

# Business-Related Group Exercise

Silverman & Briar (S&B) is a regional banking firm headquartered in the north east of England. Its services include investment, merchant, retail and private banking; with the bulk of its revenue generated by its retail banking service. S&B's current marketing strategy and unique selling point is to cater exclusively to customers in the region, cementing its position as the traditional "local bank" in the area. However due to increased competition from the big names in international banking, S&B is losing its grip on the north east, threatening its position as the chosen bank in these communities.

You have recently joined S&B as a graduate management trainee. As part of your development, you have been asked to participate in a meeting to address current and strategic issues alongside senior management. In preparation for this meeting, you and a number of your colleagues are attending a committee meeting to discuss the way forward and to provide practical recommendations. You will be discussing each issue and will have to come to a mutual agreement on the most suitable course of action for each case.

The group's recommendations must be as specific as possible, outlining exactly what actions need to happen next. It will help to imagine yourself in the scenario and think about what actions you would take if faced with these issues for real in the workplace.

It is important that the group reaches a majority consensus on each issue. Please note that you or the group may have to explain to other stakeholders the recommendations made, and you should be prepared to justify the decisions the group agrees upon.

1. Due to local economic difficulties facing north east England, this year's projections predict a significant drop in profits from S&B's flagship retail banking service. The economy of the north east for many years has relied on heavy industry, particularly ship building, petrochemical refining and chemical production. Current economic pressures on these industries could lead to factory closures, causing a significant exodus of employees in the region. Due to S&B's presence in the region, a migration of customers away from the north east will inevitably lead to loss of revenue, however at a board meeting a potential remedy was identified. Introducing a new online services division may allow S&B to continue providing banking services to customers regardless of their geographical position. This solution was met with mixed results by the board, with traditionalists favouring the conventional bricks and mortar style and modernists wanting to catch up with big high-street banks. Senior management has asked for the input of junior management regarding the implementation of this service and its potential implications.

As a group, identify the pros and cons of implementing an online banking service at S&B and decide on a way forward.