

## Product Profile

# Community Bank Strategic Roadmap Workshop

**In today's highly competitive and rapidly evolving financial services environment, establishing a vision of where your community bank is going and having a well-crafted roadmap to get there is critical.**

**Through the Community Bank Strategic Roadmap Workshop, Align FSC assists executives and their senior teams to align their organizations by developing a deep understanding of their opportunities, focusing resources where they'll get the "biggest bank for the buck" and executing as one to accelerate profitable growth.**

We help you to...

- Understand the market segments presenting your bank with the greatest potential for success,
- Identify the core competencies required to effectively compete for their business,
- Assess your organization's capabilities,
- Establish a vision, shared goals, priorities and action plans to get the results you're after.

## Why Develop A Strategic "Roadmap?"

Today's hyperactive market has the heads of many CEOs spinning. The economic downturn has impacted the very structure, conduct and performance of the banking industry. Maintaining profitability and earnings growth is becoming increasingly challenging.

Today, U.S. banks and credit unions are able to engage in almost any financial service, while having to contend with many non-traditional financial service providers (e.g., Check Cashers) and increased competition from foreign institutions. Consolidation continues with over 65% of financial assets in the hands of fewer than 100 of the nation's approximately 9,500 banks and credit unions.

The market's demands for financial performance are intense – one misstep and you become tomorrow's acquisition. And technology is changing banking faster than the speed of life, requiring us to function on "Internet time" to merely remain competitive.

And, as Baby Boomers continue their dramatic shift from borrowing to investing, historical decisions made by financial institutions are causing former revenues to flow outside traditional boundaries.

The rise of ethnic populations – particularly Hispanics and Asians – pose opportunities for growth in unfamiliar territory.

Leading community banks develop strategic roadmaps that integrate sales and service practices, efficient operations and local market expertise to leverage their positions. They focus on building share of appealing groups in the market where they can develop long-term, sustainable advantages -- recognizing that anything else is a waste of scarce resources.

## Benefits of Developing a Strategic "Roadmap"

Align FSC assists forward-thinking executives to create a Strategic Roadmap to effectively navigate today's fast-paced, competitive world and establish a management discipline that will better enable the financial institution to succeed in the new environment.

At the conclusion of the process, your bank will have a well-defined business strategy in place:

- Developed with appropriate analysis of the market and competitive forces
- Including a shared assessment of your current operating environment and capabilities
- With buy-in from your management team

The process provides a living plan -- with the monitoring, measurement and refreshing processes in place to make certain that the strategy is effectively implemented and appropriately modified to meet changing conditions.

## The Align FSC Engagement Process

Align FSC's approach is based on extensive experience in developing "roadmap" initiatives for a wide range of financial institutions throughout North and South America.

We are confident the process, ensuing observations and recommendations will provide a solid foundation to achieve your objectives, align your organization, and build your future direction.

The way we go about it is to guide your project team through a collaborative process to:

- Understand what you're trying to accomplish
- Understand the environment in which you're trying to accomplish it
- Determine whether you're doing the right things
- Assess your effectiveness at getting out of your efforts what you want – & all that you can
- Focus the organization on achieving the results you desire

### Highly Collaborative Process

- **Goals & Objectives Review** – Through interviews with the executive team and senior managers involved in establishing your bank’s strategy and direction, Align FSC will solicit their views on the formal and informal corporate goals and objectives; perspectives about the organization’s competitiveness and market environment; strengths and weaknesses; opportunities; culture; and key management perspectives on the Bank’s future directions.

These sessions are intended to provide a clear understanding of their individual and collective perception of the bank’s financial targets, marketing strategy, general delivery system plans, ongoing expansion and development strategies, and basic parameters for performance measurement. The result is to generate an agreed upon set of clearly defined quantitative and qualitative retail goals and objectives by executive management that sets the basis for alternative strategies developed later in the project.

- **External Market Assessment** – The next task is an assessment of the bank’s external market including:
  - A review of the dynamics occurring in the bank’s geographic markets and the economic, demographic, and psychographic forces influencing customer behavior.
  - Identification of the key consumer and commercial market segments, their product and channel preferences, and the market potential presented by each.
  - An analysis of your major competitors, including their strengths and weaknesses, marketing capability, product potential, delivery channel access, and financial capacity.
- **Roadmap Workshop** – Align FSC will lead the bank’s executive team through a review of the Goals & Objectives Review and External Market Assessment findings and a focused discussion to:
  1. Identify key success factors for your bank;
  2. Rank those factors in terms of importance;
  3. Assess your bank’s strengths and weaknesses relative to each of those factors; and
  4. Categorize the findings into priority areas for focused improvement.

Align FSC will work with the Project Team to establish a game plan to properly execute the Roadmap in each of these critical areas.

### The Deliverables

Align FSC will deliver four focused areas of support, including...

- **Pre-Workshop Preparation** – Align FSC will provide you with a comprehensive “data request,” assemble the information, and prepare a thorough summary for review for the Workshop session. As part of this task, a series of executive interviews will be conducted prior to the Workshop to discuss formal and informal goals, group dynamics and critical areas for inclusion in the Discussion Guide for the Workshop.
- **Roadmap Workshop Facilitation** –The bank will assemble a leadership team (up to 12 individuals) with whom Align FSC will facilitate a one-day, on-site planning workshop. The Workshop will be designed for open dialogue and feedback. The agenda for the Workshop will be customized for the unique situation and needs of your group.
- **Strategic Roadmap** –Based on the foundation and mutual understanding of the bank’s opportunities, strengths, weaknesses determined in the Roadmap Workshop, Align FSC will prepare clear and practical recommendations for moving ahead. Through the highly collaborative Workshop approach, the bank’s leadership team members will work with Align FSC to recommend and prioritize initiatives based on the discussions at the Workshop.

Align FSC will prepare an overall presentation for the Leadership Team at the conclusion of this task. Align FSC suggests a half-day interactive session with the leadership team to fully discuss the findings and recommendations.
- **Progress “Checkups”** in the 3rd, 7th and 12th Months – Align FSC will facilitate a half-day, on-site session with you during the third, seventh and twelfth months after the Roadmap delivery to assess progress, recalibrate the plan based on to-date experience and assist in helping guide areas where execution is most difficult.