



PROFIT RESOURCES
INCORPORATED



presented by Tim Holt

High Level Technology Outlook: Is the bank on the right track?

A word cloud on a black background. The most prominent words are 'technology' (large, yellow), 'innovation' (large, light blue), 'mobile' (medium, orange), 'payments' (medium, orange), and 'automate' (large, dark blue). Other visible words include 'competition', 'executive', 'social media', 'enterprise content management', 'customer needs', 'customer retention', 'compliance', 'core processing', 'strategic plan', 'solutions', 'image capture', 'regulation', 'products', and 'online banking'.

payments executive social media enterprise content management
competition customer needs automate
technology mobile customer retention compliance
innovation
core processing strategic plan solutions image capture regulation products online banking

What can we learn from...



and



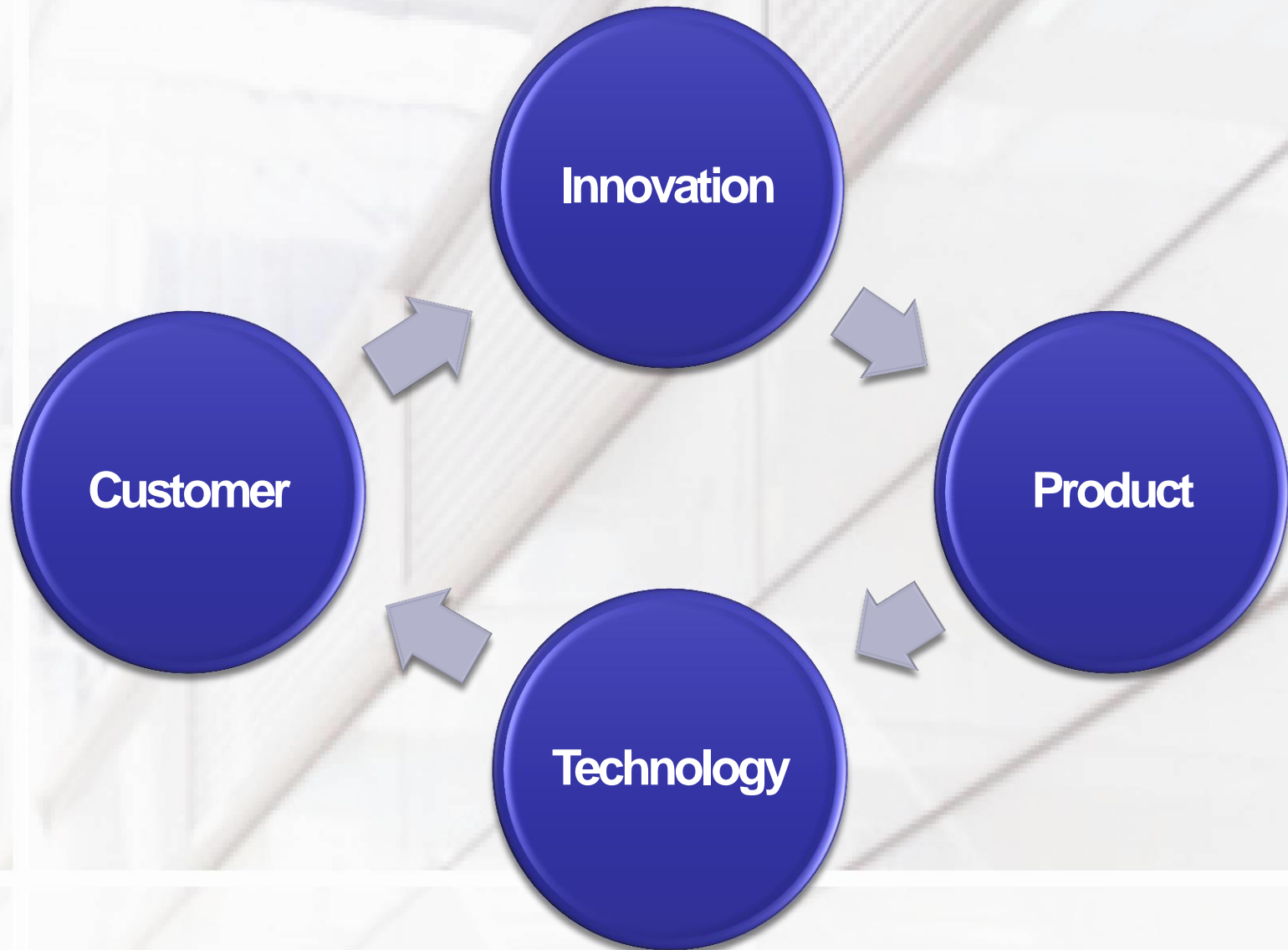
Technology & Innovation



Technology or Innovation

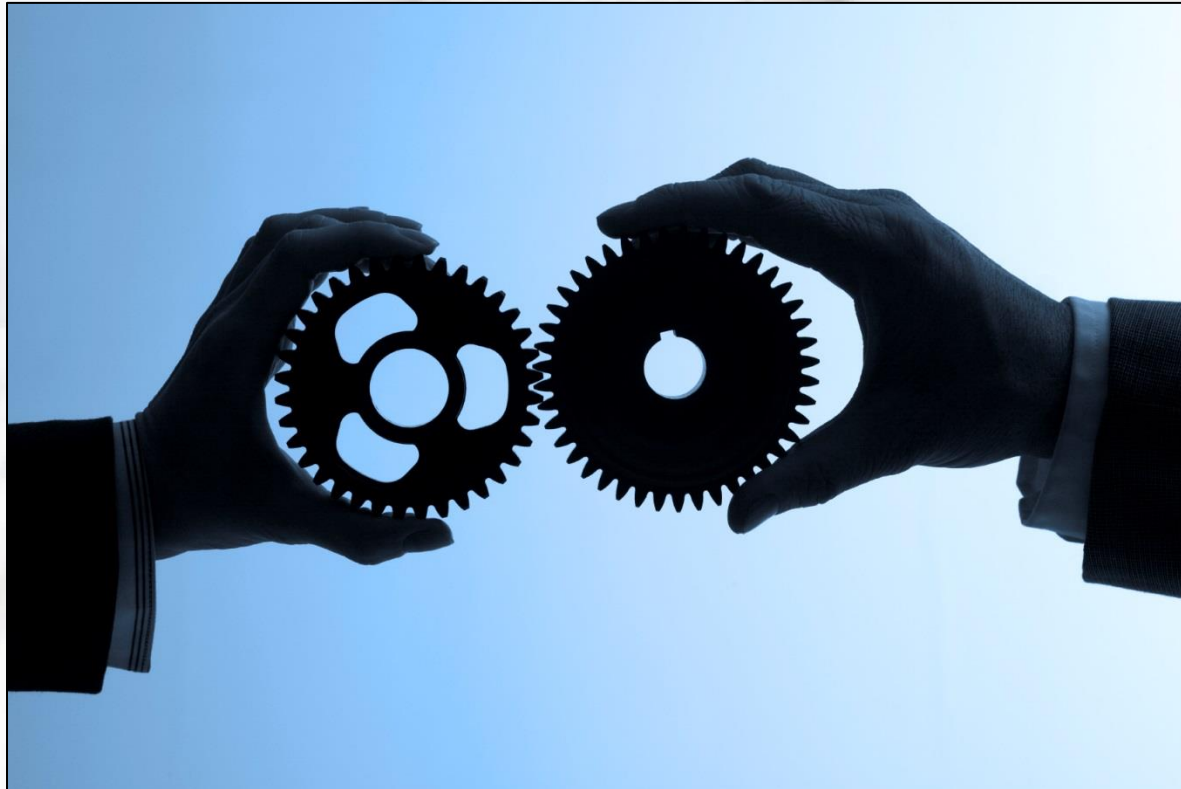
- Innovation is too often driven by technology vendors
- The industry has tremendous pressure to automate and innovate just to remain profitable and compliant
- Your customer needs and wants are changing
- Banks have stiff competition from outside the traditional banking industry forcing us to innovate and implement new products and technologies
- Delivery channels, payment systems, and ultimately loans and deposits are all being challenged

Technology or Innovation



Innovation vs. Technology

What's the key driver at your bank?



