

Veteran move

After a quarter-century there, Faheem Masood soon will become president and CEO of ESL Federal Credit Union. ESL today has nearly \$5 billion in assets and more than 700 employees. Profile starts on page 10.

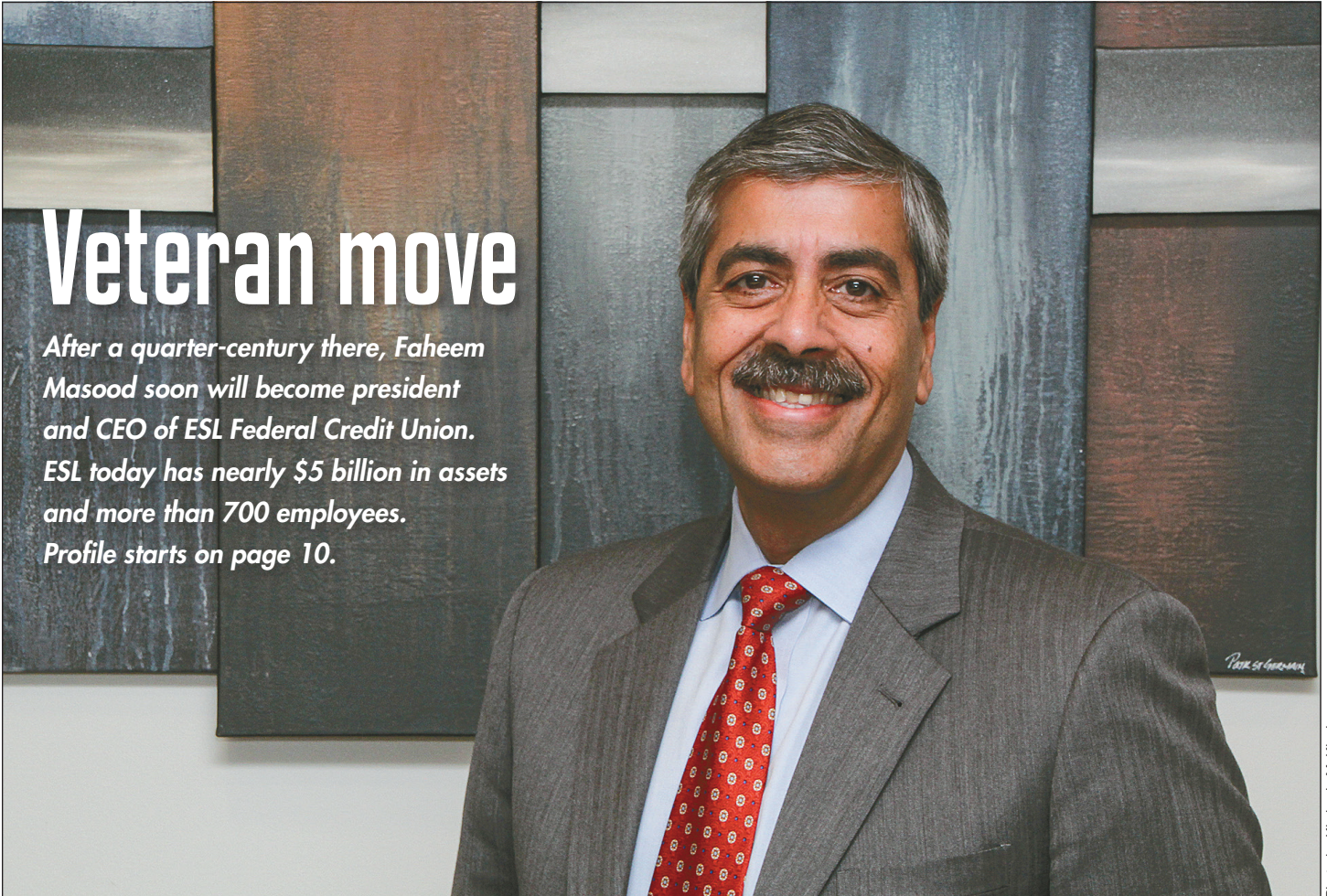


Photo by Kimberly McKinzie

PROFILE

New leader rose through the ranks

By **NATE DOUGHERTY**

Faheem Masood came to what was then Eastman Savings & Loan in 1991 as one of 175 employees, a financial analyst closer to the bottom of the organization than the top.

Now, 25 years later, he is preparing to become ESL Federal Credit Union's chief executive.

Masood, 53, has been tapped to succeed the retiring David Fiedler as president and CEO on March 1, named in October and

in the midst of a months-long succession plan.

During his tenure, Masood has seen ESL detach from Eastman Kodak Co. and stake its place in the region as an ever-growing community credit union, one that ranks in the top 1 percent of federal credit unions nationwide with close to \$5 billion in assets. It has more than 700 employees.

