

CASE STUDY

YOU'RE GOING TO NEED A BIGGER VAULT



Citizens National Bank

Brad Tidwell, President and CEO of Citizens National Bank

As president and CEO of Henderson, a Texas-based Citizens National Bank, Brad Tidwell has led the financial institution through an enormous period of growth.

Founded in 1930, Citizens National's emphasis from the beginning has been to provide excellent personal service with the latest in financial products and services. Citizens introduced TV motor banking to East Texas in 1966, and became Henderson's first full service bank with the addition of a Trust department in 1969. Displaying its commitment to innovative technology, Citizens introduced its first ATM in 1979, and began offering Internet Banking and Online Bill Pay in 2000.

When Tidwell joined Citizens National eight years ago, he found a moderately sized community bank with \$700 million in assets. Today that figure has more than doubled to \$1.65 billion, and Citizens National has 28 branches across 12 counties in East and Central Texas.

Effectively and efficiently managing this phenomenal growth is a priority for the Citizens National team, and that's why Tidwell brought in Strategic Resource Management, Inc. to assist.

"We knew that there had to be ways we could be more productive and cost efficient, but we didn't have experts on our team who were proficient in evaluating contracts and negotiating terms," Tidwell said.

"SRM discovered sizeable ways for us to cut costs. They found that some contracts that were appropriate for us a decade ago no longer offered the best terms. They delivered on their promise to improve our bottom line, and there was absolutely no risk."



Enlisting SRM to look at all its contracts, Tidwell was impressed by the company's business model: SRM is not paid unless clients achieve savings.

"One of the things about SRM that most impresses me is their sense of integrity," Tidwell said.

"A lot of companies will offer to save you money, but they may not be honest. SRM evaluates our contracts and, if they can negotiate better terms, they will. But they've also looked at some other contracts and told us where we're already getting the best deal possible and they couldn't renegotiate for anything better. That kind of honesty is refreshing."

SRM's attention to detail is also impressive, Tidwell said. SRM negotiates contracts every day and therefore has amassed an enormous industry database. This allows the company to keep a constant eye on industry contracts and share cost saving knowledge with clients. Utilizing that expertise, SRM renegotiated one of Citizens National's contracts that resulted in savings of about \$3 million.

"They have a depth of knowledge and experience that led to dramatic savings for us, which was like found money," Tidwell said. "In addition to the benefit of saving so much money, SRM negotiated better terms for us and we didn't even have to make a transition to another vendor. It was a win for everybody."