

BACKGROUND

- Financial performance levels below peers
- Bank leadership committed to change
- Changes in senior management and influx of new hires from other organizations
- Because of lingering compliance concerns, some processes were unduly constrained
- Strong deposit base in mix of rural and urban markets ☑ Former client that engages well with consultants
- Middle managers that are real change agents
- All aspects of the bank were on the table for review ☑
- Bank sought to be positioned for greater organic and strategic growth
- Excessive overhead and layers of management

RPI PROJECT SUMMARY & BENEFIT OVERVIEW

[region]	Mid-Atlantic
[assets]	\$1.5 Billion
[branches]	20
[FTE]	385

[RESULTS]

- * Enhanced deposit and loan income through pricing and collection methodologies
- * Improved productivity through business process redesign and enhanced technology usage
- * Streamlined processes improved sales efforts
- * Reduced various non-staff expense categories
- * Improved select technology pricing
- * Adjusted staffing to align with High Performers

CATEGORY	Midpoint Estimated BENEFITS
Non Interest Income	\$1,700,000
Non Interest Expense	\$900,000
Staff Capacity	\$2,700,000
TOTAL	\$5,300,000

APPROACH

- Alongside Bank Implementation Team, reviewed efficiency of processes to determine new process potential
- Analyzed fee pricing and collection efforts, products, and services against Bank peers
- Reviewed contracts for appropriateness and re-negotiation opportunities
- Identified savings opportunities in non-staff related expense areas
- Evaluated organizational structure
- Developed staffing tools for current and future needs
- Ensured alignment of all changes with Bank strategy

RECOMMENDATIONS

- Enhance deposit and loan income through pricing and collection methodologies
- Improve productivity through business process redesign and enhanced technology usage
- Streamline processes to improve sales efforts
- Reduce various non-staff expense categories
- Improve select technology pricing
- Adjust staffing to align with High Performers
- Modify organizational structure and define roles as necessary
- Ensure processes are scalable, while retaining the community bank service environment ☑ Grow and expand the culture of continuous improvement