As he prepares to take over, Masood expects to continue the credit union's careful plans for growth in the community. And ever mindful of the organization's past,

Masood plans to continue the emphasis on close connection to customers and employees.

Growing with ESL

Masood began moving up through ESL not long after joining the organization in 1991. He was named manager of financial planning and analysis in 1994 and in 1997 became president and chief operating officer of ESL Investment Services LLC. This was a new venture, one Masood was able to help grow from the ground up.

“We were launching that new business, leveraging the relationships that existed in ESL,” he says. “We grew that business from about \$26 million in sales in our first year, and recently we had close to \$230 million in sales. We started with five advisers and at last count we had about 15 or 17.”

Three years later, he became vice president of corporate product development and in 2003 was promoted again to senior vice president and marketplace director. This coincided with Fiedler’s ascension to CEO, with Masood taking over the role Fiedler had occupied.

In 2012 he was appointed to serve as president and chief operating officer, where he has overseen banking, business banking and wealth management lines of business, including ESL Investment Services, operations, the lending center and the branch and contact center.

“That’s been my journey at ESL, basically starting at a staff position as a financial analyst and growing with the company, which will be 25 years in October,” he says.

As Masood made his way through ESL, he has seen the organization go through dramatic changes. It has grown from what was essentially a benefit for Kodak employees to one of the largest financial institutions in the region.

In many ways, the ESL of today is similar to the organization he joined in 1991, Masood says.

“It has always been very customer focused,” he says. “I started in financial but two weeks into my job I also ran the pricing committee, and I had someone from a branch call with a question. At the prior bank I worked at, if someone from a branch called and said I had a customer, we would have nothing to do with helping that.

“But within two weeks at ESL you knew that if someone called and said they had a customer who needed help, you dropped

