

All Webbed Together

by [Steve Brown](#)

With autumn weather, it's getting colder at night and animals are looking for shelter. Skunk families move in under the garden shed, raccoons set up household in the attic and black widow spiders settle into the firewood pile. The resourceful weekend warrior moves the wood pile to the porch in preparation for cozy evening blazes, and in doing so, puts a hand through the web of the black widow, resulting in a nasty bite. Black widows aren't particularly aggressive, except at mating-time where the female typically devours the male. It is the basis of the common name of the spider and not a good tactic for longer-term relationships, but one that has apparently helped the survival odds of the species. They do put up large haphazard webs in the hopes of catching unsuspecting insects that blunder into the tangled strands, but not with the objective of snaring the unsuspecting human doing seasonal chores.

Banks are getting webbed together as well and not just with web-based customer interfaces like online banking or social media. The web conference is growing in popularity at banks as a means of more efficient internal communication.

Webinars came into popularity first with sales organizations covering widely distributed territories. They offered an efficient vehicle for demonstrations of products or training. These types of conferences were generally multicast communications with information originating with one person, who showed a presentation or demonstration to a number of listeners. They came to replace conference calls with the added pizzazz of PowerPoint presentations.

As webinar software has improved, it has become possible to have collaborative use of whiteboards and pass control among users, utilize screen sharing and shift remote desktop control between all participants. Webinars are also used for remote IT functions like installation of software. Web conferencing providers offer a wide array of options - live video conferencing, as well as audio for smaller groups, web chat for larger ones, plus the ability to control who can join.

Banks with widely dispersed teams led the way in using web conferencing tools for internal communication. That said, even if your bank's personnel are dispersed around a small town and travel time is not a big factor, having web-based staff meetings may cause less disruption of staffing. Many banks are also expanding geographically, especially with mergers and acquisitions so good communications are important.

In addition to efficiency and convenience, web conferencing allows groups to meet more frequently for a shorter time. Shorter agendas have been shown to promote better communication and a higher level of concentration from meeting attendees.

It is possible to give the idea a test drive if your bank hasn't yet moved in this direction. Two of the main providers, Cisco's WebEx and Citrix's GoToMeeting offer free trials. Both have applications for mobile devices as well so you have multiple choices you can tinker with to find your stride.

We would always say there is no substitute for a face to face meeting for important communications, but web conferencing can streamline internal communications and it does have a place in customer communication at times. Having widely distributed colleagues and customers does not mean

communication needs to diminish. At this time of year as you weave productive webs throughout your bank for better communication, remember to always wear gloves when moving the woodpile.

BANK NEWS

Legal Troubles

Bank of America said it could face charges from the DOJ for up to \$5.1B more than it currently has set aside related to the sale of residential mortgage securities (related to Countrywide).

Unbalanced M&A

A Sheshunoff survey of community banks finds close to 72% have talked about buying another bank in the past year vs. 13% who talked about selling.

Industry Impact

Reuters reports banks globally have incurred about \$120B worth of fees, fines and costs related to the crisis and the number continues to rise.

Revenue Growth

A KPMG study finds community bank executives believe the top revenue growth drivers in the next few years will be driven by wealth management (40%), cross selling services (30%) and business model restricting (23%).

Risk Management

A Forbes Insights study of 300 major companies worldwide finds 81% now explicitly manage strategic risk. This same group indicates reputation risk is now the biggest risk concern.

Rewards Programs

An Aite survey finds rewards programs drive 85% of all U.S. credit card spending.

Key Initiatives

A KPMG study finds the main initiatives community bank executives are working on right now include navigating significant regulatory changes (27%), improving operational processes and technology (15%), cutting costs (12%), changing the business model (12%) and investing in organic growth (10%).

Municipal Risk

The following states do not allow municipalities to file Chapter 9 bankruptcy GA, IL, ME, MS and SD.

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