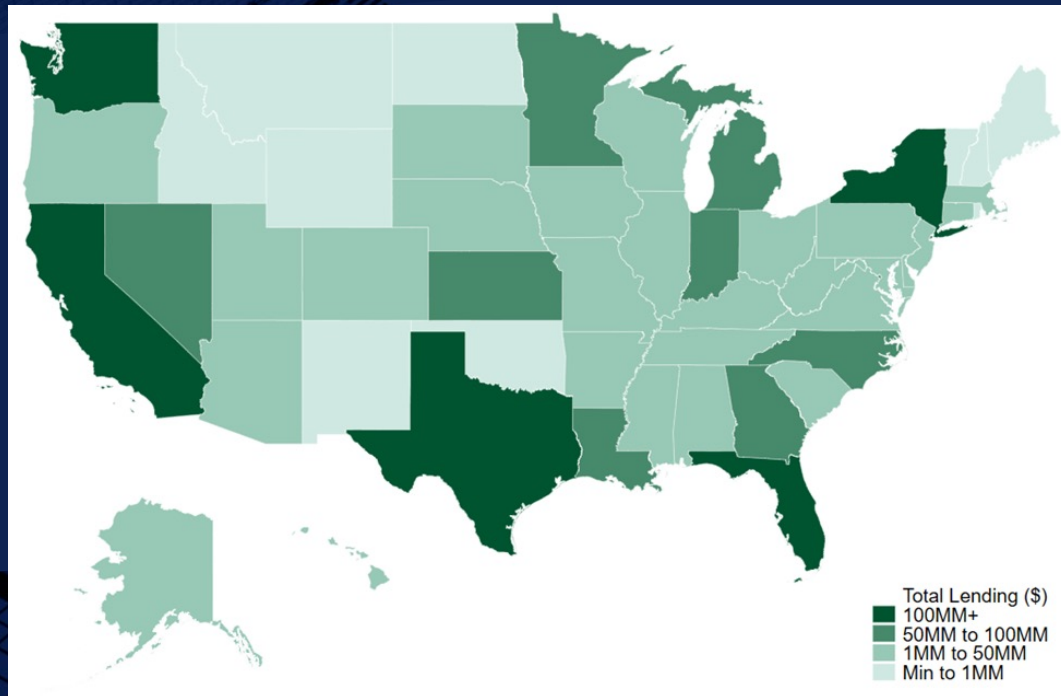
MDI Lending and Social Impact

The 15 banks in our lending analysis originated more than **\$2.6 billion in 2024**, investing in every state and Washington, D.C.

By dollar amount, residential real estate, commercial real estate, and land development together accounted for 71% of total lending.

As in past years, significant shares of MDI **lending went to communities with elevated economic hardship and minority populations.**

The Geography of MDI Lending (from 15 MDIs)



Loan Type	Number	Dollar Amount (mil)	Minority Share	Expanded Poverty
Consumer	4,321	\$ 33	66%	22%
Residential RE	867	\$ 973	67%	22%
Commercial	640	\$ 276	59%	19%
Commercial RE	425	\$ 619	62%	23%
Business	264	\$ 127	72%	25%
Other	153	\$ 247	77%	22%
Land Development	124	\$ 284	83%	21%
Farming	57	\$ 27	21%	15%
Community	22	\$ 54	71%	27%

The Social Impact Of MDIs as Employers

A cohort of 12 banks: evaluated on wages,
benefits, retention, and more!

In partnership with Fiserv and Lunum.

Employment & Community Impact of MDIs



Overview



FiServ Leadership in MDI Summit 2025

- **Purpose:** A joint initiative of the NBA and Fiserv, in partnership with Lunum, examining the workforce practices and community impact of MDIs and illuminate where further investment can drive impact
- **Scope:** 11 Member MDIs, representing a cross-section of small, medium, and large institutions
- **Results:**
 - Average BrightStar Score: 65/100 vs. 64 peer benchmark
 - Stronger retention outcomes than industry peers (74 vs. 72)
 - Gaps in well-being compared to larger banks, particularly in parental leave (18% vs. 41%)

BrightStar Scorecard

Summary:

Participating MDIs

BrightStar
SCORE **65**

The average BrightStar Scorecard (0–100) across 11 participating MDIs provides a clear, actionable view of workforce performance within this group.

This benchmark helps to identify gaps, drive improvements, and measure social impact against peer institutions over time. To learn more about BrightStar, click [here](#).

