

ASK THE EXPERTS



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Compete. Earn. Grow.

Banks with a well-executed strategic plan gain up to 50 basis points.

Why Does Strategic Planning Matter?

Fugitte: Banks with a strategy outperform their peers. It's not enough to say you're local, love your hometown and support your community. You must be remarkable. And remarkable doesn't happen by accident—you need a plan.

But there's a catch: You have to execute the strategy. Most banks admit they don't execute well, which leads to SPOTS—Strategic Plans on Top Shelf. In fact, seven out of 10 plans are never really executed.

Planning without execution is meaningless, so why don't banks execute?

Fugitte: In my experience, there are three reasons. First is lack of a planning system. Strategic planning starts with mission and vision statements. Objectives are aligned with the bank's mission and tightly focused on achieving the bank's long-term vision. Market analytics uncover opportunities and position your bank to perform. Traditionally, these key items are saved in a variety of systems. Execution fails because you can't link, track, measure and communicate results across disparate systems.

Second is lack of accountability. Banks that execute effectively assign accountability for key objectives to leaders empowered to 1) recruit dynamic people to their team and 2) delegate tasks to achieve the objectives. Top executives stay out of their way. Tasks need to be specific, achievable and timely so expectations are clear on who does what, by when. Execution improves when results are tracked through a reporting system that includes a cloud-based dashboard. This allows objective owners to collaborate effectively.

And lastly, lack of measurable objectives. Does the objective move the needle, and what is that needle? Objectives need to be measurable and relevant so the whole organization

understands what "success" means. For example, "increase loan volume by identifying a new product capable of originating \$30M by 2018" is a clear measurement of success within a specific time frame. Execution succeeds when you use a playbook that sets the pace to close the gap between your bank's current position and its strategic goals.

How does planning software help?

Fugitte: Strategy for BankersGPS solves these problems in one application. It's the new cloud-based tool that puts you on the path to exceptional levels of performance, and keeps you there. It allows your bank to create and maintain the narrative around your plan, then perform market analysis to evaluate the potential for new products, services and delivery channels. It helps you discover what will make you remarkable.

It guides you through a modern strategic planning process in an organized and interactive way. You'll link your budget to the Banker's Playbook™ and allocate resources to reach your goals. Then, the StrategyGPS scorecard measures where you are against your targets so you can pivot and make tactical changes.

Plansmith provides the coaching, system and support you need to become remarkable and be among the highly effective banks that get it done. Call 800-323-3281 today to learn how Plansmith and StrategyGPS put you on the path to sustainable earnings.

