Wonderful life or strange world?

You couldn’t have scripted a starker contrast than two presentations at ABA’s National Conference for Community Bankers last month.

In his keynote address, Bill Grant, CEO of First United Bank & Trust, Oakland, Md., and chairman of ABA’s Community Bankers Council, used the classic 1940s movie, It’s a Wonderful Life, to deliver a message that character, courage, and service are as fundamental as ever to what community banking is all about.

Just as in the movie, where George Bailey (James Stewart), president of the Bailey Building & Loan, learns how he has made a big difference in many people’s lives—though he thought he had been a failure—Grant pointed out that real-life community bankers make a difference as well. “Don’t let anybody tell you differently,” he said.

Grant’s speech clearly resonated with the community bankers. But at the same conference, author Scott Klososky, a self-described “technology architect” who has worked for banks, gave what amounted to a wake-up call to the nearly 500 bankers in attendance. For many of them, Klososky’s presentation may have seemed like stepping into an alien world, despite the fact that just about everyone carried a mobile phone (and many had tablets). The changes sweeping through business and society as a result of “frictionless communication” and a “recommendation economy” facilitated by the internet and the digital revolution cannot be ignored, said Klososky. Witness Kodak, Blockbuster, and Sony. (The first two are in bankruptcy; the latter lost the personal music business to a computer company—Apple.) They all saw what was coming, said Klososky, but failed to act.

He went on to mention websites like Honestly.com, where employees, customers, or anyone can rate you. He also described some of the many tools that use “crowd sourcing.” One is logotournament.com, in which you can tap the talent of millions of people around the globe to create a logo for you for $275 versus paying a design firm $5,000. It’s transformative. And it’s disruptive, especially if you’re a design firm.

Some bankers may react by saying, “That’s not us—we’ll stick with what we know.” Others may know that they need to change, but aren’t sure how, or how much.

Will traditional banks survive in the new digital world? The business will continue to evolve, for certain, in ways we may not yet grasp. Adaptability will be a very valuable attribute, as it must always have been in periods of wrenching change. The Industrial Revolution resulted in winners and losers in business and sometimes whole nations.

Through all such change, however, the attributes of character described by Bill Grant do not hinder adaptation. Often they facilitate it. (It can take courage to take a business in an entirely different direction.)

Thankfully, core principles of service, trust, and integrity, among others, never need to be sacrificed to the god of change. But at the same time, nothing ever stands still. And so neither can we, nor the organizations we lead or work for. • n