Wage Quality

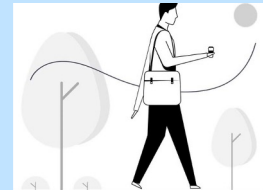
 **53/100**



MDIs generally pay above local wage benchmarks, though differences between roles and job categories highlight areas for improvement

Well-Being

 **43/100**



Institutions provide a foundation of benefits and protections, but additional investment in programs and equitable access could strengthen outcomes

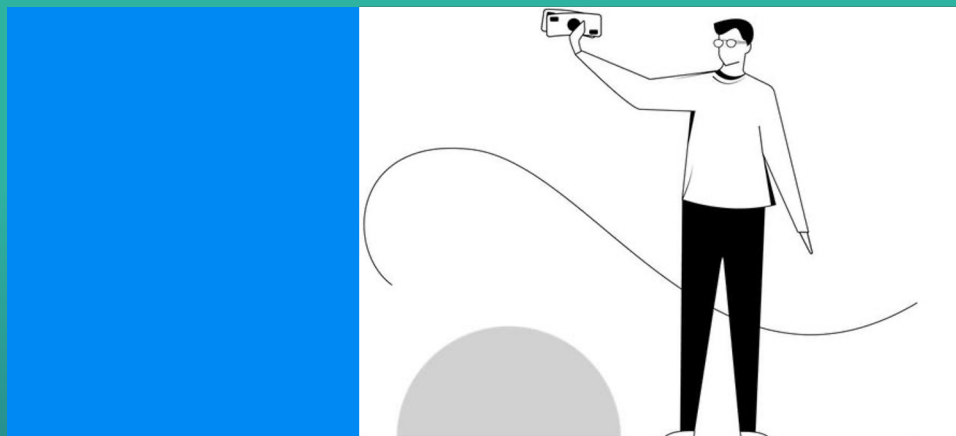
Retention

 **74/100**



MDIs show a strong ability to maintain a stable workforce even in the face of resource constraints.

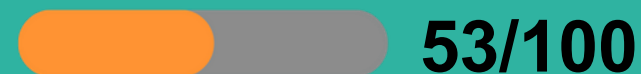
Insights: Wage Quality



of MDIs pay at or above
local living-wage
benchmarks

Most MDIs meet living-wage benchmarks, but pay equity varies widely compared to the 71 industry average.

