Bikur Cholim Chesed Organization Partners With Investors Bank

Shmuel Lenchevsky

L-R: Sruly Rothstein, Investors Bank; Duvi Honig, Parnassah Expo; Manhattan Borough President Scott Stringer; Domenick Cama, COO,Investors Bank; Paul Kalamaras, Investors Bank; Rabbi Avi Fishof, CEO, Bikur Cholim; Roni Shoyfer, Boro Park Branch Manager, Investors Bank; Kevin Cummings, President and CEO, Investors Bank; Councilmember Mark Weprin; Ezra Friedlander, CEO, The Friedlander Group.

Shmuel Lenchevsky

Councilman Brad Lander with Kevin Cummings, President and CEO, Investors Bank.

By Ezra Friedlander, CEO, The Friedlander Group

Community leaders and elected officials came together to celebrate the partnership between the Bikur Cholim Chesed Organization and Investors Bank. The celebration attracted prominent elected officials, including Brooklyn Borough President Marty Markowitz; Manhattan Borough President Scott Stringer, and Council members Brad Lander, Mark Weprin and Jumaane Williams, who were all warmly welcomed by Bikur Cholim CEO Rabbi Avi Fishof.

Investors Bank has established a presence in various Jewish communities by providing a stellar array of banking services. Such services once defined traditional banking, but over the years they have been overtaken by an impersonal once-size-fits-all banking experience that has resulted in disappointed consumers and communities.

In an era of government cutbacks and shrinking budgets, not-for-profit organizations need to be innovative in their approach to raising capital, constantly seeking out new sources of funding. Hence the partnership between Bikur Cholim Chesed Organization and Investors Bank, which heralds a new era of philanthropic engagement.

Bikur Cholim Chesed Organization–Guardians of the Sick is devoted to easing the burden of the less fortunate in our community. Patients in need of financial assistance, dysfunctional families, disadvantaged children, the elderly, and those requiring medical equipment all receive assistance with compassion and understanding. Through its many programs, Bikur Cholim Chesed Organization strengthens the fabric of life in our community.

"I would like to express our deepest appreciation to Investors Bank and to its president and CEO, Kevin Cummings, for creating a corporate philosophy that values partnership with community-based organizations that provide a social safety net," said Avi Fishof, CEO of Bikur Cholim.

In response, Mr. Cummings reiterated his belief in the vibrancy of the Jewish community and pledged further support of community-based organizations.

The reception was coordinated by The Friedlander Group.

Business News

Chastened Banks Cut Tens of Thousands of Jobs

NEW YORK (AP) – Banks aren't the big jobs machines they used to be.

One after another, major financial firms are trimming their payrolls. In first-quarter earnings announcements this month, Bank of America, Citigroup, JPMorgan Chase, Goldman Sachs and Morgan Stanley revealed that they have slashed more than 31,000 jobs, or 3.5 percent of their combined workforce, in the past year. For three of those banks, it was the second straight year of cutbacks. And the pattern is being repeated at banks around the world.

Layoffs in the depths of the financial crisis were to be expected. But four years later, and at a time when many banks are reporting higher or even record earnings, the cuts are unsettling to an entire industry.

The losses are an unwelcome reminder of the meltdown and its lingering effects. A slow, halting recovery has kept loan demand in check. Low interest rates are crimping profits from lending. New regulations have extinguished old sources of revenue, and compliance is expensive. The cuts also reflect advances in technology that have made bank tellers more expendable.

Steven Mann, chairman of the finance department at the University of South Carolina's Moore School of Business, says many of his students have given up on banking jobs.

"In 2005, 2006, 2007, I'd ask, 'Do you want to go work at a bank?' and the answer was always yes," he says. "Now the answer is no one. They want to be in the treasury department of General Electric."

The industry's rhythm now veers more toward cost cutting than freewheeling. Those higher earnings? They're not because business is gangbusters. They're because banks have been forced to make do with less.

Citigroup's new CEO Mike Corbat, hired to turn around a bank that has struggled since the financial crisis and beforehand, says that examining costs and improving efficiency should be "business as usual" and "not just an annual event."

What makes the situation especially harsh is that there were signs in 2010 and 2011 that banks would start hiring more people. Banks added about 45,600 positions in the U.S. in 2010 and 2011 combined, according to data from the Federal Deposit Insurance Corp. In the previous two years, they shed more than three times that many jobs.

Then last year, job growth was essentially flat. Some observers worry that the turnaround won't ever happen. The industry's total U.S. workforce of 2.1 million is 105,000 less than it was at its peak in 2007.

AP Photo/Andres Kudacki

A sticker reading "No dismissals in Barclays" is seen, as a man stands on the escalator during a demonstration against the dismissal of 1,100 workers announced by Barclays Bank in Madrid, Spain, on Wednesday, April 24.

It's a far different mood from the pre-crisis years that were fueled by risky trading and complicated investments that eventually backfired. In 2004, 2005 and 2006, banks added more than 50,000 jobs per year.

Now Citigroup is cutting back in lower-growth countries, like Greece and Spain. Germany's Commerzbank and others are laying off branch workers as customers gravitate toward online banking. Barclays is exiting businesses with "reputational risks" after some of its bankers were caught manipulating global interest rates.

Even JPMorgan, generally considered one of the nation's strongest banks, is retrenching. It will cut a net of 17,000 positions, or 6.5 percent of its staff, over the next two years, mostly in the unit that deals with troubled mortgages.

Banks have always cut and added jobs to navigate the varying fortunes of the economy. So it's difficult to discern whether the industry is permanently shrinking, or if this is just a temporary downward move in a cycle that will turn around again.

"It's just hard to know how things will shake out," says Phillip Swagel, a Treasury official in the Bush administration who now teaches economics at the University of Maryland.

To be sure, there are places where the banks are expanding. Wealth management is a hot area because it can provide a steady source of income, based mostly on fees, rather than the spectacular gains — and losses — of trading. Banks are also rushing to hire compliance workers, to help ensure they're in line with stricter regulations that came out of the financial crisis.

"There are three or four federal regulatory bodies that could walk into a bank store at any moment," says Marc Hutto, founder of recruitment firm Reveal Global Intelligence in Charlotte, N.C. "Banks are hiring as fast as they can for these audit and compliance roles."

Among the Recent Announcements:

• **Cutting Costs**: Bank of America has been trimming staff under a program announced in 2011 called "Project New BAC," which includes slashing 30,000 jobs, or 10 percent of its workforce. Morgan Stanley has been trimming jobs under its "Office of Re-engineering." The latest round in January homed in on investment banking and senior-ranking workers, with the bank slashing 1,600 jobs, or nearly 3 percent of the workforce.

• **Slimming Down:** Switzerland's UBS has been cutting jobs and saying it wants to create a simpler bank, which includes getting rid of "excess management layers." In investment banking, it has shaken up the top ranks and exited businesses "that have been rendered uneconomical by changes in regulation and market developments."

• **Under New Management:** In December, less than two months after Corbat took over as CEO, Citigroup announced it would cut 11,000 jobs, or about 4 percent of its total. The bulk comes from consumer banking, but the investment bank and operations and technology have also been hit. Corbat likes to say that the bank will be a "maniacal allocator of resources."

• **Mortgages Improving**: As mortgage losses stabilize, Bank of America and JPMorgan Chase have slashed the units that service troubled home loans.

• **Replacing Tellers:** Most big banks are cutting branches because they're expensive to maintain and customers don't visit as often. For the branches that remain, new technology is making human tellers less necessary, with machines counting cash and ATMs dispensing exact change.