

PCI Performance Management

2026

OPERATIONAL & TECHNOLOGY READINESS SCORECARD

www.prairiebankconsulting.com





INTRODUCTION

As community banks look ahead to 2026, operational efficiency is becoming a defining factor in long-term competitiveness. Rising compliance costs, increasing reporting demands, and persistent staffing constraints are placing sustained pressure on operating models that were not designed for today's complexity.

At the same time, advances in automation, data analytics, and artificial intelligence are reshaping how financial institutions manage routine processes, monitor risk, and allocate human resources. In this environment, operational and technology decisions are no longer neutral.

This scorecard is designed to help CEOs, executive teams, and boards assess whether their operational processes, technology infrastructure, and governance practices are positioned to support efficiency, compliance, and sustainable execution in 2026 and beyond.

The objective is simple: bring clarity to how technology and automation can be used responsibly to support performance and risk management.

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2026 Operational & Technology Readiness Scorecard

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ABOUT US



For more than 25 years, PCI Performance Management has helped community banks navigate complexity with insight and purpose.

Through strategic planning, operational improvement, leadership coaching, and risk-focused assessments, PCI works alongside executive teams to build stronger cultures, more effective processes, and long-term organizational success.

EXECUTIVE SUMMARY

risk, and complexity in community banking. As regulatory expectations expand and staffing challenges persist, institutions must ensure that operational processes and technology tools support consistent execution and oversight.

This Operational & Technology Readiness Scorecard is designed to help leadership teams evaluate whether current processes, systems, and governance structures are sufficient to support efficiency and compliance in 2026. It focuses on three areas that most often determine outcomes:

- Operational Process Efficiency
- Technology, Data & Automation Readiness
- Governance, Risk & Controls

Together, these dimensions provide a practical view of whether an institution is positioned to reduce manual effort, improve consistency, and deploy technology in a controlled and regulator-aware manner.

The scorecard is not intended to promote specific tools or technologies. Instead, it serves as an organizational diagnostic—highlighting readiness gaps, surfacing operational risk, and guiding informed discussions around modernization priorities.



01 HOW TO USE THE SCORECARD

Instructions

- Review each statement carefully.
- Rate each item using the 1–5 scale.
- Complete the assessment individually or as a leadership group.
- Review patterns, gaps, and areas of divergence.

Scoring Scale

- 1 = Not in place
- 3 = Partially in place
- 5 = Fully in place and effective



This scorecard is most valuable when results are discussed collectively and used to inform operational and technology decisions.

02 OPERATIONAL PROCESS EFFICIENCY

Operational efficiency depends on the clarity, consistency, and scalability of core processes. As volumes increase and staffing remains constrained, reliance on manual or informal processes can introduce operational risk and execution delays.

This section assesses whether core operational processes are standardized, documented, and positioned to support efficient execution.

Operational Process Efficiency Scorecard

Core operational processes are documented, standardized, and consistently followed.	1	2	3	4	5
Manual workarounds are limited and actively monitored.					
Operational processes scale effectively without adding disproportionate staffing.					
Reporting and reconciliation processes are timely and reliable.					
Staff time is focused on judgment-based work rather than repetitive tasks.					

Interpretive Guidance

Low scores often indicate hidden operational risk and unnecessary cost driven by manual effort and process inconsistency.

TECHNOLOGY, DATA & AUTOMATION READINESS

Technology and automation can play a critical role in improving consistency, efficiency, and oversight when deployed thoughtfully. As operational demands increase and staffing remains constrained, institutions must evaluate whether their systems and data infrastructure support effective execution.

This section assesses whether the bank's technology environment, data quality, and approach to automation—including the responsible use of AI—are positioned to support operational efficiency and compliance.

Technology, Data & Automation Readiness Scorecard

Core systems provide reliable, accessible data to support operational and compliance needs.	1	2	3	4	5
Data is consistent across systems and reconciled regularly.					
Automation is used to reduce manual effort in low-risk, repetitive tasks.					
Technology tools support consistency and documentation rather than informal workarounds.					
Management understands where automation or AI can enhance efficiency without replacing human judgment.					
Staff receive appropriate training to use technology tools effectively and responsibly.					

Interpretive Guidance

Low scores in this section often reflect inefficiencies driven by fragmented systems, inconsistent data, or over-reliance on manual processes. Responsible use of automation can improve consistency while allowing staff to focus on higher-value judgment and oversight.

04 GOVERNANCE, RISK & CONTROLS

Effective use of technology and automation depends on clear governance, risk awareness, and internal controls. Boards and regulators increasingly expect management to demonstrate not only what tools are used, but how they are governed.

This section evaluates whether policies, oversight structures, and controls are in place to support responsible adoption of technology while maintaining safety and soundness.

Governance, Risk & Controls Scorecard

Technology and automation decisions are guided by formal policies and governance structures.	1	2	3	4	5
Management evaluates operational and compliance risk when adopting new tools or processes.					
Controls exist to monitor outputs generated by automated or AI-supported processes.					
Roles and accountability related to technology oversight are clearly defined.					
Use of automation or AI is documented and transparent to leadership and examiners.					
The organization periodically reviews technology practices to ensure ongoing alignment with regulatory expectations.					

Interpretive Guidance

Strong governance and controls reduce technology risk and increase confidence among boards, regulators, and staff. Institutions that pair modernization with disciplined oversight are better positioned to improve efficiency without compromising control.

05 INTERPRETING YOUR RESULTS

The Operational & Technology Readiness Scorecard is intended to support informed leadership dialogue, not to evaluate individual performance or promote specific tools. Its value lies in identifying patterns, alignment gaps, and execution constraints that affect efficiency, compliance, and scalability.

