



Former First Interstate manager Susan Thomas now spends her days at Oregon Public Broadcasting. Photo by John Klinker



Ex-First Interstater Georgia Freshwater says her export business is "more fun than I've had in ages."

# Workers change industries thanks to robust economy

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Many bank employees aren't bankers in the traditional sense of the word, says Julie Beck, who heads the Portland office of outplacement firm Lee Hecht Harrison. Their expertise lies in accounting, personnel or computer programming—or in advertising and promotion, like Freshwater, or in financial analysis or customer service. All of those can easily be transferred from banking to other industries, such as health care and high technology, Beck says.

With Portland's robust economy—unemployment stands at a low 4 percent—"the ability to move into other industries is much easier now than it was, say, four years ago," Beck says.

Nationwide, the number of banks has fallen from 15,000 in 1980 to about 10,000, says Jay Tejera, a banking analyst with Dain Bosworth. Studies project an additional 1,000 to 3,000 will be gone by the year 2000, he says.

The Federal Deposit Insurance Corp. reports that full-time equivalent positions at FDIC-insured banks have fallen just 4.7 percent between 1985 and 1996. But industry analysts expect more massive reductions in the industry's workforce in coming years.

In Oregon, about 1,400 jobs were eliminated by U.S. Bancorp in 1994 and 1995 as part of a drive to reduce overhead. And U.S. Bancorp's December 1995 acquisition of West One Bancorp was projected at that time to result in the elimination of 1,100 jobs, many in Boise, Idaho.

In April 1996, Wells Fargo's hostile takeover of First Interstate led to severance packages for 1,057 Oregon employees. Now, Minneapolis-based First System Inc., parent of First Bank, anticipates cutting another 2,000 Portland-area jobs when it acquires U.S. Bancorp, a deal expected to close Aug. 1.

Of nearly 1,500 bank employees advised by Lee Hecht Harrison nationwide in 1994 and 1995, 43 percent found new positions in banking but a whopping 57 percent moved out of the field entirely, Beck says. That 57 percent figure compares with 33 percent moving into new industries in a similar survey of 1991 and 1992 bank clients.

The banks toss in generous severance packages—often between one and two



Ex-First Interstater Ken Williams used his severance package to buy a Baskin Robbins franchise. Photo by John Klinker

years' worth of pay, Beck says. "That's made it easier for people to go back to school or update their skills."

Of the 1994-95 clients who entered new fields, 28 percent went to financial services other than banking, 22 percent went to work for professional services firms, 18 percent became self-employed, and 8 percent started working in the insurance industry. The remaining 24 percent spread themselves among a variety of industries.

"They've gone everywhere," says Sandy Mico, a former First Interstate Bank officer who's kept in touch with former colleagues. Many of those comrades latched on with small banks or with independent trust companies in Portland and Seattle, she says. "We're all re-energized; most of the people I talk to say they wouldn't go back for anything."

Mico herself bolted from First Interstate in April 1995, prior to the tussle for control of the bank and the subsequent layoffs.

"I knew it was coming...we were being dressed up to sell," says Mico, who directed sales and marketing for First Interstate's trust group. When a chance encounter with an acquaintance led to a job

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offer, Mico accepted a similar position with the trust operation of Portland's Crabbe Huson Co., later spun off as Copper Mountain Financial Group.

Like Freshwater, Ken Williams is a former First Interstate officer who opened his own business. Williams, who managed First Interstate's "problem" commercial loans in Oregon, accepted Wells Fargo's offer of two years' severance pay and two months later signed on to become a Baskin Robbins ice cream franchisee.

"I wasn't a bit interested in trying to recreate the past," says Williams, a 29-year veteran of First Interstate who says he now cherishes his freedom from a bureaucratic structure. "Times change, let's move on."

In this era of mergers and downsizing, flexibility fuels career growth, says Susan Thomas, former manager of public communications at First Interstate. A former journalist who got her start in television news, Thomas says she accepted Wells' severance offer of one year's pay. Six months later, after enjoying a trip to Italy, she became the head of public relations and marketing for Oregon



Majd El-Azma uses many of the same skills at PacificCare as he did at First Interstate. Photo by John Klinker

Public Broadcasting, where she had performed some volunteer work in the past. "The skill sets are very similar, the-

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