

Core Systems: Getting Upgrades and Conversions Right

While a core system conversion shouldn't be undertaken casually, the reality is that in any given year, a number of credit unions will find a system switch necessary. For some, the consolidation of processors will leave them with a system that is being discontinued by the acquiring company. Others may find that their processor isn't equipped to meet their changing business needs. As with any major change, the credit union may at first resist a conversion. But if it's handled well, the conversion can be a rewarding, uplifting experience that better positions the credit union to achieve its business goals.

Laying the groundwork for a successful conversion starts before a new processor is chosen, during the search process. The search team must ensure that the credit union's current and future business strategies are in sync with the capabilities and direction of the chosen processor. The involvement of senior-level staff at this point is crucial, as it helps keep the process focused on business objectives, not just software features. Buy-in from all credit union personnel is also critical to the success of this major undertaking.

If the decision to change systems is fueled by a change in the credit union's direction or strategies, then management must recognize that simply replacing the technology isn't enough. Without a clearly stated business strategy, detailed action plans, and performance metrics, the credit union won't achieve its goals. The most successful conversions happen in the context of a well thought-out and well-executed business plan.

Some credit unions may become so fearful of the conversion process itself that they remain with a system that no longer meets their needs. That should never be the case. Your chosen processor should be able to make you fully comfortable with its conversion process, capabilities, and implementation plans. Avoid the trap of focusing solely on software functionality during the search; it's equally important to understand the provider's conversion process and experience. If you make your decision without talking to the last three credit unions to convert to the system, you haven't done your homework. Talk to the credit union's senior management as well as staff in the operational areas touched by the conversion. Besides finding out how your intended processor handles conversions, you might pick up some useful best practices along the way. In addition, make certain that the system you see in your demos is a system that will be delivered to you when you go live.

USERS is committed to ensuring each new credit union client a smooth, seamless transition to our core system. In turn, USERS follows a conversion process designed to ensure success. This structured, documented process involves open and frequent communication; detailed project plans; clearly defined tasks, responsibilities and due dates; and the use of proven project management practices and tools. This process allows USERS to deliver successful conversions that are near-transparent to members, with staff well-prepared and excited to leverage the new system's capabilities for the good of the credit union and its members.



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Terry Murphy's 35+-year career in information systems and over 31 years in the credit union industry afford him a keen understanding of credit unions' business and technology needs. Responsible for USERS' project management and consulting services, Terry possesses in-depth knowledge of USERS' core system application software and HP hardware technology. Prior to joining USERS in 1986 as a Regional Sales Manager, he held key management positions with Summit Information Systems and Control Data Corporation. Terry is a regular guest author for the major credit union trade publications.

