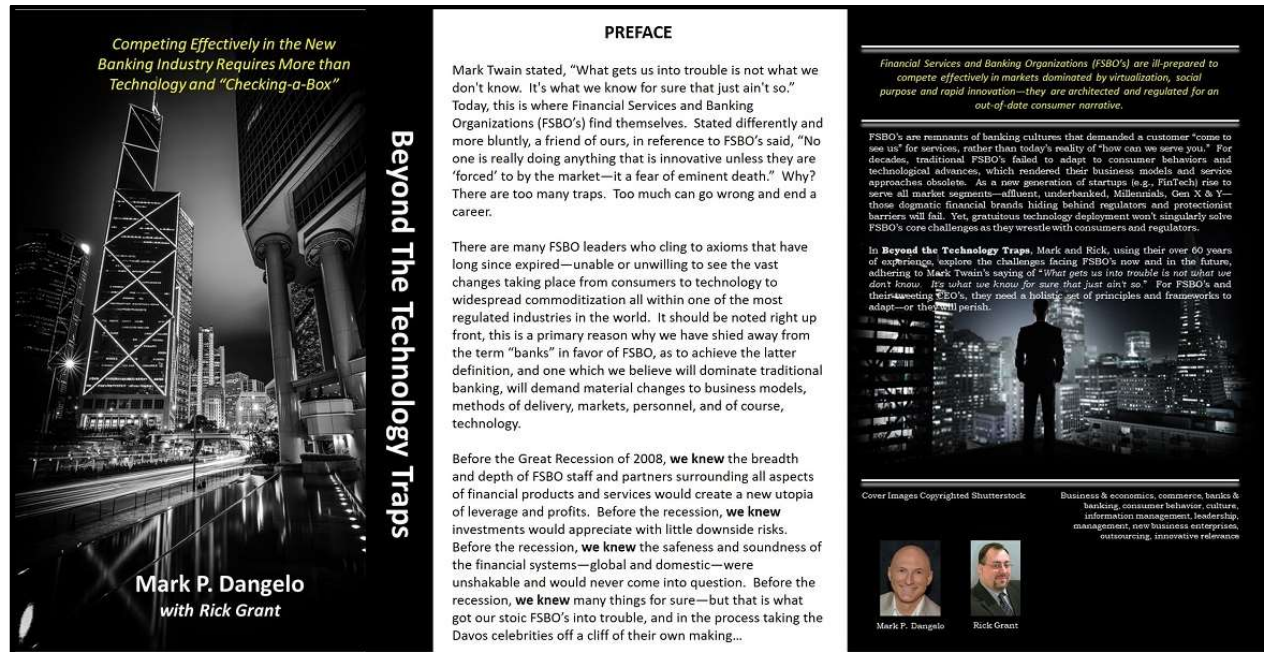


Beyond the Technology Traps

Questions & Answers



Q: What was the inspiration for the book? A theme you chose early on to guide in its creation?

A: Mark Twain stated, "**What gets us into trouble is not what we don't know. It's what we know for sure that just ain't so.**" Today, this is where Financial Services and Banking Organizations (FSBO's) find themselves. Stated differently and more bluntly, a friend of ours, in reference to FSBO's said, "No one is really doing anything that is innovative unless they are 'forced' to by the market—it a fear of eminent death." Why? There are too many traps. Too much can go wrong and end a career.

Q: What do you see the readers taking away from the book given the success achieved during the last five years within FSBO's?

A: There are many FSBO leaders who cling to axioms that have long since expired—unable or unwilling to see the vast changes taking place from consumers to technology to widespread commoditization all within one of the most regulated industries in the world. It should be noted right up front, this is a primary reason why we have shied away from the term "banks" in favor of FSBO, as to achieve the latter definition, and one which we believe will dominate traditional banking, will demand material changes to business models, methods of delivery, markets, personnel, and of course, technology.

Before the Great Recession of 2008, **we knew** the breadth and depth of FSBO staff and partners surrounding all aspects of financial products and services would create a new utopia of leverage and profits. Before the recession, **we knew** investments would appreciate with little downside risks. Before the recession, **we knew** the safeness and soundness of the financial systems—global and domestic—were unshakable and would never come into question. Before the recession, **we knew** many things for sure—but that is what got our stoic FSBO's into trouble, and in the process taking the Davos celebrities off a cliff of their own making.

Q: With so many books created every year, why do you think *Beyond the Technology Traps* will offer something unique?

A: As mentioned, it was a revisiting of this popular Mark Twain (i.e., Samuel Langhorne Clemens) quote that ushered in the spark for this book, and became its theme for looking at FSBO's and their operations in a world that was no longer of their design. For you see, their design (and operating beliefs) changed little from the mid-1960's even with progressive adjustments in technology, processes and regulations. What was substantially missed was the consumer changes and attitudes toward FSBO's especially as empowerment in purchasing, social interactions and brand voice rose beyond the brick and mortar of the once valued branch.

When this book was just a series of collaborative emails and texts between two people, the idea that an iterative book series could be created about changing FSBO business models seemed at best, far-fetched. Many said, even a few individuals in their 80's, that non-fictional textbooks are dead—passed into history like Myspace, the flip phone, Invader Zim, and a single purpose mobile app. In short, it was something no one would ever read.

Q: What were you fearful of when creating a business and leadership book that may run counter to accepted methods of operations for FSBO's?

