

CRITICAL THINKING. EXPECTING THE UNEXPECTED. TOUGH CHOICES.



In my 30 years of working with business leaders to help their companies succeed, I have found three recurring themes that are pivotal to their success.

Critical thinking is the disciplined, skillful blending of information with experience to guide our beliefs and actions. As a business leader, you synthesize objective and subjective factors to decide on a course of action every day -- usually many times every day. In a world of instant communication, information overload, and almost limitless inputs, it's

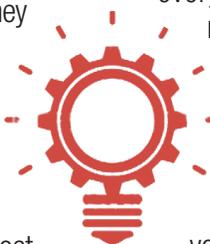
challenging to ponder anything in a thoughtful, dispassionate way. But that's how we make high-quality decisions. Just collecting information isn't enough. Neither is simply having the skills to engage in critical thinking. Nor is applying the skills without accepting the logical conclusion. All three facets, approached with intellectual honesty and fairness, must be put into play. When they are, business leaders make rational, fair, objective decisions. That is essential to creating and sustaining a high-performing, valuable company.

Expecting the Unexpected should be a way of life for a business leader. Most of us plan for the most-likely scenario. Smart business leaders anticipate surprises, whether on the upside or the downside. Contingency planning – playing out “what-if” scenarios – prepares you and your team to be agile, resilient, and competitive. It also makes you think about how an unexpected event could affect your company's financial health. What would you do if a new competitor enters the scene? What could happen if you take on the large customer who grows your top line but

shrinks your bottom line? How would you replace key employees if they leave? Planning for opportunities or challenges before they become real is pivotal to how fast and how well you and your company can respond.

Some days, does it seem that all choices are **Tough Choices**? You are not alone. For every leader--from presidents of small to medium-sized companies to presidents of Fortune 500 companies--every meaningful choice influences the course of history in some way. Leaders must have the courage to gather information and make decisions. Use your critical thinking skills. Set a deadline. You'll rarely have all the information you want; know

when you have enough. Consider the implications, and make your decision. Some of your decisions will be welcomed. Others might be unpopular. Whether your team agrees or not, they will respect you for making the tough decisions. The best team members want to follow a strong, decisive leader. If you want your company to succeed, you want to be that leader.



Pacific Mercantile Bank is unique from other business banks. We help companies navigate the challenges of growth, restructure, and the inevitable unexpected event. We take the time to understand the business and the business owner's objectives.

PMB's Horizon Analytics® serves as a guide for business success, providing milestones along our client's road to reaching their vision. The ability to offer valuable financial insight into the current state and potential future is a game-changing service for our clients.

We deliver insightful, forward-looking cash management and credit solutions tailored to both the short-term needs and long-term objectives of a business when Horizon Analytics is combined with our bankers' skills. That is what sets Pacific Mercantile Bank apart from other business banks.



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