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CORE SYSTEMS - DEPLOYING NEW FEATURES/FUNCTIONALITY EFFECTIVELY

For credit unions to get the most out of their core system, first and foremost they need a focused strategy for claiming the value they were promised when they went through the vendor selection process. For technology to pay off it must be *used*, contributing to the core values you deliver to your members. The very phrase "core system" implies that the tools should be leveraged so that their value is derived by the applications contributing to the heavy lifting your employees and now your self service members do everyday.

The only way to do that is for everyone to focus on the business applications. The software must deliver more than just the 10% of the iceberg above the water that the member sees. It must provide the flexibility to recombine business rules like Lego building blocks. It must create an ever-expanding database that the CU can harvest for opportunity. It must analyze and communicate what is happening without additional expenses that eat up yield.

Finally the strategy must be about a partnership of evolution. To maximize value the core solution must change with the credit union. As they add new products, develops new skills, and addresses a changing membership, the software needs to do the same. The success of a core system vendor relationship is longevity and the strategy of both sides must be focused on *doing more for less*, year after year. A partnership designed to enable change, leverage past investment, and ensure the credit union's competitive stance with its members.

Obviously, if the core system's functionality already includes a key tool for expanding business opportunities, it can be a plus when a CU commits to a direction. But for that to be an advantage, the credit union/vendor partnership must be one where the tools are included, ready to be picked up, and combined with the education and support to make the new endeavor more than just a chance for the vendor to sell something. That brings us back to the strategy that you put in place when you picked the vendor.

Looking to the future, CU*Answers will release a new online credit card servicing capability that will allow CUs to extend their line-of-credit loan programs with the same force that they extended their checking programs by adding debit card authorizations. Most importantly, it is not a module, and therefore has no large up-front module pricing - the tools are included in our standard package. These tools are part of our standard configuration, and with a flip of the switch are ready to extend loans via credit card authorizations.

More than the basics, this package embeds credit card servicing and income features into the teller line, phone centers, and all contact points. Features like 999 balance buckets per card, automated rate management, and promotional offerings will give CUs the variable they are missing in creating credit card products close to home. More than a tool it is an investment by our CUSO to ensure a pricing advantage that will allow more credit unions to afford these member offerings.

Randy Karnes has been CU*Answers' CEO since 1994, and has been has been involved in the credit union industry since 1985. Previously, Mr. Karnes worked as Senior Vice President in charge of both thrift and credit union data processing solutions for Fiserv/Spokane, focusing on the development of the predecessor to the current CU*ANSWERS flagship product, CU*BASE®.

Mr. Karnes leads a team of consultants that are expert in all areas of credit union concern, from accounting and compliance to member service and back office operations. As experienced CU and data processing professionals, CU*ANSWERS consultants provide expertise on strategic planning for implementing technical solutions to operational needs, and are leaders in helping CUs form strategic alliances and partnerships.

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