

**200%**

increase in loan production

**\$15.4  
MILLION**

average loan production increase per lender

**85%**

reduction in the time spent decisioning



## Mechanics Bank®

Founded in 1905 in Walnut Creek, California, Mechanics Bank has been helping individuals, businesses and large corporations achieve their financial goals with personal banking, business banking, trust, and estate services and wealth management for over a century.

### ► The Challenge

Today, the bank has grown to more than \$19 billion in assets with over 1,900 employees and 115 branch offices throughout California.

In the last decade, a strategic acquisitions contributed to Mechanics Bank's growth. They acquired Rabobank in 2019, bringing together two banks with deep roots in California.

As Mechanics Bank increased both in size and footprint, the bank recognized the need to adapt its lending processes. This was especially important following the string of bank acquisitions, which revealed points of friction within lending workflows. This led to inefficiencies, with small business loans taking up to 20 days to process.

Mechanics Bank sought to optimize its workflows to be more efficient and consistent, including across its newly acquired lines of business.

To achieve this, Mechanics Bank chose to leverage Baker Hill NextGen®, a unified solution that streamlines loan origination and portfolio monitoring. Before the acquisition, Rabobank was already using Baker Hill's technology; however, Mechanics Bank decided to refine its lending workflows further with the Baker Hill NextGen® suite and the help of Baker Hill's advisory team.

### ► The Solution

To realize the full value of Baker Hill NextGen®, Mechanics Bank leaned on Baker Hill's expertise and identify ways to adapt their processes and make them easier with the latest technology.



# Mechanics Bank



**For Mechanics Bank, business is not about profits and losses—it's about people and mutually beneficial relationships, and we know that every decision we make affects our shareholders, customers and partners. As a client-centric bank, we often ask ourselves, 'How do we embed technology that serves to enhance our client experience?' For us, the answer was to dig into both our culture and our technology."**

**Tony Kallingal**

Executive Vice President  
and Chief Banking Officer  
Mechanics Bank

Today, Mechanics Bank is able to support faster loan decisioning through optimized credit approval processes, proactively monitor portfolio risk, grow and develop client relationships, manage referrals and more with a single platform.

Its lenders now spend less time manually entering data and more time prospecting and closing new deals. With Baker Hill as a partner, Mechanics Bank is positioned to deliver a world-class client experience every time.

► **The Results**

Since partnering with Baker Hill and revamping its lending processes, Mechanics Bank has dramatically increased its loan output. In 2022, Mechanics Bank closed the year with \$157 million in loan production with just nine lenders. Before consulting with Baker Hill, the bank was producing approximately \$50 million in loans with a group of 25 full-time lenders.

This is a production increase of more than 200 percent and is a direct result of the efficiencies gained with Baker Hill. Rather than spending hours in the office on time-consuming, manual tasks such as covenant tracking and tickler reporting, the bank's lenders can instead focus their efforts on supporting clients, identifying new sales opportunities and closing deals.

Additionally, Mechanics Bank enhanced the client experience by adapting its lending processes. Today, the entire lending process takes three to four business days to complete, resulting in faster decisions and faster access to funds for clients. Before, the process took up to 20 business days.

Tony Kallingal, Executive Vice President and Chief Banking Officer of Mechanics Bank, worked closely with Baker Hill from the beginning and is proud to see both the bank and its clients benefit from the partnership.

"Knowing we had to hold true to our clients' needs, we leaned into Baker Hill's team for expertise, and we've had the opportunity to build strong, profitable and long-term relationships with customers, all while lightening the manual workload for our lenders—a win-win. Baker Hill has been clearly invested in our bank's success from the first stages of integration, and they've truly been an ideal fintech partner in our bank's journey," says Kallingal.



Baker Hill is in the business of evolving loan origination by combining expertise in technology with expertise in banking. Built on decades of walking alongside banks and credit unions as they provide vital resources to their communities, Baker Hill NextGen® is a configurable, single platform SaaS solution for commercial, small business, consumer loan origination, and risk management that grows along with you as your business needs change. Baker Hill is lending evolved. For more information, visit [www.bakerhill.com](http://www.bakerhill.com).