

“What Else is She Going to Do?”

by Charles Wendel

Tuesday’s *New York Times* features an article about Senator Dianne Feinstein. Basically, the article states that many colleagues question whether she is fit to fulfill her duties and shows increasing signs of Alzheimer’s disease.

To digress, it’s worth noting that a 2017 article about a local DC pharmacy mentioned that it was filling Alzheimer’s related prescription for Congress. To quote the article:

“Kim expressed concern over some of the serious health problems that members of Congress have because the diseases could severely limit their ability to serve in their elected positions.

‘It makes you kind of sit back and say, ‘Wow, they’re making the highest laws of the land and they might not even remember what happened yesterday.’”

In my experience, the banking industry does not have an Alzheimer’s problem. For sure, Fintechs do not. But the quote above that serves as this newsletter’s title is highly relevant to the banking industry. The article says that Feinstein sees no reason to resign and that her, now late, husband encouraged her to stay in office and even run again.

“Most lawmakers argue that the only people who can tell a senator it is time to retire are family members. But Ms. Feinstein’s husband, the [financier and Democratic megadonor Richard C. Blum](#), who passed away in February, shared his wife’s stubborn nature and unwillingness to consider an exit from the Senate. Last year, he was still telling friends she could run again in 2024.

When they would bring up questions about Ms. Feinstein’s ability to continue serving, he would shrug them off, according to two people who discussed the issue with him.

‘What else is she going to do?’ Mr. Blum would respond, they said.”

That question, “What else is she [he] going to do?” drives many bank executives and can be a real but undiscussed factor slowing down retirements and industry consolidation. This is where the BOD needs to step in. Rather than allow entropy to set in across the organization, it needs to ensure that an HR process cuts across all levels of the organization to identify those not contributing but still hanging on. This may be a bigger factor in community banks than larger institutions because of those institution’s paternalism. But smaller and mid-sized banks are least able to afford personnel who are not carrying their weight.

The leaders of the Senate have allowed California, a state of 40 million people, to have a senior representative who cannot fulfill all the requirements for the job. In effect this means that 40 million are being underserved. Banks have a smaller number of stakeholders but, now more than ever, each employee must contribute and view their job with enthusiasm and commitment.

Age is not the issue. If you think any employee, I matter their age, operates with the attitude “What else am I going to do?” he/she needs to be challenged to contribute or exited.

