

# CSG

Consulting Services Group

In the current environment of interest margin compression, numerous competitors and the high cost of product and service delivery, financial institutions struggle to remain profitable. Ceto and Associates' Consulting Services Group (CSG) evaluates and understands your financial institution's needs and goals to create solutions to optimize overall efficiency and increase revenue.

The CSG practices scope is in Revenue Enhancement, Operational Effectiveness and Strategy. CSG's clients include consumer and commercial banks, credit unions, insurance companies, brokerage companies, and mortgage banking companies.

We have extensive experience in all areas of financial institutions including retail and commercial banking, commercial, consumer and mortgage lending, trust/wealth management, investments, insurance, brokerage, information technology, front office/branch operations and back office operations including administration.

**Revenue Enhancement** practice maximizes fee income by reviewing all fees currently charged across delivery channels, fee processing, fee waivers, and refunds. In addition, non-earning asset areas including cash levels, item processing, cash flows, payment and funding processes are examined and minimized.

Our Revenue Enhancement projects include:

- Examining transaction flows and ensuring fees are properly assessed
- Reviewing waivers, refunds and collection rates of fees to ensure the institution is at least achieving industry standards
- Comparing current fee amounts to those of competitors and recommend increases where feasible
- Reviewing non-earning assets to determine how they can be converted to earning assets
- Analyzing the timing and posting of item processing to ensure items are cleared in an efficient and timely manner
- Assessing cash levels and processing to ensure optimal level of cash is maintained and the processes are efficient and timely
- Examining all electronic, paper and manual transactions to ensure fees are properly assessed or recommend a fee where none is currently charged
- Reviewing other revenue enhancement opportunities as determined throughout the project



Based on our project experience, Revenue Enhancement projects provide the financial institution \$1,000 - \$2,000 in annual, pre-tax revenue per million dollars of assets. For example an \$1.2 billion institution could expect benefits in the range of \$1,200,000 - \$2,400,000 per year. Our revenue enhancement projects not only provide significant financial benefits to the institution, they also provide a great opportunity to learn about Ceto's consulting abilities in a short time with minimal investment.

## Key areas that provide significant revenue enhancement benefits

### Maximize Fee Income

Fee Revenue Opportunities, New Fee and/or Pricing, New Products or Services

### Non-Earning Asset Revenue Opportunities

Reduce Level of Non-Earning Assets, Increase interest Compensation, Decrease Interest Expense, Increase Investable Funds

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**Operational Effectiveness** initiatives include front and back office staff modeling, increasing channel utilization, process reengineering and improvement, optimizing management levels through review of span of control, developing metrics and performance management to increase productivity, and other projects that enhance the effectiveness and efficiency of the operations, while growing customer satisfaction.

Our Operational Effectiveness projects include:

- Developing staffing models for front and back office functions
- Examining processes and workflows to determine opportunities for reengineering
- Analyzing system integration within processes to ensure automation is being used efficiently and effectively
- Reviewing organizational structure and span of control to ensure effective and efficient management of work teams and processes

**Strategy Practice** assists institutions in developing organization-wide strategies, as well as strategies for specific areas within the organization, such as information technology strategies.

Our Strategy projects include:

- Understanding your short term and long term goals
- Review of current markets as well as opportunity markets
- Review of existing businesses, products and services
- Identifying strategic objectives and develop an overall strategy
- Performing a SWOT analysis
- Assisting in project planning and implementation of strategy
- Developing department strategies
- Building information technology strategies around bank and department strategies

We are pleased to arrange a full presentation of our services at a time convenient to you. Prior to performing consulting services we provide our clients with a comprehensive proposal of work to be performed, project deliverables and professional fees for the engagement. We look forward to the opportunity to meet with you to determine how the Consulting Services Group can best assist your institution.

### Areas of Focus

Revenue Optimization

Operational Effectiveness  
Enhanced Productivity  
Sourcing  
Procurement

Technology effectiveness and utilization

### Organizational Units

Retail Banking

Commercial Banking

Mortgage and Consumer Lending

Trust, Investments, Insurance,  
Brokerage

Operations and Administration

Information Services/Technology

### Objectives

Increase revenue

Fee Income

Reduce non-earning assets

Reduce direct expenses

Improve productivity

Maintain/Enhance customer  
experience

## Next Step...

Contact Rick Holtzman at 678.297.1151 x 247  
or via e-mail [rholtzman@ceto.com](mailto:rholtzman@ceto.com)

### About Ceto And Associates

Nicholas Ceto, Jr., after his retirement from KPMG in 1994, founded Ceto and Associates. Ceto and Associates specializes in developing solutions to provide financial institutions the ability to increase their profitability through the implementation of earning enhancement programs and the optimization of overall operational efficiencies. In the last 15 years, the Firm has grown into a nationally recognized consulting firm in the financial industry and has earned the trust of more than 1,500 financial institutions in all 50 states.

For more information about Ceto and Associates, please visit our Web site at [www.ceto.com](http://www.ceto.com).