

Credit Union Times

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CUs Transform More Than the Core

A core change is more than swapping out a technology system. It also can transform a credit union's brand, environment and culture, which is what two institutions discovered after their recent Fiserv DNA conversions.

The \$843 million Seattle Credit Union is about two years into successfully changing some of its locations from traditional branches into active and engaged financial community centers. Meanwhile, the \$1.01 billion, Austin, Texas-based Amplify Credit Union is just over six months into its conversion, which has positioned team members to focus on Amplify's strategy as a whole.

DNA from the Brookfield, Wis.-based Fiserv is an open account processing platform that gives credit unions the flexibility and scalability to support new products and expand business models while delivering a 24/7, real-time experience.

Located in the middle of a technology hub, which includes Amazon, Expedia, Facebook, Google and Microsoft, Seattle CU aspired to deliver a personalized, in-person experience similar to what these tech giants provide.

To get there, the credit union did the following:

- Removed the traditional teller lines and other physical barriers to member interaction;
- Created a space that allows meaningful engagement, including tables where members and tellers can collaborate; and
- Equipped associates with tablets so they could easily access the DNA platform during member consultations.

"We decided to do a complete rebrand," Brent Richins, SVP, service operations for Seattle CU, recalled. He described how the credit union wanted to create environments where members could have a voice, especially on a topic as personal as their financial well-being.

The credit union decided on a more open floor plan with what it calls "collaboration spaces" instead of teller lines. "We literally took down barriers so we could have interactive, more meaningful and deep conversations with members," Richins said. Seattle CU also automated associate functions, like cashing checks and making

payments, using technology in order to facilitate deeper member conversations. "We've come to realize that convenience really is our biggest competitor rather than other financial institutions down the street."

Jim Newstrom, regional branch manager for Seattle CU, said, "We realized very early on that we needed a new way to look at lobby management. We've created a very proactive environment where we expect the retail team members to interact immediately with anybody who walks through the door." Three of the credit union's nine total locations have this open floor plan, and it plans on more to follow.

Newstrom noted untethering employees in favor of technology has been beneficial. "It's allowed Seattle Credit Union to take those same employees who might've been on a teller line doing routine transactions and repurpose them to go outside of the branch and work with community and neighborhood groups."

Seattle CU has observed other positive results in a location it moved and transformed into a next-generation branch, Newstrom explained.



Newstrom



Richins



Key Takeaways

- ▲ A core conversion is an opportunity to change a credit union's brand, environment and culture.
- ▲ Aspire to provide a personal experience to members, similar to what tech giants provide to their customers.
- ▲ Do not choose a new core in a vacuum. Engage every credit union department to supply input.

Products per member increased 15% year-over-year; member service surveys jumped to 4.93 on a scale of five, the highest recorded for that branch; new members increased by 14% in 2019 over 2018; and consumer loans increased in 2019 by 48% over 2018.



Vicente

The human connection is still relevant even in a tech-savvy community. Jill Vicente, chief marketing officer for Seattle CU, said, "Sometimes it's hard to build the trust and empathetic relationship we want to have with our members over technology. It's about spending time, building the relationship, answering their questions and getting them more connected to their goals."

The new platform has also helped associates achieve fluidity at the branch and out in the community. "Moving away from



one of the credit union's ultimate goals is working with underserved groups not located near a branch. "Using the DNA platform on a tablet allows us to securely make connections, and not have to worry about transporting documents, or money or deposits. We're not currently doing that just yet; that's going to be the next phase for us."



Van Der Stad

Chris Van Der Stad, SVP and chief technology officer, Open Solutions for Fiserv, confirmed Seattle CU needed to provide a mechanism to enhance the member experience across the board. "All the capabilities available on the native app, on the tablet, are also available for

that traditional space to something much more mobile was a big deal," Vicente said, adding that

those retail offices that still use the desktops, so it's a common experience across device type."

Van Der Stad emphasized, "What I was impressed with is they let us have access to their entire institution all the way down to the branch members. That allowed us to accelerate our thinking in some of the designs." He added, "What we realized early on is we can't build this in a back room and deliver it. We need to be developing in conjunction with our clients." Seattle CU joined Fiserv in beta testing DNA to improve the employee experience and drive consistency across channels.



Ballman

Amplify COO Nancy Ballman noted the credit union did not take making its decision to switch to Fiserv's DNA lightly. When it became apparent it needed a change from its two-decades-old core, the credit union moved forward with a carefully-chosen conversion group in

place. "It was the selection of that team, and the process they used, that turned out to be pivotal to our success." She recalled they found the entire change-over to be one of the best



things the credit union had ever done for its corporate culture.

To help others understand why, Ballman described what they did *not* do:

- “We didn’t choose a new core in a vacuum.” Amplify converted only after a thorough assessment and engaging every credit union department.
- “We didn’t hire a consultant, give them a budget and walk away.” Amplify worked closely with its consultant partners, but the conversion team retained accountability.
- “We didn’t hand the project to one department.” Amplify pulled team members from all departments to create a cross-functional team, which by the time it flipped the switch numbered almost 40 employees.
- “We didn’t ‘phone in’ the training.” On the contrary, it added a leadership position in its training department to ensure the entire credit union would be ready to go live. That entailed creating customized training materials that matched Amplify’s unique deployment of its new core and a staffing plan.

Fiserv provided Amplify with a conversion runway of about 18 months. Chris Bacon, COO, Open Solutions for Fiserv, emphasized,



Bacon

“Everybody knows you need to train, but it’s the quality of the training and how much you train. Amplify did a great job there.”

Fiserv has a documented, thorough data-testing procedure assembled through years of implementing credit union cores. “We worked with Amplify through that process and tested on the back end to make sure we’re mapping things right and we feel comfortable with how [the data] flowed into DNA,” Bacon described. After they got through that data cut process, they worked through a week-long mock conversion process. “It’s an opportunity to remove a lot of anxiety out of the process.”

Bacon added, “It was a fantastic implementation. I don’t think we could ask for better clients. They were extraordinarily active participants in their own success. As a by-product, the outcome was almost guaranteed.”

Ballman said when the doors opened on April 1, 2019, Amplify was ready to serve members with virtually no service interruptions.” Best of all, the total project ended on time and under budget, she said, adding that today, they focus on ensuring the siloes that were torn down during the conversion stay down.

She also asserted the credit union’s collaboration muscle is stronger than ever. “If the process is so depleting that it burns out the teams who led it, then there’s no energy or expertise to deliver the member value that comes over time.”

Amplify offers online and mobile banking, mobile check deposit and a variety of other features. Bacon pointed out the Fiserv system integrates so well with third-party products because DNA has about 800 integrations prebuilt into the product. “That allows Fiserv to integrate to just about anything.”

For instance, Amplify previously had separate loan products for consumer, commercial and real estate loans. “With Fiserv, all of those loan servicing platforms are grouped together,” Ballman said, adding, “It’s been a little over six months, we have this brand-new core banking system, and along with Amplify’s really great team and strong culture, we think this is a game changer and has really positioned us for tomorrow’s challenges.” ■

The Fiserv logo, consisting of the word "fiserv." in a lowercase, bold, orange sans-serif font.

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