

## Reflection 2. Make Who You Are Matter



Who a financial institution is matters. It might seem that this is contained in the Mission, Vision and Values statement that appears in every strategic business plan, that it is espoused by taglines that promote being “Simpler, Better, Faster!” in the past or now “It Can Be” – Standard Bank, or “We are You” Cooperative Bank of Kenya. Whilst these taglines are certainly components of who we are – it is not enough.

Mission, Vision, Values: When it comes to mission, vision and values, there is a risk of tokenism. In judging the Think Business Banking Awards in Kenya this could be seen in the nature and quality of many entries around ESG, though with continued focus on ESG this is changing. The trick with mission, vision, and values, is to convert these statements into practical activities and outcomes which continuously reflect and demonstrate how the financial institution lives the mission, vision, and values.

To explain this a little more. Let’s consider a few elements which make up the “who” of a financial institution.

How we think: How responsive are we? What are our priorities? What decisions do we take? On what basis do we take decisions? What is our risk appetite? How do we assess risk? How do we promote opportunity?

Who we serve: Many institutions are struggling in the current market to define who they serve. Trying to be everything to everyone, may be possible for the biggest banks, but it is not credible for most institutions. This lack of focus impacts on product development, product delivery, opportunity search, resource decisions.

The capacity we are building: Given our objectives and our mission, vision, and values, what capacity are we building to meet these needs and projected future needs. Given the pace of change in the financial sector, it is how we think and the capacity we have and that we are developing that matters.

How we use our capacity: So, in a competitive environment, how are we using our capacity – as an example, almost all financial institutions now have a business analytics function, but in some financial institutions most of its analytics capacity is used in preparing daily, weekly or monthly reports that its existing systems cannot manage, rather than exploring and understanding data.

Where we invest: How do we invest in the capacity we are building and in our systems. Which partnerships are we developing? What products and services have we developed for our customers?

How aligned we are: In 2006 Equity Bank won Company of the Year Award (COYA) for their approach to business planning, which was based around “strategic alignment”, an approach based around identifying critical success factors, stretch goals, measures, and activities. They ensured that every member of staff knew how they contributed to the achievement of the institutions.

*Culture*: Collectively, who we are is the substance of our institutional culture. It informs how we work; the levels of autonomy that management is provided in fulfilling institutional objectives; the internal standards that are applied; the level of internal customer service and how we respond to situations where we go wrong.

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*If this reflection speaks to you... speak to me so that we can inspire change, together.*

David Cracknell

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