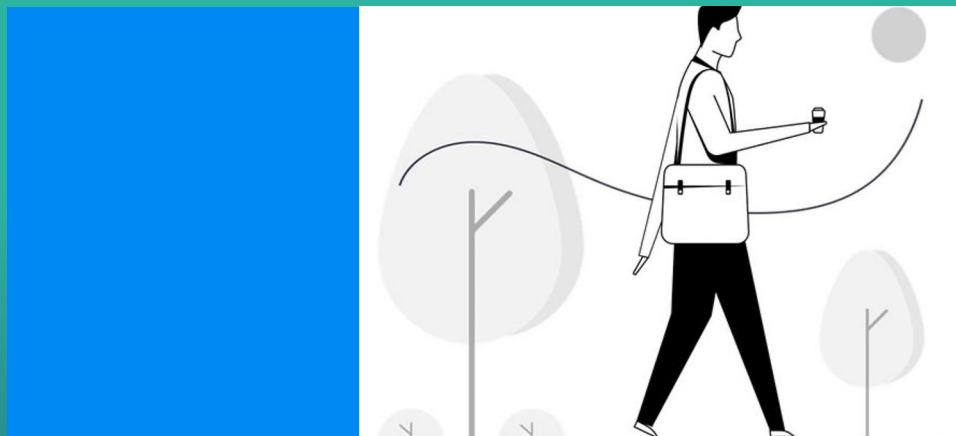
Average MDI Score



Pay Adequacy vs. Industry Peers



Insights: Well-Being



of MDIs offer health insurance



of MDIs offer paid parental leave



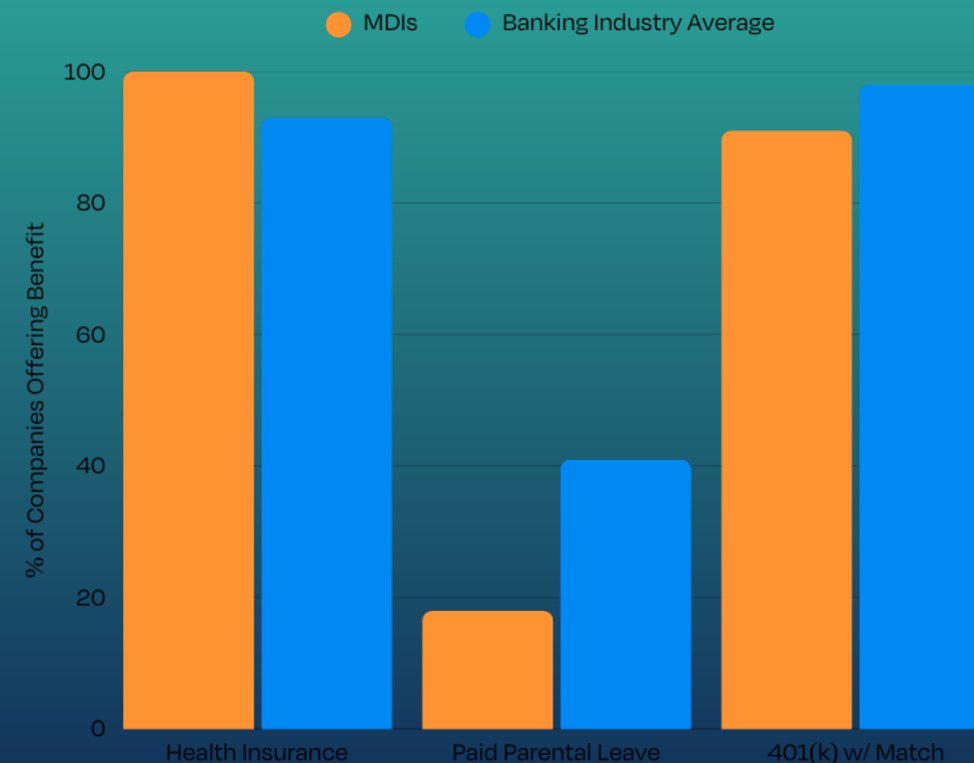
of MDIs provide retirement plans with matching

Core benefits like health insurance and retirement are nearly universal, but gaps in family support remains compared to industry peers.

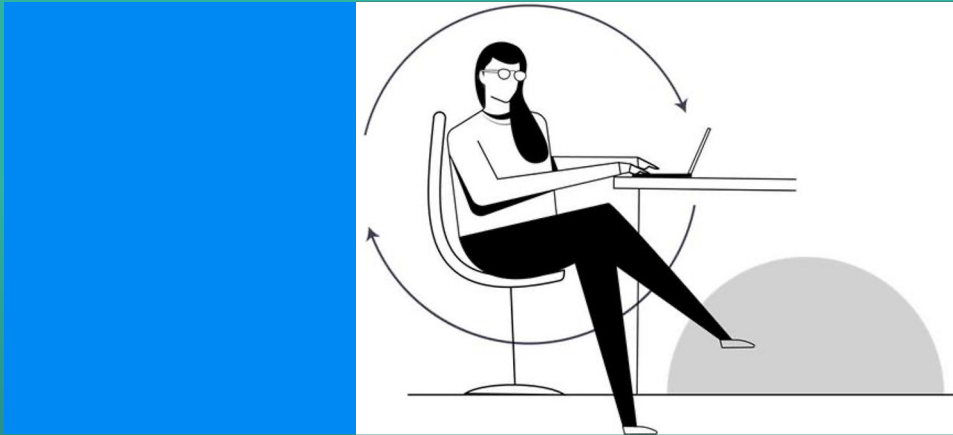
Average MDI Score



Benefits Coverage vs. Industry Peers



Insights: Retention



Average Attrition Rate

(Range: 0-27%)

