

## SNAPPING THE TRAP ON MOBILITY

by [Steve Brown](#)

A new study by Websense finds 77% of 4,600 IT professionals surveyed said using mobile devices in the workplace is important to achieving business objectives. Yet, nearly the same percentage (76%), said doing so also puts their companies at risk. Further, about 65% said they were the most concerned with staff taking photos or videos in the workplace. Finally, respondents indicated some of the unacceptable behaviors seen in their companies included: employees downloading and using internet apps (44%); using personal email accounts (43%); and downloading confidential data onto USB devices (42%). Adding to the risk in our mobile society, 59% of these IT professions said employees at their companies had circumvented or disengaged security features on corporate and personal mobile devices. This is all interesting because it points to the risks that arise given our open and mobile society. Flexibility and mobility are great on the one hand, but on the other they can open community banks up to additional risks so care must be taken. Consider the customer side of things. Here, we find that research by iPay shows small business electronic bill pay volume between 2010 and 2011 jumped 40%. Additionally, Bank of America back in May reported it had broken through the 10mm customer mark on its mobile banking platform and was adding about 43k new active mobile customers per week. These two data points alone show just how fast customers are adapting and how important mobility in everything is becoming. Next, consider the employee side of this discussion. Here, we find that new research from Dell and Intel found companies that allow employees to have some say in the type of technology and mobile applications they use gained increased productivity. While these devices can also increase security risks, it is important to understand changes are happening nonetheless. To gain even more understanding, consider the results of a survey concluded just a few months ago by Sage. They talked to small business owners and found 84% felt mobile technology had a positive effect on their business and productivity. This was so much the case, that 78% said they used a mobile device to access work related information outside their office. Looking deeper into the data, these owners said they primarily used mobile devices to review and respond to email (96%), for contact and schedule management (77%), to view or edit documents (69%), to text message (64%) and for banking services (53%). Given all of this information, it is clear the time has come for community banks to get more mobile. If customers are comfortable reviewing and editing documents remotely, perhaps community bankers should send out and receive loan or deposit account information this way (securely of course). Doing so should help reduce costs, improve efficiencies and help the bank achieve faster customer acquisition. Or, perhaps community bank management should sit down with managers of each group within the bank and ask them what sort of technology they want to use and why. Understanding this could help boost morale, deliver additional productivity and drive better bottom line performance. Scattering around a few iPads, laptops or cell phones not only can improve business continuity planning, but encourage employees and managers to respond even faster. As we close our discussion, we leave you with a few final pieces of information the last survey we mentioned uncovered to keep you thinking. It found business owners using mobile devices mentioned in order laptops or notebooks (89%), smartphones (84%) and tablets (38%) as their primary tools to do so.

### BANK NEWS

#### 2Q Industry

The FDIC reports institutions earned net income of \$34.5B in 2Q, a 20.7% increase from the same period last year. Performance was driven in large part by lower loan loss provisions (down 15% YOY); lower noncurrent loans (-9.0% YOY); an improvement in past due loans (-18.4% YOY); and higher loan totals (up 2.7% YOY). By lending category (on a YOY and percentage change basis), sectors that saw the most growth included: C&I (+15.1%); farm loans (+11.0%); other (+8.0%); and single family residential (+2.4%). Meanwhile, sectors that declined YOY include: construction (-20.8%); home equity (-5.7%); CRE (-0.2%); and credit cards (-0.6%).

### **Jobs Picture**

Research by PayScale and Millennial Branding finds millennials (those 18 to 30Ys old) will leave their present employer after only 2Ys. Meanwhile, Gen X (31 to 49Ys old) stay 5Ys and Baby Boomers (49 to 66Ys old) stay 7Ys.

### **Competition**

Following larger competitors like Wells Fargo, JP Morgan and Bank of America, SunTrust announced a mobile banking smartphone app that will allow customers to make mobile deposits by taking pictures of checks.

### **Google Wallet**

Google is taking steps to allow people that use its Google Wallet service to store anything found in your normal wallet (including money, boarding passes, identification, gift cards, travel itineraries, concert tickets and more). The move comes as a direct response to increased competition from Apple on its Passbook service.

### **Powerful System**

Research by a former IT Director at the Fed, finds the Federal Reserve processes an estimated 19% of all non-cash payments, 35% of all commercial checks and about 58% of all ACH items.

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