

SFA Research Corner

The Long View: How a CFO Built Resilience

September 4, 2025



The Long View: How a CFO Built Resilience

✉ [Elen Callahan](#)
📞 Head of Research
203.512.0503

In today's credit markets, calm conditions mask underlying risks. Corporate bond risk premiums are near their lowest levels since the late 1990s, with investors accepting only a thin yield pickup over Treasuries — a sign of confidence in corporate balance sheets, but one that leaves little margin if conditions deteriorate. Analysts [warn](#) that weaker growth, new tariffs, or heavier issuance could push these differentials wider, raising the cost of borrowing. Still, it would take a major shock — such as a sharp rise in unemployment claims — to trigger a true selloff, when market confidence breaks, credit margins jump, and companies are forced to rethink balance sheet strategies. For CFOs, that puts funding strategies and leadership decisions under sharper scrutiny. And against this backdrop, private credit is rapidly reshaping the financing toolkit.

We sat down with Gregg Silver, a former CFO who guided a private bank through decades of growth, regulation, and market cycles. His reflections go well beyond the numbers — offering lessons in foresight, discipline, and leadership that resonate in today's environment.

Beyond the Numbers

Silver admits while he began his career as a “numbers guy,” he never saw the CFO role as purely financial. From the outset, he viewed his role as a strategic adviser to the chairman and the board — someone who solved problems and created opportunities through relationships. His philosophy, shared by his CEO, was straightforward: do business with people you like, respect partners, honor commitments, always pay your bills on time, and always do the right thing. It wasn't about short-term transactions; it was about building goodwill that carried through market cycles.

That principle extended into every corner of the business. Customers weren't segmented into old versus new — the only rule was to act in their best interest. Employees weren't cogs, but partners. Regulators weren't adversaries, but stakeholders who deserved transparency. In his view, shareholders, employees, customers, regulators, and communities weren't competing interests but interconnected ones, where success with one reinforced success with the others.

Relationships, then, weren't just goodwill — they were risk management. Transparency with regulators meant fewer surprises and built trust. Respect for employees built loyalty, reduced turnover, and safeguarded institutional knowledge. And alignment with his CEO and board ensured culture and strategy moved in lockstep. In the end, the CFO's role wasn't only about discipline in the numbers — it was about discipline in relationships, the very foundation of lasting resilience.

Strategy Meets Scale

That foundation was tested as the bank grew. The trust built with employees, regulators, and the board wasn't just cultural, it became strategic currency. When the balance sheet crossed \$1 billion, FDICIA oversight brought new regulatory demands and pushed Silver to shift away from strategy to operations. “I always thought of myself as a strategist,” Silver reflected. “Adapting to the operational side wasn't easy — it made the job less fun — but it was necessary.” Still, it was a milestone worth crossing.

Even with scale, Silver's and the bank's philosophy didn't change. Private ownership meant decisions weren't hostage to quarterly earnings, freeing management to prioritize the long term. "We never worried about the next quarter. It was always about the bigger picture." That mindset shaped capital allocation: returns mattered, but never in isolation. Liquidity and regulator relationships carried equal weight — and the credibility earned with regulators became an asset.

The pandemic proved how valuable that credibility could be. Under the new Current Expected Credit Loss (CECL) standard, banks were required to set aside reserves upfront for lifetime expected losses. As COVID unfolded, most institutions assumed defaults would surge and dramatically increased their reserves. Silver's team took the opposite view. They explained to regulators why they didn't expect charge-offs to spike — and chose not to add reserves. It was a risky stance at the time, but they were proven right. A year later, regulators acknowledged their foresight, reinforcing the trust that had been carefully built over decades.

That trust, combined with strong capital discipline, gave management confidence to act when others pulled back. Historically cautious, they expanded into non-consumer assets during the uncertainty — reducing CFPB exposure and opening new avenues for growth. It was a contrarian move, but one anchored by familiar guardrails: diversify funding, protect liquidity, and insist on low loan-to-value ratios.

Behind those choices sat a consistent funding playbook: reliability first, diversification second, and execution tailored to the institution's needs. Deposits formed the foundation. Securitization — primarily 144A transactions and private conduit deals, including warehouse lines through Variable Funding Notes — added scalable flexibility. Callable brokered CDs provided another effective tool, while club deals and syndicated loans didn't fit the bank's size.

The result was a funding base designed not only to withstand stress but also to seize opportunity. "The best opportunities were when we had excess capital and markets were a little weak," Silver explained. Liquidity and capital were the constant — more was always better. That cushion allowed boldness when conditions aligned, without ever being forced to the precipice.

Balance Sheet Meets Mindset

Silver's reflections show that resilience rests on two pillars: disciplined financial management and disciplined relationship management. Excess capital and liquidity provided the buffer; credibility with regulators, trust from employees, and alignment with the CEO and board turned that buffer into lasting strength.

The hardest trade-offs, though, weren't on the balance sheet. For Silver, they were personal — learning to balance health, family, and work. "Work matters, but health and family matter more." That same philosophy carried into his leadership: resilience isn't only about capital and liquidity, but about stability — making sure the people side stays as sound as the balance sheet.

That long-view perspective feels especially relevant now. September has a [history](#) of volatility, and Q4 often amplifies the noise of data releases. While markets may lurch on headlines, Silver's approach was to stay anchored in what endures: capital, liquidity, and people.

It's that same discipline today's CFOs need as they weigh funding strategies in a market where private credit has become one of the hottest plays in finance. The surge brings opportunity, but also risk — from froth and concentration to looming regulatory scrutiny. Competing for capital in this environment requires more than balance sheets; it calls for judgment, alignment, and trust. The lesson endures: numbers set the foundation, but people and alignment determine how high an organization can go. Together, they define sustainable resilience.

5 Takeaways from the CFO's Chair

1. Think long-term, not quarterly.
2. Relationships are real capital.
3. Liquidity and capital are confidence.
4. Credibility multiplies influence.
5. Perspective builds true resilience.