BANKS AND CREDIT UNIONS:
Marketplace factors are driving merger and acquisition (M&A) activity among banks and credit unions. It's a complex process that impacts business process, people, environment and technology.

THE STATE OF THE INDUSTRY
DRIVING FORCES OF CHANGE
- Regulatory pressure
- Margin compression
- Consolidation for scale
- Competition from the emerging fintech sector and activist shareholders clamoring for higher returns

Banking deal activity has been driven by:
- PwC anticipates increased activity in 2016 and beyond as these trends accelerate.1

TEAMING UP FOR INNOVATION AND SUCCESS
32% of traditional financial services organizations plan to engage in joint partnerships with fintech companies.2

BANKS: KEEPING THEIR EYES ON THE PRIZE
Over the next 12 months,
91% said that customer retention was maintained at the levels projected before the deal.3

WHERE DID WE GO WRONG?
51% said they were satisfied with the impact of the sale on the bank's former employees and customers.3

CREDIT UNIONS: THERE'S POWER IN NUMBERS
MERGERS ARE ON THE RISE
Mergers are a 2016 growth priority for 4 in 10 credit union CEOs, a sharp increase from previous years.4

WHAT TO PREPARE FOR
Challenges banks and credit unions will likely face as they integrate IT systems:
- Inadequate IT integration
- Lack of visibility
- Data amalgamation
- Compliance regulation

TIPS FOR A SMOOTH IT INTEGRATION
Ensuring a successful merger or acquisition requires these key steps:7
- Create a list of standards for equipment.
- Deploy an asset management solution.
- Create a timeline for the project and work closely with the project manager.
- Identify the projects and outsource those that will be most time-consuming.

For those who are in the market to be acquired:
Before you go on the market, get your IT house in order to make your company more appealing.

Sources:
3 bankdirector.com, Bank Director Bank M&A Survey, 2016
4 crnrstone.com, “What's Going on 2016: Cornerstone Advisors’ Take on Community Bank and Credit Union Priorities and Technology Plans”
7 Brad Fussel, Financial Services Senior Account Manager, CDW

Learn more about how the CDW Financial Services Mergers and Acquisitions Services Team experts can help you simplify your merger or acquisition with a strategic plan and identify and deploy the right IT solutions to optimize cost savings and efficiency. Call 888.706.4239 or visit CDW.com/banks or CDW.com/creditunions today.

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