

Accelerating Through the Corners



11 Ways Financial Institutions Can Find the Perfect Balance Between Risk and Reward

By **Nymbus**

Motorcycle racing is a delicate dance between acceleration and braking. Slamming the breaks too quickly could mean a disastrous skid. Hit the front brake too hard? You may find yourself flipping over the handlebars.

Racing also requires that riders develop an almost innate awareness of lean angles when entering a curve. Tiny steering adjustments can mean the difference between exploiting their machines' limits or losing traction.

To race on a powerful 1000 cc super bike, you need a steady hand, excellent judgement, and a willingness to take some risk.

It's not all that much different from running a company; you are constantly balancing risk with reward. At least that's what Jeffery Kendall, Chairman and CEO of **Nymbus**, believes. Kendall's passion — when he's not working or spending as much time as possible with his wife, two children, two cats and a dog — is racing Ducati Motorcycles. He's always loved anything with two wheels but has a particular soft spot for Italian bikes. Ducati combines the best of Italian styling with aerodynamics and performance.

Kendall joined Nymbus as CEO in September 2020. Prior to Nymbus, Kendall was executive vice president of North America Sales for **Temenos** and executive vice president and general manager, **Kony**.

Nymbus was firmly in its adolescence and struggling with scale when Kendall came on board. "As a startup with no revenue, you have to claw your way to get your first customers," says Kendall. "But at some point, you have to scale. What you did early on may not be what you need to do to get to the next level."

Since Kendall took the reins, Nymbus' staff base has grown from 150 to more than 450 associates. Kendall's focus has been to expand

Nymbus CEO Jeffery Kendall

Whether motorcycle racing or running a bank technology company, Nymbus CEO Jeffery Kendall **strikes the right balance between risk and reward.**



More opportunity in a messy situation

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Jeffery Kendall
CEO at Nymbus

Multiple research studies have concluded that diverse companies perform better, but for Kendall, this isn't about revenue or performance metrics. Diversity and inclusion is the right thing to do, no matter how much it costs or how long it takes. "You can say diversity is important because it impacts the bottom line, but what if it doesn't? Would you still do it?" he ponders.

7. Serve as a Catalyst for Change

Kendall says that Nymbus brings accountability to its relationships with banks and credit unions and has confidence the tech company can deliver what they promise. "We structure our contracts to align with our customers' objectives, whether its growing deposit base, increasing non-interest revenues, or increasing brand presence," he explains.

"Who would you rather partner with?" asks Kendall. "A vendor that charges you a big chunk of money upfront and is not invested in your success or one that asks for a low cost commitment, demonstrates success, and only charges when they deliver against set milestones and targets?"

It's a rare business model for a technology vendor, admits Kendall, but sharing in the success of its customers is a paradigm that he and their investors feel strongly about.

In many ways, the business model is all about empathy. "Customers are betting on you," says Kendall. Letting them down can have dramatic implications for their careers and their families. "If we don't do this amazingly well, what happens to the person who brought us in?"

8. Deliver Remarkable Execution

Nymbus' customer base includes a regional bank with \$80 billion in assets on the high end, and a \$100 million bank on the low end, but Kendall states that size is only a number. "We don't care how big you are; we're here to help you get where you want to go," he explains.

"We provide hope and inspiration for banks and credit unions that may feel trapped in old ways of doing things and don't have the resources or culture to be innovative," says Kendall. Or perhaps management doesn't have the appetite to bet their career on a transformation that pushes the envelope. "I've seen careers derail if a project fails," says Kendall.

"I want to delight our customers," says Kendall, noting that it's an easy thing for a CEO to say, but adding that he is "constantly blown away" at how employees go the extra mile. For example, Nymbus worked with a de novo bank and although outside their contract, the team helped the bank design its logo, brand, and website. "We felt accountable for getting the bank financed and successful," says Kendall. "I love the extra surprise you get when working with our team."

9. Get Out of the Way

A former mentor told Kendall that the job of CEO is to set the strategic vision and growth objectives for the company and give employees something to aspire to. The CEO shouldn't tell them how to do it or to track every milestone on the roadmap. Kendall's responsibility as CEO is to identify Nymbus' north star.

The CEO is also tasked with making sure the company has enough financial fuel to run and that it has a structure in place to responsibly allocate those resources.

And then, get out of the way. "The CEO is not the execution engine," notes Kendall. "Employees will rise to the occasion; I've seen it time and time again. The people on the ground interacting with customers are the ones who come up with the most creative ideas. Give them permission to innovate and change and be different."

10. Take that Vacation

Kendall recently spent a week and a half on his motorcycle with friends touring national parks. And he encourages the rest of his team to take two-week vacations at a time as well. "The leadership team needs to set an example. Plus, the more you take vacations, the easier it becomes!" he adds.

Nymbus offers unlimited personal time off since Kendall and his team don't feel that they should dictate how much time their people need to take off to be happy and healthy. "I don't want my team not to be able to take vacation because they had to use their vacation days to stay home with a sick child," he says.

Employees will do what's right if you just trust them, he adds.

11. Do the Hard Things

For banks and credit unions that want to embrace change and move to the next level, Kendall has this advice: Pay attention to the things that people think are hard or don't want to do. That's where the value is. "People shy away from transformation because it can be painful, but there's more opportunity in a messy situation than there is in a clean situation," he says.

For example, most fintechs don't really understand the ins and outs of compliance and regulatory issues so they shy away from those topics even though they are critically important to banks and credit unions. Instead of being wary, Nymbus embraces compliance. "We hired a forward-thinking chief compliance officer to lean into regulatory issues and make it a strategic weapon," notes Kendall.

Sure, doing things differently is risky, but so is motorcycle racing. It's all about balancing risk with reward. "Don't ignore risk, but recognize that risk is also ignoring opportunities," says Kendall. "Doing the harder things often gives the biggest payoff."

You've got to know when to accelerate and lean into the curve. ■

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