



### CUES Tech Port

- Articles by Topic
  - Aggregation
  - ATMs/Kiosks
  - Branch Delivery
  - Business Intelligence
  - Business Lending
  - Canadian CUs
  - Call Centers
  - Core Processing
  - CRM
  - CUSOs
  - Digital Signatures
  - Disaster Recovery
  - E-Marketing
  - E-Statements
  - Home Banking
  - Imaging
  - Information Technology
  - Internet Delivery
- Step by Step
- Kicking Remote Delivery Into High Gear
- Developing Your Mobile and E-Commerce Strategies
- Consumer Remote Capture
- A Vision for Video Conferencing
- Lobby Access for 'Internet Branch'?
- If You Think Web Video Isn't Coming Along...
- Internet Banking Best Practices
- Remote Deposit Strategies Can Help Members and Save CUs Money
- Horizons North CU Launches Bill Presentment
- Looking Ahead to 2007
- The Customer's Bottom Line
- Internet Banking Vendor Review 2006
- FROM OUR SPONSOR: Seven Habits of a Highly Effective Business Banking Site
- The Future of Wireless Banking
- The Role of Trust in Technology Acceptance
- Online Account Opening Q & A
- Keeping Members On Line
- Authentication Tokens Case Study
- Web-Based Overdraft Programs
- Tackling the E-mail Security Challenge
- News to Go - October 12, 2005 (Instant Messaging Vendor Options)
- You Had Me at Hello
- Web Site Host Selection
- Backing Up Your Web Site Religiously
- ID Theft Reduction Strategy No. 1: Online Account Management
- Internet New Account Setup and the USA Patriot Act
- Does My CU Need a Blog?
- Online Auction System
- Content Management System Perks
- Internet Banking Contract Negotiations
- Consultant Q&A: On Canada and E-commerce
- A Tally of CU E-services Use

## Step by Step *Automation technology strategies from Kern FCU.*

By Branwyn Rhodes

September 3, 2008

It's hard to explore outer space in an airplane—and it's just about as difficult to grow a credit union using yesterday's technology. A key component of Kern Federal Credit Union's strategic plan for growth was the automation of financial services.

"We wanted to position ourselves to attract young families—and the next generation of members," says Linda Crosby, SVP/financial services for Kern FCU. "Many times Kern can be that first financial institution for a prospective borrower. Automating our financial services was an important step in appealing to these potential members."

Consider these facts: The number of online account openings has *more than doubled* over the past five years. The latest forecasts from the Aite Group show that by 2010, 13 percent of accounts will be opened on line, compared to just 3 percent in 2006.

But the process of automation isn't something that happens overnight. "There were numerous considerations," Crosby says. "Initially, we were interested in automating just our lending processes, but when we learned about the potential to streamline new member applications and account openings, we started to explore solutions beyond just underwriting."

Here are some steps to follow in deciding how to approach automation, highlighted by the real experience of Kern FCU.

### **Step One: Decide which services to automate.**

Some credit unions automate new member applications and account opening; others decide to use technology to streamline lending. But there also are software platforms that offer end-to-end solutions, which can provide the maximum potential return. By automating all financial services, a credit union's current members will enjoy much faster and efficient processing in the branch, and they can handle all their banking on line from any remote location with Internet access, as well. In addition, an end-to-end solution allows a credit union to optimize its Web site to attract new members, who can easily apply for membership, open accounts, deposit funds, apply for loans, and track the status of their application—all on line.

"We decided to go with a platform (MeridianLink) that offered us a seamless solution, which automates and connects everything our frontline staff does," says Crosby. "There were huge advantages in using one platform to handle all our financial services. This system offered the potential to empower our staff to help members do everything—from opening new accounts, to qualifying them for additional loan products and validating underwriting decisions, to improved tracking. Right now, we only are using the system as an in-house solution, which in and of itself has been very powerful. But we also plan to utilize the system on line eventually, as well."

### **Step Two: Choose a vendor partner.**

Choosing a vendor that's ideally suited to your needs requires due diligence. You will want to compare everything from features and reputation to pricing.

