## Ed Barry

## A Bet on Yourself

Often, the most defining aspects of a person's life and character spring from moments of serendipity that seem commonplace and unremarkable at first. Like the night Ed Barry took up an offer from a friend to see the Rolling Stones play at RFK Stadium, struck up a conversation with the young woman sitting next to him, and married her three years later. Or like the day he saw an advertisement on LinkedIn for Capital Bank, a mid-sized institution serving the D.C. metropolitan area that was looking for a new CEO.

"Up to that point, I had worked in bigger organizations whose stock rose and fell largely independently of my actions," he recalls. "But I saw that the success or failure of Capital Bank would be tied directly to my own successes or failures as CEO. Accepting the position was really a bet on myself, and I was ready."

Capital Bank was launched in 1999 as an avenue for Chinese investment in the United States. With little experience in the highly regulated industry of banking, the

founders had faltered by 2002 and sought the help of a turnaround specialist to right the bank. With Steve Ashman taking on the CEO role, they retooled the board, recapped the company, replaced the management team, and brought into the fold several successful investors who were well-connected in the community and willing to put their resources toward the bank's success. The institution stabilized and then flourished, and by 2010, Steve decided to retire from his position and began looking for his replacement.

In the wake of the financial crisis and the subsequent new wave of regulation that swept the sector, Steve knew the recipe for success in the banking industry was changing. He needed someone who's leadership approach was decidedly different and markedly active—someone who understood that the changing terrain and technology demanded new and

innovative solutions.

It took Steve over two years and 350 interviews to find Ed, but after one phone conversation, he knew he had come to the right person. "When he asked me what I thought about banking, I told him that too many people were just replicating what they had done the past ten or 20 years," Ed recounts. "I told him I thought we needed to do things differently. We really clicked."

When Ed assumed the helm of the bank, he set to work—not replicating what had been

done before him, but starting over. With Steve's mentorship, he learned the ropes of the CEO job and formally took on the title after three months with the bank, which was then a \$400 million institution. After only four years of his leadership, Capital Bank is now an institution of \$800 million that focuses on the four lines of business of commercial banking, mortgages, credit cards, and a small private equity arm. Its stock prices have risen 130 percent in that time period, with record earnings year

after year that have amounted to average annual growth rates of 25 percent. "We've been able to keep shareholder returns high while growing the top line, and our team has expanded from 65 to 185 employees," Ed says. "I've really enjoyed building on what Steve accomplished and taking things in a new direction."

That has meant capitalizing on trends shifting away from brick-and-mortar stores toward electronic banking, and today, 70 percent of its credit card customers interact with Capital Bank via cell phone. The bank retains three physical locations in downtown D.C., Bethesda, and Rockville, but has expanded to provide nationwide consumer lending services from an office in Philadelphia and a mortgage office in Annapolis that competes in 35 states. Thanks to the equalizing force of technology, Capital Bank also does business wherever their clients do business,

which takes on a global reach. "Our ideal customer is someone with complex needs," he explains. "Companies like Bank of America and Capital One have diverse service offerings, and they do that quite well, but they don't offer customizable, unique service. That's where we excel."

Beyond the technical, tactical demands of the job that involve solving complex problems, Ed loves the variance and exposure that each day brings. "Through my work, I'm often out experiencing different slices of life," he says. "Local communities, large corporations, startups, mature businesses, families, and individuals across all kinds of industries—I get a lot of energy from being out working with people directly. I'm driven because I know that 185 people count on me for their jobs, 250 investors trust me to be a responsible steward of their investments, and countless businesses depend on us to be there for them. The impact is profound, and it's not a responsibility I take lightly."

The spirit and stamina to assume this responsibility first took root when Ed was very young. Born in Staten Island as the youngest of three brothers, Ed benefitted from the grueling work ethic and staunch commitment to education deeply rooted in both his parents. His father was an elementary school principal in the Chinatown neighborhood of New York City at a time when it was uncommon to see tall white men in the area, but was deeply engaged in the community and became a voice for its voiceless. "An Irish immigrant himself, he really pushed importance of education as the road to the American Dream," Ed says. "He also came from a Catholic background and would always step in when the Chinese immigrants were being taken advantage of in some way. He was very well respected because of that, and it taught me to look for ways to help others."

Ed's mother's family had immigrated to the U.S. from Italy, and she worked as a high school Spanish teacher. A strong, analytical, independent thinker, her example taught Ed to always be perseverant and to form his own opinions. "My parents were both very driven, hardworking people who taught me to apply myself," he continues. "We had no wealth or legacy to our name, and I knew I'd had to work harder than everyone else to create my own path in life with hard work, a good education, and the will to always help others."

