

Maryland Banking School

Class of 2024

CAPSTONE PROJECT

Project Overview

The curriculum in the first two years of banking school focused on giving students a solid foundation while reviewing the fundamentals of banking to facilitate the practical application of concepts. The purpose of this project is to integrate all of the disciplines (e.g., Marketing, Management, Credit, Economics, Finance, etc.) introduced during the freshman and junior years. The project addresses various components of a SWOT analysis. The analysis is to be applied to your financial institution or organization. And, you should focus on analyzing the areas of marketing/sales, organizational structure/management, financial management, credit and economic conditions. **Choose a minimum of two different areas for your analysis.** Please see the attachment for an overview of SWOT analysis.

Project Outline

I. Description of Organization (10%)

Write a brief (1-2 paragraphs) description of your organization (name, markets, location, size in branches, asset size, number of banking locations inside/outside Maryland, etc.) and its relevant history (mergers, growth, downsizing, etc.)

II. Internal Strengths and Weaknesses Analysis (30%)

Using your knowledge of the industry and materials from your classes, detail the two (2) greatest internal strengths and the two (2) greatest weaknesses in your organization. Explain why you believe they are strengths, i.e. how they can be leveraged to further your organization, and, why they are weaknesses, i.e. how do they pose problems for your organization. Be certain to include a discussion of how customers view your organization and why they do business with you. Explain how you have come to your conclusions. (3-4 pages)

III. External Threats and Opportunities Analysis (30%)

Using knowledge from your coursework and of the local, regional and national markets, detail the two (2) greatest external threats and the two (2) greatest external opportunities presenting themselves to your organization over the next 1-3 years. Explain why you believe they are threats or opportunities. Relate them directly to your organization, explaining how they specifically impact your financial institution or firm. (3-4 pages)

IV. Strategies and Goals (30%)

Choose a strength or a weakness, and, choose an opportunity or a threat. Write a two to three (2-3) page memo to your superior outlining each issue. Establish a goal for each and develop strategies to build on the strength, take advantage of the opportunity, correct the weakness, or mitigate the threat.

Please include a bibliography of research materials referenced in your paper and any statistical tables or other data that you believe support your contentions.

The entire project should be typewritten, double spaced and no longer than 8-12 pages. Exhibits, surveys, statistical data, etc. included with the paper will not be counted in the total page length.

Due Date: March 29, 2024

GOOD LUCK!

SWOT ANALYSIS OVERVIEW

A scan of the internal and external environment is an important part of the strategic planning process. Environmental factors internal to an organization can be classified as strengths (S) or weaknesses (W), and those external to an organization can be classified as opportunities (O) or threats (T). Such an analysis of the strategic environment is referred to as a **SWOT** analysis.

The SWOT analysis provides information that is helpful in matching an organization's resources and capabilities to the competitive environment in which it operates. As such, it is instrumental in strategy formulation and selection. SWOT analysis is a framework for analyzing your organization's strengths and weaknesses and the opportunities and threats it faces. The goal is to maximize the strengths, minimize the weaknesses, take the greatest possible advantage of opportunities, and mitigate the threats.

Strengths

An organization's strengths are its resources and capabilities that can be used as a basis for developing a competitive advantage. Examples of such strengths include:

- patents
- strong brand names
- good reputation among customers
- a new, innovative product or service
- location of your business
- quality processes and procedures

Weaknesses

The absence of certain strengths may be viewed as a weakness. For example, each of the following may be considered weaknesses:

- lack of patent protection
- a weak brand name
- poor reputation among customers
- undifferentiated products and services (i.e. in relation to your competitors)
- location of your business
- poor quality products and services

Opportunities

The external environmental analysis may reveal certain new opportunities for profit and growth. Some examples of such opportunities include:

- a developing market such as the Internet
- mergers, joint ventures or strategic alliances
- a market vacated by an ineffective competitor
- arrival of new technologies
- loosening of regulations

Threats

Changes in the external environmental also may present threats to the organization. Some examples of such threats include:

- a new competitor in your home market
- price wars with competitors
- a competitor has a new, innovative product or service
- new regulations

Some Tips for Successful SWOT Analysis

- be realistic about the strengths, weaknesses, opportunities and threats
- analysis should distinguish between where your organization is today, and where it could be in the future
- be specific, avoid gray areas
- keep your SWOT short and simple. Avoid complexity and over analysis.

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Part B

Your management has read your SWOT analysis memo and you have now been asked to present your findings to the CEO and key senior management.

Prepare a 5-minute presentation on your analysis and recommendations.

You may use handouts, overheads, flipcharts, etc. There is no need to prepare a PowerPoint presentation.

The audience will consist of 3 non-class members, usually an active CEO (not your own), Maryland Banking School Board members, graduates, faculty, and/or administrators.

Your presentation will take place on Wednesday evening during your senior session.

You will not be graded on your presentation. This is an opportunity for you to speak before a group of your peers. There will be limited Q&A by the audience/panel.

The 5-minute time limit will be enforced to allow everyone an opportunity to present. Time slots for presentations will be selected randomly and posted at the start of the 2024 school session.