A: It appeared, when we started this effort with a Tweeting POTUS in the Oval Office, our success at creating a concise, easy read, deep-dive set of constructive analysis and potential high-level recommendations for FSBO's was not advisable. We noted that there were vast numbers of daily articles, short bursts, and non-vetted blogs that filled content needs at the push of a button or a voice request (and now 2-way video) via Alexa.

However, when dealing with highly complex and uncertain regulations along with an evolving customer base, which consistently ranks FSBO's at the bottom when compared to other industries, we asked the obvious question, "Why are FSBO's, nearly a decade after the Great Recession, not resonating with any of the generational demographics below the aging Baby Boomers?" Indeed, research to answer this subject yielded many more questions surrounding market disintermediation, commoditization of offerings, regulatory challenges, digitization complexity, personnel and operating structures and additional topics summarized in the following Introduction.

Q: It has been said that this book "almost wasn't" written? How is you finally end up with a book you felt compelled to publish?

A: We also constructed the content of this book in a collaborative and iterative process—we wrote only after reviewing numerous topical questions, orchestrated and taped conversations, and finally developed visual diagrams and tables to wrap complex points into understandable concepts.

What resulted at the end of this atypical build process was a tightly coupled starting point for a book, which reflects our nearly 60 years of "operating without a net." You will find the general text conversational, as if two industry personnel were having a working lunch trying to determine what's next, why is our current state waning, where are the opportunities, and what should we be doing to prepare ourselves and the enterprises for which we work?

Q: Tell us a little about the content of the book? How is it constructed?

A: Additionally, this book was not designed to be another War and Peace—we worked to create less than 80,000 words. Whereas, many business books create deep dives into topics

ranging from the use of cloud computing to settlements to organizational processes, we chose to construct this conversational artifact (which is how we wrote it as a P2P dialogue) to be broad and cohesive. The reason was simple—too often writers and researchers concentrate on details without ever framing the drivers and wide-ranging changes taking place across FSBO's.

This is not to say that we don't provide solutions, or at the very least, the next steps FSBO's must take if they hope to evolve and meet the needs of this new market. We take stock of the situation along many operational lines in the first half of the book, and then look for solutions to the identified problems in the second.

And for those readers who crave more, and to demonstrate that what we are saying has efficacy for the emerging FSBO's beyond the traditional B&M (brick and mortar), we have made use of "call-out" boxes throughout the chapters to reinforce our points, offer a different perspective, or to provide "A Deeper Dive" into a supporting theme. These callouts can be skipped for a less involved and faster reading of the text, but we feel they offer the best opportunity to touch on the more complex and necessary challenges that organizations will be required to undertake.

Q: Is this book just about technology?

A: It's worth noting, that while many business, economic and strategy books dive right into the need for technology to transform or morph a FSBO, we believe that these taxonomies of discrete solutions are just a means to an end. This book is not singularly about technology or the next "killer app" that will make your institution "the best". There are enough of those to start a library like self-help themes or diet books. This book is not about the latest fads—it is a holistic and lasting series of principles and frameworks that cut across today's innovations allowing for continual adaptation rather than a flash-in-the-pan or advocating a technology trap.

Q: Do you discuss solutions?

A: Throughout the entire book and there are action items at the end of each chapter. There are many a failed institution or initiative that have superior technological innovations and market facing benefits—but they failed for lack of an understanding how they served the business, and not how the business served them. It's not to say we don't discuss these topics in callout boxes or in the main text itself, but these popular themes—cloud delivery, machine learning, distributed ledgerⁱ, cryptocurrencies, and even predatory FSBO's (i.e., FinTech)—are not the answer, they are part of the solution, not an end state to be reached and a box checked off.

Q: Do you provide actionable steps that can be incorporated for individuals seeking change within their enterprises?

A: Yes, at the end of each of the ten chapters, you will find suggested priorities or challenges that most FSBO's should consider—think of it as important take-aways. Each of the illustrative priorities, ranked from one to three, are addressed using the "four-V's" mentioned in the introduction and referenced throughout the chapters. A more complete discussion of the four-V's can be found in **Appendix B**. Like the call-out boxes, these lists are provided for those seeking a path-forward and potential scope boundary for various programs-of-work.

Q: Is this a real-world series of transformational improvements?

A: Yes. By providing a stake-in-the-ground with this book, we set a holistic framework through which FSBO's can respond to the marketplace revolution brought forth by regulations, FinTech, private secondary markets, and younger consumer segments more focused on social

responsibility than profits or brands. After having spent our entire careers in FSBO technology, c-level management, and back-office environments, we recognize the need moving forward beyond the technology utopias envisioned by architects and solution providers into a world that will be highly transitory especially when it comes to consumer technology.

Q: We understand that your provided cartoons within the publication?

A: To promote a little bit of levity, each section will be preceded with a cartoon about the contents to follow. After all, if we can't jest about our challenges we just might succumb to the massive amount of movement taking place through all channels of provisioning and delivery. As this initial scene portrays, it will take considerable deliberations and hard work to achieve our strategy shifts as, we are sorry to say, we don't live in a magical world.

Q: Is this a prescription for the individuals to follow?

A: No. As mentioned it is a framework for readers seeking directions, not all the answers are in this discussion—no matter how much we edit and expand the text. We have provided the foundations and frameworks to move forward, while avoiding common traps, but the totality of and complexity of the FSBO world is vast, and no single prescription will cure all ills.

Q: When was the last time the two of you collaborated?

A: It has been a decade since your authors last collaborated. We trust it won't be another before we create the next installment.
