Think Big, Act Small
“We’re looking for someone with the wisdom of a 50-year-old, the experience of a 40-year-old, the energy of a 30-year-old, and the pay scale of a 20-year-old.”
The Eight Accelerators

The processes that enable the strategy network to function

- Institutionalize strategic changes in the culture.
- Build and maintain a guiding coalition.
- Formulate a strategic vision and develop change initiatives designed to capitalize on the big opportunity.
- Communicate the vision and the strategy to create buy-in and attract a growing “volunteer army.”
- Accelerate movement toward the vision and the opportunity by ensuring that the network removes barriers.
- Celebrate visible, significant short-term wins.
- Never let up. Keep learning from experience. Don’t declare victory too soon.

**CREATE A SENSE OF URGENCY AROUND A SINGLE BIG OPPORTUNITY.**

FROM “ACCELERATE!” BY JOHN P. KOTTER, NOVEMBER 2012
A CEO at Every Desk™

“We all hold the title of Customer Service Representative.”
   – Processes; technology; A-Team.

2. Profitable products to market.
   – Top line; ROI; leadership.

3. Commitment to innovation.
   – Culture; experts; involvement.

4. Strategic perspective.
   – Focused; build value; 10X.
More Products = Loyal Customers

Household Attrition by Number of Products Owned

- 1 product: 25%
- 2 products: 20%
- 3 products: 15%
- 4+ products: 10%
Long-Term Relationships Take Time

Household Attrition by Customer Tenure

- 1 year: 25%
- 2 years: 20%
- 3 years: 15%
- 4 years: 10%
- 5 years: 5%
- 6-10 years: 0%
- 10+ years: 0%
The Bottom Line

**Per-Transaction Costs**
(by channel)

- **Branch**: $4.00
- **Call center**: 3.75
- **Interactive voice response**: 1.25
- **ATM**: 0.85
- **Online**: 0.17
- **Mobile***: $0.08
But Local Banking Builds Better Relationships

- 79% of community bank and credit union customers** feel their bank has their best interests at heart. As opposed to 60% of megabank customers***.
- 92% of community bank and credit union customers believe their bank is open and transparent with changes. As opposed to 78% of megabank customers***.
- 70% of community bank and credit union customers see their bank as a partner in managing finances. As opposed to 57% of megabank customers***.
AMERICANS VALUE TRADITIONAL BANKING

86% of Americans would prefer to do at least some

7 IN 10
Americans don’t trust online-only banks to look out for their best interests

ONLY 30%
better it’s likely they’ll no longer need to visit a physical bank location in 5 years
Build Relationships vs. Transactions
Customers are Open to Contact
CONSUMPTION SPREADS FASTER TODAY

PERCENT OF U.S. HOUSEHOLDS

100%

80%

60%

40%

20%


SOURCE MICHAEL FELTON, THE NEW YORK TIMES
• Are we your PFI?

• No? Why?
  – Branches.
  – ATMs.
  – Technology.
**Key Number**

97.8% of the value of innovations goes to imitators.

**IMITATORS OFTEN OVERSHADOW INNOVATORS**

<table>
<thead>
<tr>
<th>INNOVATORS</th>
<th>IMITATORS</th>
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<tbody>
<tr>
<td>WHITE CASTLE</td>
<td>MCDONALD'S</td>
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<td>DINERS CLUB</td>
<td>VISA, MASTERCARD,</td>
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<td>AMERICAN EXPRESS</td>
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<td>KORVETTE</td>
<td>WAL-MART</td>
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<td>SAEHAN MPMAN</td>
<td>APPLE IPOD</td>
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“It took a lot of failures to get to success.”

- Patience; Discipline.
- Focus; Collaboration.
- Define your success.
The 20 Mile March
No More Shiny Objects Model

- Bottom Line
- Strategic Fit
- Ease of Execution

100

10

3
Lean Strategy

Think Big

ACT SMALL

VISION
Founders choose the business’s reason for existence.

ANALYSIS
The organization examines its strengths, weaknesses, opportunities, threats, resources, and capabilities.

DELIBERATE STRATEGY
Senior executives agree upon the firm’s objective, scope, and advantage.

LEARNING
Managers at all levels make daily decisions and conduct experiments guided by the strategy.

EMERGENT STRATEGY
Feedback and findings reshape the strategy.

THE PROCESS RESTARTS

Rising Above
ENTERPRISES
Execute at Every Level

Goals

• The bank.
• The branch.
• The job.

Actions

• This year.
• 90-Day Sprint.
• This month.
• This week.
• Today.
Mr. Jeffrey Rendel

YOU ARE THE REASON WE KEEP CLIMBING.

On behalf of Delta employees worldwide, thank you for flying with us. We value your business and look forward to serving you again in the future. Have a great flight.

It has been our pleasure to serve you!

[Signature]

Rising Above
ENTERPRISES
Statements of Value

• We know your issues.
• We know your business.
• We know you personally.
  • We can execute.
• We can help you financially.
  • We’re different.
A CEO at Every Desk™

“We all hold the title of Customer Service Representative.”