After completing the scorecard, leadership teams should review results by section and consider both overall readiness and areas of divergence among participants. Differences in scoring often highlight inconsistent assumptions about risk tolerance, governance expectations, or the role of technology in supporting execution.

Score Interpretation Guide

High Readiness (80–100%)

Operational processes, technology infrastructure, and governance practices are well aligned to support efficiency and compliance. Leadership teams are positioned to pursue modernization initiatives with appropriate oversight and discipline.

Moderate Readiness (60–79%)

Foundational elements are in place, but targeted gaps may limit efficiency or increase operational risk. Leadership teams should identify priority areas for process improvement, data alignment, or governance refinement before expanding technology use.

Lower Readiness (Below 60%)

Operational and technology gaps may materially affect execution, cost control, or regulatory confidence. Addressing process consistency, data quality, or governance structures may be necessary before pursuing broader automation or AI initiatives.

05 INTERPRETING YOUR RESULTS CONTINUED

Recommended Discussion Prompts

- Where do operational inefficiencies create the greatest cost or compliance risk?
- Which processes rely too heavily on manual effort or institutional knowledge?
- How do we currently distinguish between low-risk tasks suitable for automation and judgment-based decisions that require human oversight?
- Are we avoiding technology adoption due to governance concerns—or due to lack of clarity and education?
- How confident are we that our data quality supports automation and reporting?
- Do our policies and controls provide sufficient structure to use AI responsibly, or do they unintentionally discourage modernization?
- Where does resistance to change present a greater risk than the technology itself?



The objective is simple: bring clarity to how technology and automation can be used responsibly to support performance and risk management.

NEXT STEPS & SUPPORT

TURNING OPERATIONAL INSIGHT INTO SUSTAINABLE EXECUTION



Completing the Operational & Technology Readiness Scorecard

is an important step in understanding how processes, systems, and governance structures support—or constrain—execution. The greatest value of this assessment comes from how the results are used to guide prioritization and decision-making.

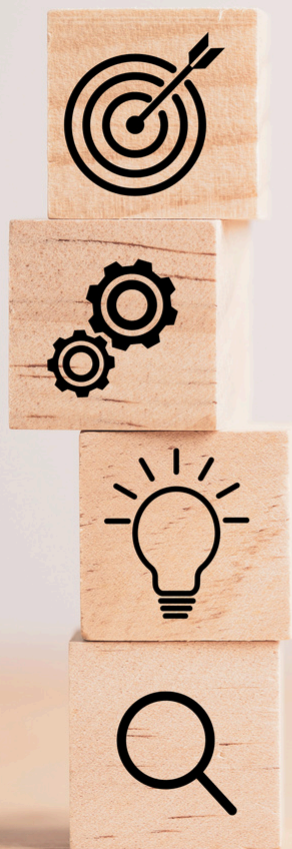
Leadership teams may consider the following next steps:

- Review results by section to identify operational and technology-related execution risks
- Discuss areas of divergence in scoring to clarify assumptions around risk, efficiency, and oversight
- Prioritize improvements that reduce manual effort, improve consistency, or strengthen controls
- Evaluate whether governance structures are sufficient to support responsible use of automation and emerging technologies

In many cases, operational challenges are not driven by technology limitations alone, but by process design, data quality, and unclear accountability. Addressing these foundational elements can improve efficiency while maintaining regulatory confidence.

PCI Performance Management works with community banks to support operational discipline, governance alignment, and execution-focused decision-making. Our approach emphasizes practical insight, regulatory awareness, and sustainable improvements that align people, process, and technology.

CONTINUE THE CONVERSATION



SCHEDULE A CONSULTATION

Effective modernization pairs efficiency with oversight—and execution with accountability. Let's discuss how PCI can help.

For institutions preparing for the 2026 planning cycle, this scorecard can serve as a valuable starting point for more focused discussions around operational resilience and responsible technology use.

Schedule a complimentary consultation with PCI's President & CEO, Loren Prairie:

Operations Readiness Consultation (30 minutes):

- lorenprairie@prairiebankconsulting.com
- 623-669-3567

HOW PCI CAN SUPPORT YOUR 2026 STRATEGY

STRATEGIC PLANNING & BOARD FACILITATION

Custom-designed planning retreats, executive offsites, and board strategy sessions that create clarity, alignment, and actionable priorities.

LEADERSHIP COACHING & BENCH STRENGTH DEVELOPMENT

Skill-building programs for managers and emerging leaders to strengthen communication, accountability, and execution.

OPERATIONAL EFFICIENCY & PROCESS IMPROVEMENT ASSESSMENTS

Targeted reviews to streamline workflows, reduce cost structure, and improve performance across departments.

RISK, CECL & GOVERNANCE MATURITY SUPPORT

Implementation of dashboards, reporting tools, and governance frameworks that meet examiner expectations and improve transparency.

DIGITAL & CUSTOMER EXPERIENCE READINESS

Assessments and roadmaps to modernize digital banking, payments, and customer experience capabilities.



PREPARE YOUR BANK FOR 2026

WITH THE 2026 COMMUNITY BANK EXECUTIVE PLAYBOOK

If this assessment raised questions or highlighted readiness gaps, **PCI's 2026 Community Banking Playbook** and consulting services provide deeper insight into how credit risk, capital, strategy, and execution intersect in today's environment.

A full strategic framework including:

- ✓ Board & ownership alignment tools
- ✓ Capital strategy modeling
- ✓ CECL governance integration
- ✓ Credit & concentration oversight tools
- ✓ Strategic planning templates
- ✓ CEO & board communication guides

Download the Playbook to equip your leadership team with the structure and clarity needed for a high-performing 2026.



THANK YOU