

## **And, It's Gone!** by Charles B. Wendel

It's important that bankers understand how a significant portion of the world views them. Bankers and other corporate types spend a lot of time meeting with each other in conferences that often affirm their own perspectives and rejecting outside advice that they view as unaligned with preconceived notions. So, time to turn to the wisdom of South Park.

The clip accompanying this newsletter shows Stan waiting in line with his father at South Park Bank, a community bank. Originally broadcast in 2010, the clip has just reappeared on Twitter, reflecting the current investment environment.

Obviously, South Park plays for broad humor and is not a news show, but the banking industry and its bankers would be making a mistake by ignoring what it says and how it says it:

- The banker presented is automaton like and uncaring
- The customers appear unsophisticated and need advice
- The customers trust their banker and expect safety in giving him their money
- The bank is uncaring and once "it's gone" dismisses them

The incident portrays a problem with an investment rather than the safety of a CD, but, of course, banks now increasingly focus on investment products whether directly or through third parties. And, today, most all investors are unhappy, with some of that unhappiness leaking over to their relationship with the investment advisor and the bank.

In reality "and, it's gone" is seldom heard, except maybe for investors in NFTs. But advisors do tell clients that their poor results would have been much worse except for the investing prowess of the advisor. Not great comfort.

In my own case, my investment advisor sent out an email, not with abject apologies or reduced fees, but to proudly announce they had just hired an ESG investment specialist. He never responded to the multiple articles I sent him that critiqued the value and performance of ESG as investment criteria.

The banks we know do a great job of explaining investment risks in detail, but we also hear some client comments concerning lack of communication from their advisors, as if the advisors are hoping to avoid difficult conversations.

The South Park excerpt focuses on bad investment advice, not on the other critical service banks provide. But for some the negative view of banks and bankers cuts across all areas and services provided. And while broadcast over ten years ago, the suspicion that many feel toward banks remains and may have increased with greater reliance on technology over people.

The solution requires a culture of humanizing the bank by putting bankers forward and making the customer experience number one, rather than yet another failed consulting exercise run by staff. We know \$100+ Billion banks that do this and smaller banks that fail in doing so.

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