As a kid, New York City was Ed's playground. He roamed around with friends and played local sports, although his parents preferred he spend his time studying instead of joining Little League. "I played relentless amounts of basketball," he laughs, identifying athletic activities with other kids in the neighborhood as the earliest incubator of his leadership skills.

Because their parents spent long days at work serving the city's public schools, the Barry brothers were traditional latchkey kids, and when he wasn't outside playing, Ed was a voracious reader and a budding entrepreneur. He would carry groceries to peoples' cars for a nickel, and he would buy beer and soda to sell from a Styrofoam cooler on the golf course near his house. In the summers, when his mother and father had more time off, the family would pile into the car to head to the beach on Sundays.

Ed attended Catholic school through childhood and passed highly rigorous a application and testing process to gain admission to an elite high school in Manhattan, where each student's tuition was funded by a wealthy family. The school had strict performance requirements, and Ed excelled both academically and socially. "Academically speaking, I was surrounded by the best of the best," he recounts. "But the school also valued service and required us to continually examine how we were helping others. We had to engage in community service projects to graduate, so I served as an assistant math teacher at a school in an underprivileged neighborhood during my senior year. It echoed my upbringing of watching my parents always taking care of people who were down on their luck."

Upon graduating, Ed pursued his studies at Cornell University, where he planned to be a lawyer for the job security and lifestyle promised by the profession. He majored in industrial relations—a blend of sociology, business, and human resources courses—and joined a fraternity that fostered strong friendships..

Ed's carefree college life took a hard blow in his junior year, however, when his father died of cancer. "He kept working to the bitter end to secure his pension for my mother, and it was just heartbreaking to watch this man who was so full of life waste away so quickly," Ed says. "I still hold on to the two plastic hair combs he gave me before I left for college. It was the last gift he gave me, and even today they still connect me to him and

what he stood for."

A year later, Ed's uncle died of AIDS, and when Ed graduated from college into the recession of the early 1990s, he returned to New York City to care for his grief-stricken mother. He set out to build a life for himself-something he quickly realized he had no idea how to do. "Opportunities for someone just out of school were scarce, and I struggled for several years to find a job," he recalls. "How did one even find a job? I was surprised that the real world isn't like college with an array of opportunities and trajectories laid out for your selection. And there was no one to really show me where to even start, so it was a real challenge to figure out how to chart my own destiny. That was a defining moment that has stayed with me my whole life-that you can't take anything for granted. You must think ahead and make sure you stay relevant. It's on you to figure things."

Ed decided to leave New York and head to Washington, D.C., where several friends from college were trying to scrape by as well. He wanted to chart his own course, away from the expectations of family and the weight of the past. Through trial by fire, Ed clawed his way to employment, picking up skills and learning that success means taking responsibility for adding value wherever possible. After several dead ends, he took a position on commission in a commercial real estate firm, where he quickly realized he had to find a way to add value or he'd go hungry. He apprenticed himself to several senior executives who were more than happy to pass off administrative work-and a portion of their commissions—to Ed.

Then, six months in to his employment, he was asked to handle a sales pitch to a client. "I went in and starting talking about what I thought the markets were doing and what I thought the client should do," he recalls. "I had always looked up to my senior colleagues and to the clients we worked with, who were very successful. But it dawned on me that I had cultivated my own expertise, and it hadn't been as daunting as I thought it would be. So many people out there are operating with pretty thin knowledge on a given topic, and I found I could really stand out by honing my expertise and showing people that I had something to say."

With his newfound confidence, Ed leaned into his work and began to have fun with it. When he made his first big commission sale, it felt like he

had won the lottery. What felt even better, however, was meeting the young woman at the Rolling Stones concert. Virginia was just finishing up a summer internship before heading back to Florida to finish her senior year of college, but the two were virtually inseparable from the time they met to the time she headed back south. They dated long distance, and when she graduated, she joined Ed in Washington.

In 1995, Ed decided to take an associate position with First Union Real Estate Capital Markets, where he structured and marketed debt, equity, and joint venture commercial real estate investments. With burgeoning expertise in this sector, he mastered those aspects of sales and left in 1997. Ed and Virginia were married that summer, and in the fall he enrolled in the MBA program at the University of Virginia Darden School of Business Administration, focusing on marketing and finance.

Ed thought he might return to New York to work at a big Wall Street firm, but after a summer job in that environment, he quickly changed his plans. "It was just mindless drudgery, when I loved the entrepreneurial challenge of working on commission, creating your own success and dealing with different kinds of investments on a daily basis," he reflects. "One of my brothers worked on Wall Street for a while but then left to become a teacher and to work with developmentally disabled children. He's so much happier now than he was before, and I know I made the right choice veering away from that path when I did."

