



THOUGHT LEADERS

BANKING LEADERS ADAPT QUICKLY TO CHANGING WORLD

Programs and processes to be gradually rolled out were fast-tracked and are now stalwarts of the financial industry

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The entire world changed in March 2020. For banks, it meant a consecutive series of decisions made at breakneck speed.

Just as fast as firms settled into doing business within the economic context of Covid-19, conditions changed again.

As business activity roars back to life, the questions now involve inflation, the supply chain and the labor market.

A collection of Buffalo-based banking leaders joined Business First on June 17 for the latest Thought Leaders roundtable discussion hosted by Hodgson Russ LLP law firm. Hodgson Russ partner Christofer Fattey and associate Andrea Gervais joined the discussion.

Panelists said they are supporting clients who are trying to find their way through the contradictory dynamics of a world that is recovering at different speeds. For instance, people are filling up restaurants and hotels once again, but those businesses are struggling to fill open positions.

“Everybody wants to get out, but the labor market is so tight they can’t find people to come into work,” Anthony Delmonte Jr., BankonBuffalo market executive. “Those are all changes that, as a community bank that is close to management, we can help them through. We see it as an opportunity to differentiate ourselves in the market.”

Shelley Drake, president of M&T Bank’s Western New York region and its Charitable Foundation, said the bank is seeing its portfolio of



“The investment in digital has been ongoing at Northwest, but the pandemic just pushed it even faster as our customers demanded it and needed it to move forward. There’s really no going back from that. As customers got used to digital, they became used to doing things quicker, faster and easier. We need to continue to move with that.”

RICHARD HAMISTER, New York region president, Northwest Bank



“At Bank on Buffalo we’re very focused on manufacturing or CNI lending and despite the pandemic, most of our manufacturers had really good years in 2020. That has continued into 2021. The challenge for them and for us is to help them with the things we’re all hearing about now (such as inventory and supply chain issues). As a bank, we have to figure out a way to get comfortable with that and to help our customers get through this.”

ANTHONY DELMONTE JR., market executive, BankonBuffalo



“One of our challenges in Western New York is also a tremendous opportunity for M&T and for our community, and that is to grow our technology workforce. We are actively recruiting technologists who are from here and from other parts of the country, and we’re also working to develop our own technology talent through new programs that are geared toward people with little to no technology experience.”

SHELLEY DRAKE, Western New York president, M&T Bank

▶ HODGSON’S TAKE

“It was a very challenging year for lawyers, particularly early. As these programs were developing, whether it was the PPP, the constantly developing employment and labor law issues, a landlord-tenant dispute, you’d literally read the proposed or new law at night and then spend all day talking to clients about a law that hadn’t passed yet.”

CHRISTOFER FATTEY, partner, Hodgson Russ LLP



WITH ANTHONY DELMONTE JR., SHELLEY DRAKE, RICHARD HAMISTER, TED JANICKI, KEVIN QUINN, KENNETH PAWLAK AND TED SMITH



“We’ve realized that we have to do business where our clients want us to do business, and that may not be in branches anymore. We expect branch activity to be down going forward as people embrace technology still.”

TED SMITH, Upstate New York region president, Citizens Bank



“The branch of the future will be a more automated experience for customers. We’ll still have that personal touch, as a community bank like Five Star is, we’re still advancing with that face-to-face interaction. But also supplementing that with automation to drive further efficiencies into the process.”

KEVIN QUINN, chief commercial banking officer, Five Star Bank



“What we’re seeing as a big opportunity coming out of the pandemic is that people have a much bigger desire to meet with banks. They want to talk to us. They’re asking, ‘How do I restructure my debt? How do I buy a home? How do I invest this extra cash? I need expertise and advice to do those things, and we think in having that conversation we can provide substantial value to our clients.’”

