

Feeling glum? Get to work! It's a great time for an RFP

Lately, I have been reading and hearing that the financial industry is reeling from a fear of regulatory reform, deteriorating credit quality, slow loan growth, less-than-expected earnings, and a slowing, but still-growing economy. Would you agree that this has been the drone of nightly news?

Okay, enough of the national distraction. I am certain that there is little I or you can do to change the national story, but there is a lot that you can do to change the story of your institution. While your competition is stuck in the headlights of a slow-moving economic train, you have an opportunity—and vendors are waiting for your call. Now is a perfect time to update your technology strategy. Distraction can be an advantage if you are not the institution that is distracted!

The mantra of future planning is doing more with less. Of course this is not new, but the degree of “more” is. Every aspect of your banking enterprise should be reviewed, including the paper intensive lending side. Determine what is absorbing your time and then develop a request for proposal (RFP) to send to a short list of vendors soliciting their solutions.

The value of using an RFP, even for small projects, is the creation of a common framework for all of the responses that you receive. The vendors selected will answer your questions in large part, your way, and will be easier to understand. Secondly, you will learn a great deal from the RFP’s, and in some cases you will gain valuable knowledge of available features that could enrich your understanding and enhance improvement objectives. The process can be a positive one, as well as a very informative one.

Vendors do not publicize sales statistics, but I know that they are anxious to assist and there is no time like the present. It is a buyer’s market right now and using RFPs can improve the competitiveness of the proposal in addition providing implementation resources to assist your institution as you make a selection, and install new technology.

Where to start? Here are two approaches you can take. First analyze your customer service calls. Determine why your customers are calling and begin the search for a solution through the development of a RFP. Second, conduct a time survey of designated processes within your institution, and rank them in order of those activities that consume the most time. Take the top three and build an RFP.

It is not that difficult, and there are numerous vendors that are willing to compete for your business. So, get to work! We have things to improve…

The Wombat!

About the Author

Dan Fisher is president and CEO of The Copper River Group, a consulting firm headquartered in Fargo, N. D., that focuses on technology and payment systems research and consulting for community financial institutions. For nearly 30 years, Fisher has worked in the financial industry using technology to improve the bottom line. He was CIO of Community First Bankshares (now part of BancWest), has served as a director of the Federal Reserve Board of Minneapolis, the chairman of the American Bankers Association Payment Systems Committee, and was a member of the Independent Community Bankers of America Payments Committee. Fisher has written numerous articles on banking technology and

the payments system. He has authored or co-authored six books and recently published a book titled, "Capturing Your Customer! The New Technology of Remote Deposit." You can contact Fisher at dan@copperwombat.com.

P.S. To understand Dan's nickname, check out "About the Wombat" on his website, www.copperwombat.com