

## COMPREHENSIVE TRANSFORMATIONAL CHANGE

Bankers today understand that the game has changed. “High performance” is no longer as simple as achieving top quartile numbers in financial performance metrics. Now, bankers still have to drive their shareholder return and their efficiency numbers, but they have to do so while complying with more regulations than at any time in the industry’s history, and they have to do so with technology that evolves faster than ever before, all with diminished margins. More savvy customers who demand more options also add to the challenge of high performance. Nonetheless, the strong and the quick will prosper through this era.

While incremental change can help, it takes true transformational change to move banks into the highest levels of performance. The model of banking is changing dramatically, not modestly. Small changes equal small, isolated improvements; transformational change provides huge, synergistic, cultural benefits.

True transformation happens from the inside out. Within a Transformational Change project, the team at RPI looks at every business category of significance and considers the many ways that the categories intersect: technology, culture, infrastructure, products, processes, policies, strategies, costs, revenue, marketing, growth, and change management, as well as other attributes.

### A COMMITMENT TO CHANGE

Through no fault of their own, many bankers have been educated and trained to be sequential problem solvers in a world of simultaneous equations, instinctively wanting to solve one challenge before taking on another. That approach is perfectly logical, but in today’s environment of hyper-fast change it is also impractical. The financial institutions that have come through the financial crisis and continue to drive shareholder value are building a culture of simultaneous problem solving.

In our experience the best predictor of success in a Comprehensive Transformation project is the commitment its leaders make to solve challenges simultaneously. Without a doubt, transformational change is highly profitable and results in long-term, cohesive strategic growth. If your Board and Executive Team are committed to the process and can drive it forward, RPI works to instill a brand new culture and a discipline toward executing strategy that remains in place long after our team has departed. How you move forward is up to you!

### KEY RESULT: CAPACITY CREATION

While there can be hundreds of small improvements in process and execution, the overarching win for every bank is capacity creation coupled with service level enhancement. The RPI team works to fix broken processes, utilize technology more fully, define and implement profitable product sets, build models for success, and place staff where they have the best chance to succeed. The results are a greatly increased capacity enabling greater quality, service, effectiveness, profitability, and accountability.

### THE PROCESS

RPI creates a real, holistic, transformational partnership with the bank, its management, and its staff. Through detailed interviews, questionnaires, and team meetings, the advisory team creates and implements industry best practice recommendations and initiatives specific for each client. Some of those recommendations might be short and simple. Some might have layers of process that take time to fully implement. But in all cases, they are client-specific.

As part of the knowledge transfer, RPI works with the bank team members on both the art and the science for aligning solutions consistent with the goals, objectives, and strategies set by the board and management. The RPI methodology integrates compliance and risk management concerns, as well as other industry changes into the analyses, discovery and implementation of recommended changes. These projects have exceptionally high client paybacks in terms of economic benefits and significant soft (non-quantified) benefits as well. They drive share value improvement.