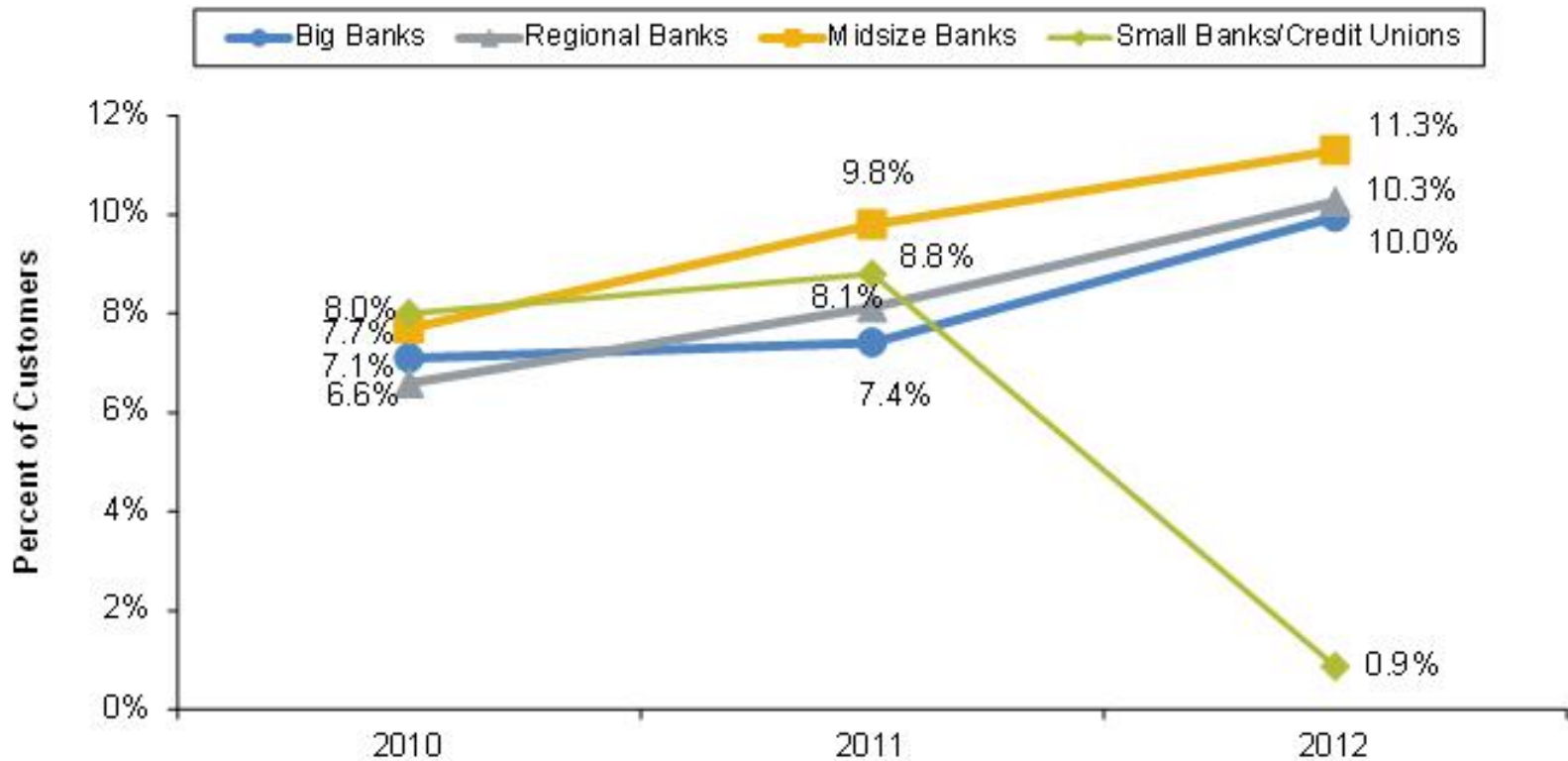
Technology or Innovation

- Technology is needed and should be implemented in order to deliver competitive products for our target markets and customers
- Sometimes this means the business case requires customer retention and acquisition
- Technology is also needed for regulatory compliance and to improve the efficiency of product delivery and service – occasionally even for an effective operation and process
- This is especially true on the consumer or Retail side of the bank

Current Trends

Customer Defection on the Rise

Customer defection is continuing a three-year rise, particularly affecting the larger institutions hurt by publicity over higher fees.



Maximizing the Current Investment

- Ensure a solid IT Strategic Plan
- Take a systems inventory
- Focus on systems utilization
- What manual processes currently exist throughout the bank?
- Align manual processes with existing technology
- Invest in training

Core Considerations

- When should you evaluate core?
- Reevaluate core processing for your innovation needs
- Don't rely on your core provider for all solutions

Top 10 Technologies

- ICBA 2012 Technology Survey – top 10 technologies banks planned to implement
 - Mobile Banking
 - Online banking/statements
 - Document/check imaging
 - iPad/tablets
 - Virtualization
 - ATM updates
 - Remote Deposit Capture
 - Person to person payments
 - CRM
 - Cloud

Top 5 Technology Trends in Financial Services – July 2013

Bank Innovation, August 7, 2013, Elizabeth Dias

- Consumer demand for Mobile Continues
- The Future Model of Banking
- Understanding the Customer Journey
- Concerns with Operational Risk Weigh Heavy
- Winning (and Losing) Payment Strategies

New Technology Considerations

- ATM configurations
 - image deposits can not be ignored
 - remote ATM benefits
- Board Portal Software and tablets
- Drive through monitors – an opportunity to more effectively utilize branch resources
- ECM
 - imaging plus workflow
 - efficiency improvement throughout lending, especially Mortgage

New Technology Considerations

- Loan Origination Systems – Decision Pro, Credit Quest or other tools to segregate loans for proficiency sake
- Mobile Banking
 - consumer banking is changing and community banks need to offer this delivery channel
 - security a concern but not prohibitive
 - We cannot rely on standard demographic assumptions
- Social Media – most compelling reason to participate may be defensive
- Vendor Management, Image Capture, Others?

Avoiding Pitfalls

- Don't rely solely on your core processor
- Don't let IT drive innovation
- Include innovation in the company Strategic Plan
- Ensure that IT planning is driven by innovation and product
- Enhance your business case process

image capture

strategic plan

products regulations

enterprise content management

customer needs

core processing

customer retention

social media imaging

innovation

payments

executive

technology

solutions

online banking

competition

automate compliance

mobile banking



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