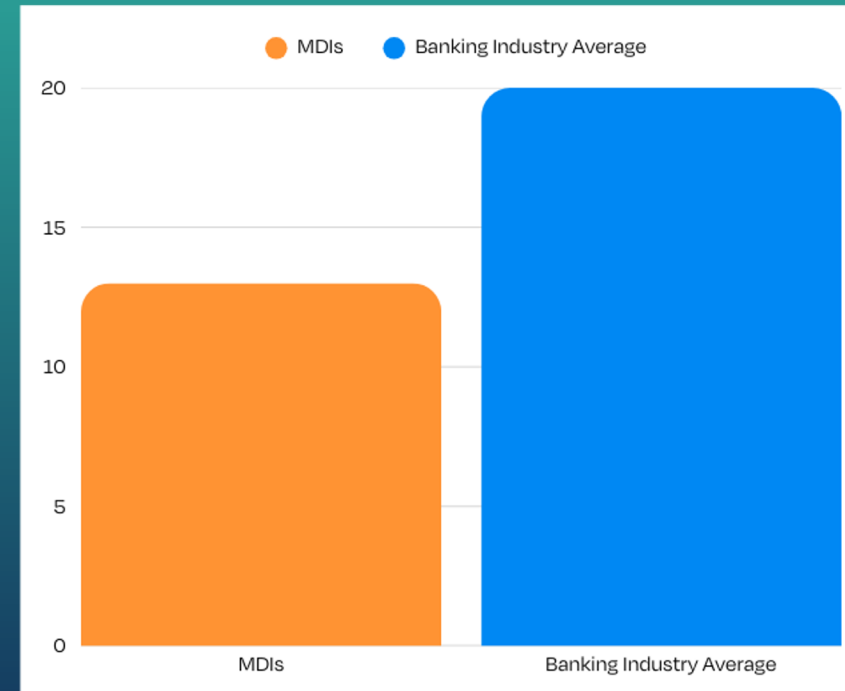


MDIs show stronger retention compared to peers, with loyalty reinforced by community focus and inclusive practices.

Average MDI Score



Average Attrition Rate vs. Industry



Driving Opportunity



- **Diversity:** Workforces and leadership reflect the communities they serve, fostering trust and culturally informed services.
- **Advancement:** Leadership pipelines give employees early opportunities to grow and take on responsibility.
- **Access to Capital:** Lending where it's needed most — small businesses, housing, and community development.

By the Numbers



\$330 B
– Total MDI
assets in
2022 (+79%
since 2010)



**1.9M jobs
protected**
– If all banks
had operated
like MDIs
during the
Great
Recession



68% growth
– In deposits
from \$169B
in 2016 to
\$284B in
2022



**70,000 jobs
created**
– Since
1998; 65% to
minorities



**\$160 B in
small
business
loans** –
Outstanding
loans as of
Q4 2024

Voices of MDIs



“Our community expects more than financial services—they expect **presence, trust, and action**. That starts with how we treat our people.”

— EVP, Chief Credit Officer, South Central U.S. MDI

“Our **diverse workforce allows us to meet the unique financial needs of underserved customers**. We speak many languages — from Mandarin and Spanish to Hindi and Bangla — reflecting the cultures of the communities we serve”

— CEO, Western U.S. MDI

“We're on a mission to prove that **community banking is a powerful engine for social equity**. We believe these values pave a path towards prosperity for all our stakeholders, including shareholders, customers, neighbors and friends.”

— HR Manager, Northeast U.S. MDI

Looking Forward: *Turning Insight into Action*

- MDIs show strong commitment to well-being and stability, with nearly all providing health insurance and retirement benefits, even amid resource constraints.
- Institutions that prioritize mentorship, mobility, and inclusive culture achieve lower attrition (13% vs. 20% industry) and stronger long-term retention.
- Technology as a lever: automation and digital tools increase efficiency, freeing employees to focus on relationships and community impact
- With a strong commitment to employees and communities, MDIs deliver equitable wages 8.5% better than banking industry peers on a per-employee basis.

MDIs point us toward what's possible when financial institutions align mission with workforce impact.



About Lunum

Lunum helps organizations measure and improve the impact they have on the people who power their business and the communities where they operate.

Let's Talk

Reach out to discuss key research insights, connect with BrightStar partner programs, or discuss how your institution can deepen its workforce impact.

Contact Us

Email info@lunum.io

Website lunum.io



MDI Survey: Looking to The Future

Drawing on the January 2025 survey and follow-up discussions at the summer MDI Leadership Retreat, we found that:

- Economic confidence was strong back in January, but the new buzzword is uncertainty as we wait to see the full impact of new legislation, regulation, and monetary policy.
- MDIs want to grow: 78% of respondents aim to move into the next asset size band, but leaders emphasized **smart, sustainable growth** over rapid expansion.
- Upgrading customer-facing digital channels is a leading priority (89%), followed by staff development and branch expansion (each 37%). **AI is seen as a customer-centric tool.**

Our Call To Action

Despite political headwinds and uncertainty in the broader economy, MDIs remain committed to their mission and continue to demonstrate their vitality and importance. To continue to support the sector, partners can leverage the following strategies:

- Place **low-cost, sticky deposits** with MDIs to strengthen liquidity and grow total originations.
- Leverage **program-related and mission-related investments** to help large-scale projects mitigate risk and attract more private sector funding.
- Provide **technical expertise and support** for MDIs as they integrate AI and other innovations to reduce costs and better serve their customers.
- Connect **tax credits** with federal and state programs like Opportunity Zones to reward investments in MDIs and to incentivize development projects in underserved communities.

Future NBA Research

- MDI Presence and Small Business Activity using **Fiserv's Small Business Index**
- Profiles of Hispanic MDIs
- Credit Health of MDI Borrowers using **TransUnion credit data**

Have research needs or suggestions?
Want to provide data or partner?
Email me: abarr@nationalbankers.org

