Bank strategic roadmaps and financial trajectories in the current crisis

Before the current COVID-19 crisis, bank profitability was already under high pressure due to low interest rates, growing regulatory requirements and new disruptive actors entering the market like fintechs and GAFA. The economic difficulties to come will put additional constraints on their stretched business model (liquidity needs, cost structure optimisation, credit risk increase, etc.).

One of the many effects of this crisis will be the global challenges of business plans and their underlying assumptions in most sectors, including the banking industry. Furthermore, banks will have to strengthen their efforts and ambitions to rationalise their cost structure as interest rates are likely to remain low in the near future.

Beyond these assumptions, some banking businesses may have to evolve in terms of their revenue models, customer journeys and relationships, as certain customer needs may change significantly after the crisis.

In the meantime, and in contrast to the previous crisis, this unprecedented period represents an opportunity for banks to demonstrate more than ever their key role in the economy and to become again the trusted third party for customers.

Multi-scenario forecasts and efficiency programmes

Accuracy brings together professionals with a wealth of backgrounds and competencies, including finance and strategy professionals, ALM / risk and regulatory specialists, and engineers with strong modelling skills.

Our cross-disciplinary teams can help clients assess financial impacts on their banking businesses and provide them with tailor-made decision-making solutions. We can:

• assess how their business is being affected by the crisis and whether there are steps they can take now to mitigate those risks;
• assist in building / adjusting the strategic roadmap and the financial trajectory;
• assess how net banking income, operational expenses and cost of risks may develop, by performing forecasts based on multiple scenarios (building complex models to stress the financial trajectory and assess the impacts of key assumptions properly);
• determine cost efficiency measures to implement and the relevant actions for steering (governance, dashboard etc.);
• assist in the context of acquisitions or disposals of key entities or businesses.

About Accuracy

Accuracy is a wholly independent international consulting firm providing advice to company management and shareholders for their strategic or critical decisions, notably in transactions, disputes and crises.

Accuracy’s strength is to connect strategy, facts and figures. Accuracy’s teams are international and multicultural, combining various skills to provide bespoke services to our clients. We recruit consultants from the best.

Accuracy is present in 13 countries in Europe, North America, Asia, Middle East and Africa and leads engagements all over the world.