

Using Core Systems to Enable Superior Financial Performance

More Than Processing: How the Core Can Help Financial Performance

In the current era of tight margins, increased costs associated with enhanced regulatory scrutiny and current threats to fee income, credit unions must continually search for new ways to decrease costs and improve revenues. In light of these pressures, many credit unions are beginning to look with fresh eyes to the core as a resource for enhancing financial performance.

In response to this trend, the core has transformed from merely a means of processing transactions to an enterprise-wide-reaching centerpiece for gathering, storing and producing key member information that can help credit unions make and execute strategic initiatives. But, how do technology providers ensure that the core competency of core processing systems remains intact, while expanding their scope to include a tangible return on investment?

One way this is accomplished is through tight integration of analytics, CRM and self-service solutions. Sourcing them from one provider can exponentially enhance the power of the information contained within the core to improve the member experience and increase products/services per member.

By funneling key core account and profile information into an analytics/business intelligence solution – such as an MCIF – which aggregates and displays the information in new ways, a more holistic member view is provided, enabling both the back and front office to create and execute cross-sell and service strategies. The addition of a tightly integrated CRM solution helps take the analytics and makes them actionable and trackable by providing information like next product cross-sell, the status of service requests and member relationship status.

The integration and sharing of information between the core and self-service channels is another way to leverage the valuable account information in the core to ensure Primary Financial Institution status by locking members in via convenience and access. The ability to smoothly drive member transactions to self-service channels allows more efficient use of resources and builds loan volumes. It should also positively impact member satisfaction, which is critical.

While no core is an island, core certainly stands at the epicenter of the credit union's strategic revenue-enhancing initiatives. The greatest revenue increases can be gained from the facilitation of product cross-sell and better understanding of the behaviors that drive a higher level of product adoption and use, most notably loans. When embarking on the search for a core solution, credit unions should look for a provider with a wide variety of integrated solutions, such as D+H, which can offer efficiencies through vendor consolidation and maximum leverage of valuable core information distributed to all areas of the credit union and through all channels.



Tom Berdan
Vice President

Tom Berdan has more than 25 years of experience as a banker and 10 years in the banking software industry. He uses his industry expertise to serve as vice president of market development for D+H where he manages industry research and outreach. Prior to his current role, Tom served as vice president of product management where he oversaw D+H product roadmaps, including core systems, branch automation, self-service and business intelligence. D+H is a leading provider of secure and reliable technology solutions to domestic and global financial institutions, with a reputation for being a trusted partner that helps credit unions build deeper, more profitable relationships with their members based on rich industry and market insight, and consumer knowledge.

