



The business of banking faces more uncertainty today than it ever has before. With some estimates calling for massive consolidation within the next decade and others declaring the traditional business of banking already dead, what are your strategic options for the future? How do you grow share value and franchise value? In some cases, how do you rebuild share value? The “**New Normal**” does not and will not look anything like the “**Old Normal**” for banking.

GROW, SELL, WATCH. CAN IT BE THAT EASY?

As your bank board looks to the future, they face a relatively simple decision. Do we want to stay in the banking business – the banking business the way we have known it? If the answer is no, then it maybe time to position the bank to sell and move on. If the answer is yes, do you want to take a defensive “wait and see” strategy, or do you want to grow, either organically or through acquisition or merger? Will you introduce other / new lines of business?

Once that first decision is made, the resulting cascade of choices becomes much simpler.

A few things are clear:

- In the future, there will be significantly fewer bank charters in America.
- There will be clear winners—and losers—in the consolidation.
- Some small markets or rural areas will experience minimal or no consolidation.

RPI can help you make the right choice about your bank’s future. The Strategic Options Assessment helps banking executives objectively analyze their existing position to make informed choices about the long-lasting impact of which direction to steer the bank.

ONE SIZE FITS NO ONE

Each bank faces a unique set of market, cultural, and operational circumstances, so it’s impossible to provide a single prescription for the future. RPI assesses each organization individually. By analyzing financials, markets, technology, organizational resources, and potential, RPI can provide a bank with the most likely strategies for achieving future goals and create strategies for ensuring success.

The Strategic Options Assessment creates a completely objective approach by which to compare various choices, removing emotion and pre-existing notions from the decision. We find that this more analytical approach allows Boards and Executives to reach a consensus on the future that might otherwise be very difficult.

THE RIGHT WAY TO GROW

Growth can come through organic market increases, through acquisition or through developing or acquiring new lines of business, but all options have their unique set of challenges.

RPI can help you assess and execute the right strategy for your bank, because we have many decades of experience at making financial services companies more profitable.

CAN WE JUST WAIT AND SEE?

Some organizations genuinely do want to stay in the business of banking, but they are unable, for a variety of reasons, to take an aggressive path toward growth. There are strategic ways in which a bank can take a more conservative approach, allowing emerging technologies to develop and regulatory changes to play out before heavily investing one way or the other. The key in this scenario is to operate as efficiently and leanly as possible, making sure that you are poised to be able to make quick decisions when the time is right.

PREPARING THE BANK FOR SALE

It is entirely possible that due to a combination of factors, from shrinking markets to insurmountable operational and human resource challenges to the personal decisions of a family-owned or closely-held bank, that the right decision for your bank’s future is to sell. But the work isn’t done after you have reached that conclusion. You must also prepare the bank for a profitable and successful acquisition. RPI can guide your bank through the decision-making process in terms of making your bank as attractive as possible to potential acquirers and achieve the greatest possible value for you and your shareholders.