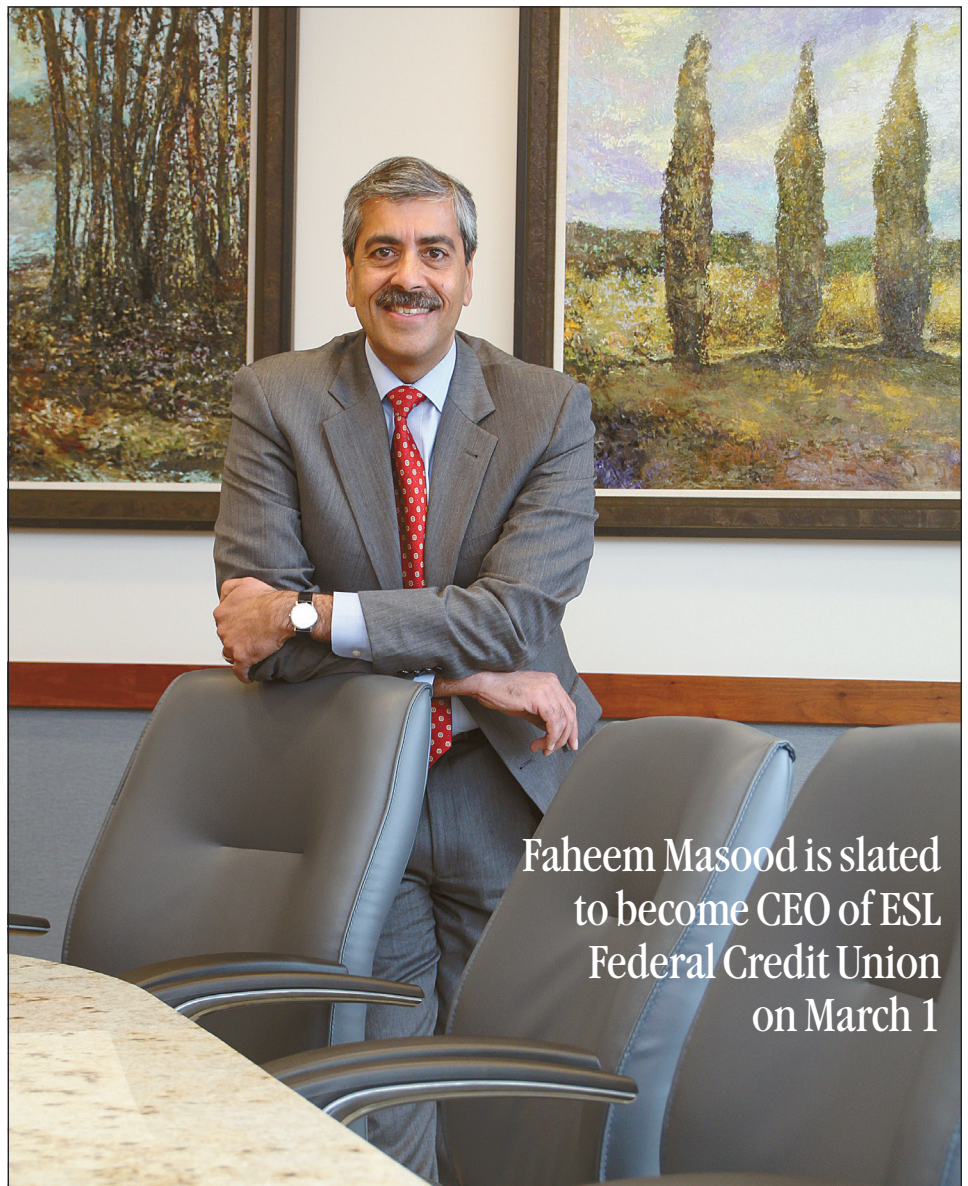


Photo by Kimberly McKinzie

Faheem Masood is slated to become CEO of ESL Federal Credit Union on March 1

Faheem Masood

Position: President and chief operating officer, ESL Federal Credit Union; to become president and CEO March 1

Age: 53

Education: B.S. in economics, Allegheny College, Meadville, Pa., 1984; MBA, SUNY College at Buffalo, 1992

Family: Wife, Laurie; daughters, Stephanie, 27, and Sarah, 19

Residence: Fairport

Activities: Traveling, biking, running, spending time with family

Quote: “Even when I was a financial analyst, if you had an idea and you could communicate it effectively, people were willing to listen to you. I came from a large bank into a small bank, and it was an exciting thing to have that opportunity.”

everything. You didn’t leave someone on the front line needing help.”

That customer connection was ingrained in ESL from his early days, Masood says. He noted that during those first years, the institution was serving Kodak employees and customers were viewed as colleagues.

Relations between management and employees has been important as well, Masood adds.

“It was very customer-oriented and also very employee-oriented, about being open and transparent with strong communication,” he says. “We’re treated as adults, and I don’t think that’s changed. But what has changed is that’s been so formalized in everything we do.”

While the relationship with Kodak defined ESL in Masood’s early days, he says the most important event in the institution’s history was its split from the company in 1995.

“They basically said we were out on our own,” he says. “We were essentially an employee benefit, so we couldn’t be too enterprising or entrepreneurial. We were basically an in-house bank for the employees.

“But when Kodak said you’ve got to chart your own course, that was the best thing that could have happened to us. And in hindsight, when you look at what has happened with Kodak, that was very important for us.”

He noted the difference in ESL from the early days after the split, with the organization moving beyond Kodak. He recalled its first-ever ad that coincided with the first branch opening.

“We were becoming more active in the community, increasing distribution and access to ESL and just started increasing our profile dramatically,” he says. “We were doing a lot of things right, and the market was suffering some dislocation with First

Federal purchased by HSBC, and traditional community banking started disappearing. We were there to fill the void.”

Masood says ESL was growing rapidly but doing it right, maintaining the close connection to the community and building trust both among customers and employees. And the organization has rewarded employees, he says.

“So many of the upper management team have come up through ESL,” he notes. “I think nine out of the 15 have grown from

“But within two weeks at ESL you knew that if someone called and said they had a customer who needed help, you dropped everything.”

within. It’s fun and there’s a real special nostalgia with some of them, and it’s neat to reminisce.”

Much of this is due to the empowerment ESL has shown its employees, Masood says, which is another hallmark that dates back to his early days with the organization.

“Even when I was a financial analyst, if you had an idea and you could communicate it effectively, people were willing to listen to you,” he says. “I came from a large bank into a small bank, and it was an exciting thing to have that opportunity.”

Moving up

Now, close to 25 years after first walking in the door, Masood is in the final weeks of his transition to CEO.

In October ESL announced Masood would take over for Fiedler after he retired. Chairman Candy Obourn noted at the time that they have been working on the transition plan for some time and were prepared “to make it a seamless transition.”

While Masood says there are no real surprises after growing with the organization for more than two decades, he has still been learning about new areas of corporate interests and preparing to become the primary interface with the board of directors.

He has been looking at the organization’s structure and how it will align to best serve the market and execute its strategy. This will be a collaborative step, not just “me going off and making decision on our own,” he says.

“We have been talking about reorganization. I can’t have everyone in the organization reporting to me, so we’re looking at roles and where we best fit in the organization,” he says. “But there is also a new rhythm to being CEO, and a lot of the work will be in mundane things like figuring out administrative tasks and functions.”

The transition is a bit easier due to

Masood’s rapport with Fiedler and the nature of the organization, which Masood says has been very open.

“We’re not a very siloed organization. We don’t have the CEO sit in a corner and do his own thing,” he says. “We’ve always been very collaborative and team-oriented, and we have a very clear path forward, so it’s not been that much of a transition.”

