

the PROUTY PROJECT

Bigger Goals • Bolder Strategies • Better Collaboration

All-Employee Collaboration Funnels Ideas into Annual Strategic Plan

How the Prouty Project has "stretched" Beacon Bank for 20 Years

Bigger Goals: Building sustainable growth

- Beacon Bank, originally First State Bank of Excelsior, was a start-up in 1990. Bob Weiss, Chairman and CEO had a vision of continuous growth and a desirable workplace.
- The biggest challenges were to gain management alignment around this vision and create a culture for building sustainable growth. Weiss realized it was difficult for him to drive discussions about strategy and decided to bring in an outside influencer to solidify the bank's goals, define core values, and push everyone's thinking.
- The ultimate goal for Beacon Bank is to be viewed as a bank of choice among customers and employees.

Bolder Strategies: Creating new opportunities

The Prouty Project has played an ongoing role for 20 years with Beacon Bank by introducing an annual strategic planning process that has encouraged bolder moves through creativity and idea stretching. Examples include: Changing the name to Beacon Bank was bold. Moving into the crowded Eden Prairie market was bolder. Opening a branch in Duluth was a very bold move based on going after good people to create new opportunities.

Bolder strategies have come from the Prouty Project asking tough questions, such as "What if?" and "Why not?" The outside influencer ensures that "sacred cows" are addressed and those who say "we've always done it this way" are challenged to "think outside of the vault". Core values were defined through the Prouty Project's expertise in laying foundational guideposts. Initially, the process included only the management team and board. Later, Weiss started something unheard of in the banking industry: Engaging all employees in the strategic planning process.

Better Collaboration: Engaging all employees in the strategy

Picture 80 employees in one room focused on generating strategic growth possibilities. They start by sharing their best example of how they have personally seen or experienced Beacon Bank's values — responsive, reliable, and reassuring. The values come to life as people recognize their impact on how customers and colleagues are treated. This creative storytelling approach resulted in better collaboration as employees rub shoulders with colleagues from other departments and locations, as well as senior managers and board members. After the first day-and-a-half session with all employees, the process narrows down to 16 senior managers on Day 2 and then again to eight key decision makers by Day 3. This collaborative approach of generating strategic possibilities engages people at every level of the organization. Everyone feels they have a stake in the next year's strategy, which promulgates a culture of peer-to-peer accountability.

Results: Driving measurable growth

Over the 20-year partnership with the Prouty Project, Beacon Bank has grown from \$12 million to \$300 million in assets. Today, it is one of the 50 largest banks in Minnesota. The annual, three-day planning process drives decisions to execute creative strategies and integrates the three key values into those strategies for building sustainable growth.

