



Performance Measurement

Make smarter decisions that improve profitability.

To measure success, banks typically track ROA, ROE, and efficiency ratio—yet incentivize the growth of loans and deposits. This creates inconsistency between goals and desired outcomes. Despite the “success” of its growth efforts, the growth may come at the cost of lowering the organization’s ROA and ROE. It’s time to make those smart decisions that lead to increased profitability. Financial institution profitability starts with performance measurement. Our cost-efficient outsourced solution lets you harness the power of your financial data to improve your operation. We turn your data into incredibly valuable management information that improves your bottom line. It’s easier to set up and more cost effective than you might expect. And it produces tangible results.

What does Performance Measurement get you?

- Know your profit trends by branch, product, line of business, and customer.
- Be better positioned to achieve your strategic objectives and vision.
- Know the truth behind your numbers.
- Pinpoint what you need to do daily to improve the profitability of your organization.

How would you use it?

- Initiate and validate strategies
- Learn which branches and products are most (or least) profitable
- Base performance on *financial results*, not number of accounts
- Provide customer level data to feed your MCIF or CRM system
- Peer data you can use to compare to your organizational and product costs and profitability results
- Promote an accountability culture
- Provide actionable information to your board, executive team, and staff

Won't this be too complicated and time consuming?

The time involvement of your team is minimal. We work with your finance team and interview management to build the performance management model. You have no investment in software or infrastructure. Your time can be used to analyze and act on the data.

Is it expensive?

The cost of our outsourced Performance Measurement services is a fraction of the cost of an in-house cost accounting department. With a modest quarterly fee, it's like having a profitability consultant or in-house management accountant at your disposal.

Why Kafafian?

While our product is exceptional—and will forever alter the way you view growth—it's our partnership and expertise that set us apart. We've been partnering with banks for more than 30 years, offering valuable insights and analysis to help our clients make more informed decisions and achieve their overall strategic objectives and vision.