

# WP Advisory

## Case Study: Interim Leadership – Financial Institution

David Van Rossum  
September 2019

WP Advisory provides best-in-class management consulting services to middle-market companies. We are a small team of senior executives with significant industry experience.

# Introduction

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# Summary

- Financial institution with \$3.5 billion in assets and more than 50 retail locations developed an immediate need for an interim CEO due to a sudden change. There was no suitable succession plan in place.
- The Board of Directors was concerned about business continuity, corporate culture, and reputational risk.
- Hired as interim President & CEO while the Board performed a search, having been a long-term board member and recent addition to the management team.
- During interim tenure operations remained stable, developed an open culture of communication across the organization, and retained members and accounts at previous levels.
- Later hired as full-time CEO.

# Role and Responsibilities

- Role
  - Interim President & CEO, then full-time CEO
- Responsibilities
  - Provide leadership to the organization
  - Establish a more transparent relationship between the Board of Directors and senior management
  - Identify and implement positive changes in corporate culture
  - Continue the positive direction of financial growth and profitability of the organization

# Challenges

- Sudden change from a 20+ year tenured CEO caused uncertainty, especially among senior staff.
- Prior silo management style had led to a lack of trust and coordination among departments.
- Regulators were concerned about the issues surrounding the prior CEO's departure.
- Three other members of the executive team became candidates for the permanent CEO role which led to challenging internal politics.
- The board was small (5 members) with long tenures, which made it better suited to the type of organization which had been outgrown.
- The organization had just established a new business banking initiative and an insurance platform which needed additional operational infrastructure and leadership to support.

# Outcome

- Business lending division grew from \$0 (start-up) to \$200M during CEO tenure.
- Assets and profitability both grew by double digits during CEO tenure.
- The senior management team realized greater productivity as they were encouraged to work together and share ideas across departments.
- Communication throughout the organization was vastly improved.
- The organization was able to complete the migration of a new acquisition and begin the process of a new merger.
- Regulators were satisfied with the safety and soundness of the organization.
- Expanded board to match the needs of a larger organization.

# Contact

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