TED JANICKI, Buffalo market president, Bank of America



“When you talk about what we learned from this, we learned that we can do things much quicker than in previous years we thought we could. Something like DocuSign was on the docket for 2021 and all sorts of preparations were being made for it. We set up DocuSign in four weeks because we had to. So now that becomes the standard for everything we do going forward when it comes to technology.”

KENNETH PAWLAK, chief commercial banking officer, Evans Bank

businesses gain confidence and invest again into their businesses. That optimism is indeed running into new challenges, causing tremendous stress in some cases. The bank’s role as a lender and a financial consultant is to help them through that.

“Buffalo will be positioned to bounce back and build an economy which is even stronger than what we had before, and that’s good for all of us,” she said.

Richard Hamister, president of Northwest Bank’s New York region, said that most business clients actually fared well during the pandemic, with the exception of those in the hardest hit industries. Now they are positioned to take advantage of low interest rates, market liquidity and pent-up consumer demand. In the face of inflation, supply chain issues and talent shortages, he said he is betting on the resiliency of the American economy.

“There are so many unprecedented things going on all at once, but I’m a believer in the ingenuity and the resourcefulness of the small business environment in this country,” he said. “The business community proves it time after time.”

Ted Janicki, Bank of America’s Buffalo market president, echoed that sentiment. National metrics reflect general optimism in America’s small business community. As banks have become conduits for everything from stimulus programs to grants to business lending, he said clients are now taking more initiative in connecting with financial institutions.

“There’s a much more proactive approach from businesses small and large to meet with banks,” Janicki said. “Our biggest opportunity here is to direct and advise folks on the best available solutions that they want for their businesses.”

Kenneth Pawlak, chief commercial banking officer at Evans Bank, also said that he saw banks and clients forge closer relationships during the pandemic. At one point,

Evans decided it was going to call every single customer to check on their well-being. They allotted an average time to the endeavor but it took twice as long – people wanted to talk.

“We found that our customers wanted to talk and they appreciated the fact that their banker was reaching out to them,” Pawlak said. “It wasn’t that the bankers had any answers at that point – they didn’t. They just wanted someone to talk to and I think we all did that.”

The economy these days can seem like an endless series of headlong transformations. The successful banker helps his business clients take a step back, said Kevin Quinn, chief commercial banking officer at Five Star Bank.

“You’ve got to be patient with your client base, work with them and continue to understand what solutions they’re trying to put in place,” Quinn said. “Then you have to challenge those solutions to make sure they’re looking at things the right way and make sure that we, as banks, are not putting ourselves in unnecessary exposure positions.”

Quinn added that the continued strength of the Buffalo region manufacturing base, the momentum in its startup community and the “green shoots” that emerged in the late winter and spring are “going to create exciting opportunities for all of us.”

Citizens Bank spent the past 15 months mostly looking after its existing clientele, said Ted Smith, the firm’s Upstate New York region president. Now it’s time to get back in front of business prospects, especially in the mergers and acquisitions field, where Baby Boomers who own businesses are asking themselves how much longer they want to hold on.

“We’re getting out of the office and into people’s homes,” he said. “We’re getting in front of the accountants and lawyers and prospects who maybe two to three months ago didn’t want to see it.”



“There was a lot of trepidation at the beginning of the pandemic, especially in commercial leasing and questions about whether companies would continue to need all this space, especially in downtown Buffalo. I think that has now shifted to seeing that need remain and, with the hybrid workforce model, companies are seeing the ability to hire even more workers in their normal footprint.”

ANDREA GERVAIS, associate, Hodgson Russ LLP

► CLOSER LOOK AT THOUGHT LEADERS

Thought Leaders is an ongoing series of discussions with Western New York business leaders and attorneys at Hodgson Russ LLP.

Ten times a year, leaders in diverse industries meet for a roundtable discussion moderated by Business First journalists. The conversations are usually held in the law firm’s Pearl Street offices in Buffalo, but have shifted to a virtual format during the Covid-19 crisis.