Instead, Ed took a management consulting position at Ernst & Young, where he helped build a strategy practice. In that capacity, he had the latitude to shape the path, platform, and process of the new practice, which fit his entrepreneurial and pioneering inclinations perfectly. The company asked him to move out to San Francisco at the outset of the tech boom, and Virginia had a flexibility and openness to new things bred from her upbringing in a military household, so they decided to try California. "More than pure sales, that job was about working with people, which was a great experience," Ed recounts. "I was figuring out how to really help people think through complex problems, and I was really vested in their success. It was a good fit for me."

After five years there, the Barrys had had their first child, and Virginia yearned to move back

east, closer to family. Ed, as well, was ready for a job with less travel obligations, so he took a corporate strategy and business development position with Bank of America in North Carolina. There, he worked on consumer banking, ecommerce, and payments, ultimately assuming the role of Senior VP of Strategic Marketing under Lynn Pike, a charismatic division leader. Later, when Lynn took a job as the President of Capital One, she invited Ed to come with her, and the Barrys leapt at the opportunity to return to D.C.

Ed started at Capital One's small business division in the summer of 2008, just before the financial sector began to melt down—a climate that would compel instability and angst over the next several years. Through that time, Ed managed a team of around eighty people and ran the products, analytics, and data used to grow businesses, develop strategy, and build volume-driving infrastructure and marketing campaigns.

When the opportunity with Capital Bank arose in 2012, Lynn pointed out the tremendous opportunity for personal growth, professional evolution, and purpose-driven success, urging Ed to give it serious consideration. He had wanted to take a year away from work to relax and reconnect with family, but in the end, the fit was too perfect to turn down. "Lynn told me the opportunity with Capital Bank would change my life because I'd be forced to expand, reevaluating how I view the world and interact with people," he recalls. "Win, lose, or draw, I'd be a different person at the end of it. And she was right. My time here has been a great transformational experience for me, and I look forward to our continued upward trajectory."

Today, Ed leads with a style that is more collegial than authoritarian. His goal is to help his team members achieve theirs, with a focus on removing the roadblocks along the way to success. "I'm focused on helping our employees push through obstacles to achieve the change we're trying to drive," he says. "There's a time for leading from behind by lifting people up, and there's a time for leading from the front by setting the direction and making sure everyone understands how the pieces connect. Whether I'm coming from the back or the front, I focus on empowering people to make their own decisions and own their failures and successes." Under Ed's leadership, Capital Bank has been consistently rated one of the top-performing small banks in the nation, and has also been recognized for innovation.

Ed's vision and talent are also employed as Chairman of the Board for the Make a Wish Foundation's Mid-Atlantic Chapter-a role he assumed in 2013 when the branch was trying to rebuild from scratch. "I really enjoyed helping with that turnaround," he says. "The organization is about delivering incredible experiences to people in the midst of despair. We try to give children back their childhood and give people hope in finding good in their lives. It's inspiring work." Ed and Virginia are also very active in their church and in the school of their three children – a son and two daughters. "I'm very grateful to have Virginia as my life partner through all of this," he affirms. "She's incredibly driven and direct, and as a sounding board she always helps me keep perspective and balance in life."

That life, a constellation spanning consulting, commercial real estate, marketing, technology, and banking, is united by the common theme of agency and impact. "I didn't grow up dreaming of being a banker," Ed says. "I dreamed of charting my own destiny and putting my thoughts of the world into action. My interest wasn't rooted in the 'what' of any particular job; it has always been rooted in the 'why' and the 'how'. And I'm successful not because I only did one thing, but because I tried a number of things and then put the pieces together."

In advising young people entering the working world today, Ed underscores the importance of trying new things and taking chances. "Most people try to map out their next twenty years, but you have no idea where life will lead you," he affirms. "You have to be open and make your own luck. I've always been willing to take the harder route, choosing experiences that were riskier and murkier because I could see the opportunity in them and I was inspired by the opportunity to shape them myself.

"So," he continues, "instead of looking at an experience and thinking about what could go wrong, ask yourself: what could go right? Where could it take you? There is no set path. Life is a bet on yourself, so go all in."

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- By Gordon J. Bernhardt, CPA, PFS, CFP®, AIF®

About Gordon J. Bernhardt

President and founder of Bernhardt Wealth Management and author of Profiles in Success: Inspiration from Executive Leaders in the Washington D.C. Area, Gordon provides financial planning and wealth management services to affluent individuals, families and business-owners throughout

the Washington, DC area. Since establishing his firm in 1994, he and his team have been focused on providing high-quality service and independent financial advice to help clients make informed decisions about their money. For more information, visit www.BernhardtWealth.com and Gordon's Blog.

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