

# How COVID-19 is Shaping the Future of Retail Banking

Tuesday, May 12, 2020 | 8 a.m. PT

In this webinar, experts addressed the challenges of navigating a crisis that is accelerating and changing trends in the retail banking industry. They discussed how the federal government is relying on banks to be the primary source of applications for the CARES Act Paycheck Protection Program (PPP). In the global financial crisis of 2008-2009, banks were part of the problem; now, they are part of the solution.

Webinar panelists included:

- **Michael Piwowar (Moderator)**, Executive Director, Center for Financial Markets, Milken Institute
- **Mary Mack**, Senior Executive Vice President and CEO of Consumer & Small Business Banking, Wells Fargo & Company
- **Daniel Sheehan**, Chairman and CEO, Professional Holding Corp and Professional Bank
- **Chris Zingo**, Executive Vice President and General Manager of the Americas, Finastra

Panelists touched on the following:

- Piwowar touched on the research and programs of the [Milken Institute's Center for Financial Markets](#), and how CFM is Working with policymakers to set forth proposals to develop a stronger economy to withstand future pandemics.
- Mack reviewed the ways that Wells Fargo prepared for and responded to the pandemic by understanding their customers' needs, and the need for closing physical bank branches while also providing face-to-face interaction via drive-through windows or in-person appointments behind glass. Mobile deposits have increased by 80 percent year over year, so much of the customer base has become accustomed to virtual banking. Wells Fargo's home lending business is now doing virtual closings and appointments as well. Mack talked about the ways Wells Fargo has been a leader in processing PPP applications and how their organization is working with their customers on loan forgiveness during these difficult times.
- Sheehan noted the quick response needed in regards to PPP, and how Professional adapted to much higher volume by involving new digital channels. His teams are understanding the positives of remote work, but they are tailoring work to keep on-site branch services safe. Professional is using mobile deposits and started educating clients on a payment app about six months ago. Sheehan also cited that Professional works closely with a banking group in Mongolia, where 38 percent of their client base already uses a digital banking platform. They figured out how to tap into new markets through digital channels much better than many banks in the US.
- Zingo spoke to the immediate measures that Finastra took in March in response to COVID-19—this included quickly getting their employees set up to work from home and utilizing virtual collaboration tools. Finastra continuously tests its global continuity plan, which includes a global

disaster plan, so they were able to handle the outbreak efficiently. Zingo brought up that the Small Business Administration shed light on the inefficiencies of traditional banking. He also covered the ways Finastra is helping more lenders participate in PPP.

- The panelists all covered the importance of cybersecurity in these times and how their organizations are utilizing security measures to avoid risk. For both Wells Fargo and Professional Bank, a big part of their role is to educate customers on security risks, as education is one of the best defenses against cyber attacks in the banking sector. To Finastra, there is a public perception that anything on the cloud can be hacked, but when people get more information on the cloud, people realize the power of the cloud in protecting customer data. Speakers also shared their favorite stories about the ways they've been able to help their clients in a meaningful way, or how they see digital vs. non-digital banking platforms progressing in the next three to five years. Mack talked about Wells Fargo's setting aside of customers' negative account balances so when they received their stimulus checks, they would be able to use the money for things other than paying back their overdrawn balances. According to Zingo, the brick and mortar world has been reset, and behavior will change with the penetration of digital platforms across all industries. The focus will be on keeping people safe as new work guidelines are developed and we continue to rely on digital changes. Sheehan predicts that there will be fewer and fewer physical branches, and noted that it's the banks that integrate both human and digital aspects effectively that will last the longest in the long-term.

If you would like to listen to recordings of this webinar and the rest of the Milken Institute's COVID-19 conference call series, please visit our [website](#).