Fiedler says Masood is the perfect fit to maintain this culture, which has become such a key part of ESL’s success.

“Obviously he’s a very bright guy and a very committed guy, and when it comes to the culture at ESL and how we manage the business, Faheem is 100 percent aligned,” Fiedler says.

Trust in Masood appears to be high among ESL executives. Maureen Wolfe, ESL’s senior vice president of human resources and community relations, says his steady leadership has helped during a transition that otherwise could be quite anxiety-inducing.

“Thinking about a period of time of great institutional angst with a longtime leader transitioning out, it’s not been like that at all,” says Wolfe, who has worked with Masood for 11 years. “With the announcement that Faheem would be taking over, employees have felt great. He is very deserving, a guy who just lives our core values at ESL and really cares about people.”

Fiedler shares the sentiment.

“I feel like I will be leaving ESL in a good spot, and it’s such a relief to have such a quality leader like Faheem taking over,” he says.

Masood also has a reputation for being open with employees, giving the bank’s staff the same feeling he had as a young analyst starting with the bank in 1991.

“Regardless of your role, you can walk into the office and talk to him about whatever,” says Leo Iacobelli, senior vice president and director of wealth management, who has worked with Masood for 18 years.

Much effort has gone into making sure everyone within the organization is comfortable with the change, and, Masood says, the feedback has been positive.

ESL’s openness about the succession plan has helped the process.

“The change from Dave to me was probably signaled quite a bit,” he says. “Not that anything is given, as it’s a board decision, but when I was appointed president and chief operating officer that was a pret-

ty strong signal of succession plan. So within the organization that was expected, and there’s a tremendous familiarity with me, not like people are dealing with someone unknown.”

Emphasizing community

There will be no sweeping changes when Masood’s tenure begins in March. ESL will stay on the same path and maintain its identity as the “premier community bank,” though he says that is more than just maintaining the machine.

“We are always adapting to the world around us and want the customer to lead us in the right direction; we don’t want to be leading them,” he says. “We’ve got to listen to what’s in the marketplace and let that determine where we go.”

That emphasis on community is one of the cornerstones of ESL, Masood says, and will be the biggest determinant of success going forward.

“I think for us, as an organization we have a tremendous platform in place to serve this market and to make the market more successful and prosperous,” he says. “The more Rochester prospers, the more ESL will prosper.”

Community is important for Masood himself as well. He has served on local boards, including Rochester Downtown Development Corp., Rochester Regional Health System and Rochester Business Alliance Inc., now the Greater Rochester Chamber of Commerce.

Masood and ESL’s interests have intertwined with the institution’s decision to move its headquarters downtown. Masood has been active on the RDDC board for some time, and says he was thrilled with the move into the center city and the impact it would have.

“I think a number of us were very excited that the timing was right,” he says. “We really wanted to come downtown and thought the impact of our spend would have broader community impact if we brought it downtown than anywhere else.”

Masood’s downtown interests extend a few blocks beyond the ESL headquarters to Geva Theatre Center Inc., where he has served on the board.

Masood says he is now a big fan of theater, quite a turnaround from his upbringing in Pakistan, where he lived before coming to the United States in 1981.

“Funny enough, I grew up around theater and I hated it,” he says. “My mother used to drag me there. She used to direct plays and I would have to go there after school, so I had a real aversion for a while. But since I’ve come to Rochester we started going and I really enjoy it. I learn a lot

about myself watching the plays, and it really challenges your concepts.”

Masood is a proponent of the work Geva does behind the scenes as well.

“It’s amazing when you look at what Geva does with the resources they have,” he says. “I was always amazed with the product, but when I joined the board and got the backstage tours, it’s really amazing to see how it happens and I feel really great being a part of it.”

Outside of his work at ESL and the community, Masood spends most of his free time with his family. Masood and his wife

Laurie met as undergraduates at Allegheny College in Pennsylvania and were married while Masood was still in college. They now have two daughters, both of whom live in Pittsburgh.

“I was very lucky in terms of being able to maintain and create balance between family and work life,” he says. “I’ve certainly had a tremendous commitment to work, but I can pretty much say I never missed any major events or moments. I’ve always been there for those, which is important to me.”

As he looks forward to the next few years, Masood says the balance will shift

a bit more toward work again. While that means there will be less time for travel, he sees a bright future both for ESL and the community it serves.

“Will there be change at ESL? Yes, there will, similar to the change that there has been in the past,” he says. “We’re very different than we were five or 10 years ago and I’m sure we’ll be very different 10 years from now. But the thing that won’t change is creating great experiences for the customer and doing it with highly satisfied, engaged employees.”

natdougherty@rbj.net / 585-546-8303