"We took the time to explore our options," says Crosby, "so we could make the best decision for Kern. We interviewed several vendors, and we talked to other credit unions that had already taken this step. We also went to visit another credit union that had worked with one of the vendors we were considering, which was especially useful in helping us make our final decision."

printer friendly  
 e-mail a friend  
 join now



Powered by LivePerson™

#### YOU MIGHT ALSO BE INTERESTED IN:

- [And read Test the Automation Status of Your Commercial Loan Program from CUES Tech Port](#)
- [Read about enterprise content management, also from the magazine](#)
- [Read more about automation in lending from Credit Union Management](#)

- CU Web Site With 'Smarts'
- Are You at Ease With Your E-commerce Exposures?
- A Natural Progression
- CU Technology Innovators: Up Close and Personal
- CU Web Investments Continue to Grow
- Stanford Federal Credit Union's eCar Lot
- Internet Banking Vendors Part II
- Browser-Enabled vs. Browser-Based: There Is A Difference
- Langley FCU's Web Site Redevelopment Strategy
- Some Lessons Learned from Account Aggregation
- PSECU's IT CUSO: eCU Technologies
- Featured CU Expert: Jim Benlein
- The Golden 1 Credit Union Picks Corillian for Internet Banking
- New England FCU's Web Development Process
- Envision CU's Live Internet Member Service Technology
- ESL FCU's Live Internet Member Service Technology
- E-Commerce and Technology Planning
- Pennsylvania State ECU's Virtual CU
- Pennsylvania State Employees Credit Union's Virtual CU Strategy
- CU Expert: Rick Long, VP - IT Services, PSECU
- Internet Banking Expansion Strategy
- Central Coast FCU - E-Support: Helping Members Connect
- Southland Civic CU's Internet Usage Policy

Intranet

Lending

Open Systems

Operating Systems

Payment Systems

People

Planning

Process Improvement

Security

Telephony

Trends

Vendors

Wireless

Tools

Share Your Tech Expertise

E-Newsletter

About CUES Tech Port

Contact CUES Tech Port

[CUES Members Only](#)

[CUES Director Members Only](#)

[CUES Supplier Members Only](#)

[Frequently Asked Questions](#)

[Login](#)

This other credit union was completely satisfied with the system, the service and the training they received from the vendor. That kind of 'did it' for us."

Working with a vendor that's able to integrate seamlessly with your core system—and any other software you're using—is also critical.

"We needed to find a vendor, who was willing to work with our core system, Harland Financial Solution's UltraData," says Crosby. "We needed to know that the integration with our core processor would include in-depth mapping and seamless transition. We also wanted to be sure that any platform we chose would mesh with eFunds, which we use to handle our check system, detect fraud and comply with the Patriot Act & OFAC regulations. Then it had to interface with CUDL, for our indirect loans, and Liberty Harland Clarke, which we use to order checks."

#### **Step Three: Develop a play-by-play plan.**

You will likely need to plan on about six months to schedule and execute the deployment of any new system.

"Our vendor provided us with a recommended outline for deployment," explains Crosby, "which we altered as needed to suit our situation. The entire process took just under six months. We had two meetings each week during this timeframe. In one, we focused on implementation; in the other we zeroed in on the integration with our core system. Marla Christian, assistant vice president of Lending, served as the project manager. Brenda O'Doherty, our assistant vice president of IT, was also very involved. The two of them were really our team's heroes in this process. In addition, Theresa Cazzell, the assistant vice president of Consumer Lending and I attended all the meetings, as did our CEO DeAnn Straub, whenever she was available.

#### **Step Four: Staff training**

There are several ways to approach staff training. Your vendor can train your staff. Or you can train a few key staff leaders, who can then in turn work with everyone else. "We used a combination of both approaches," explains Crosby. "Initially we trained a few staff members to serve as in-house trainers. But then once we were up and running, we had the vendor's staff come in and work with us, as well."

Crosby continues, "I think our staff was really ready for this tool. The more they use the system, the more they realize the many benefits. They can operate much more efficiently and with greater confidence, which in turn leads to better member service."

#### **Step Five: Enjoy the rewards**

"The automation of financial services has allowed our staff to refocus their attention," explains Crosby. "Previously, a lot of staff time was taken up following a complex set of instructions and guidelines to ensure that no steps were missed in opening accounts and handling loans. Now all of these processes—from member applications and new accounts, to signatures and loan processing—are incorporated into a single workflow within one easy-to-use system. We can open new accounts, and process loans so much easier and faster."

"The system also offers us great cross-selling opportunities," Crosby continues. "Whenever any member opens an account, they are automatically qualified for other financial products and loans. We are able to immediately let these members know about products that are uniquely suited to benefit them financially. Our staff is able to spend more time getting to know members, talking with them about their needs, and letting them know about all of the products and services we provide. This leads to better customer service and relations—and improved member experiences and retention."

**Branwyn Rhodes** is director of communications for [MeridianLink, Inc.](#), Costa Mesa, Calif., a leading provider of enterprise business solutions for over 26,000 end-users in the financial services industries.



***CUES mission is to advance  
the professional  
development of credit union  
CEOs, senior management  
and directors.***

[SITEMAP](#) | [ADVERTISE](#) | [CONTACT](#)