



Case Study

Community Alliance Credit Union

About Community Alliance Credit Union

Community Alliance Credit Union (CACU) operates with a number of brands as the result of mergers between Illawarra Credit Union, Unicom Credit Union, Western City Credit Union and Shoalhaven Community Credit Union. It has approximately 32,000 members, more than \$450 million in assets, operates 26 ATMs and 9 branches between Nowra and Campbelltown, and employs approximately 100 people. Unlike banks, CACU is a co-operative and as such, it is owned by its members rather than external shareholders.

Behind the scenes, a highly experienced team manages the credit union's operations, with a focus on efficiency and innovation.

The Challenge

With four different brands, the CACU leadership team was looking for ways to most efficiently manage each credit union within its corporate structure. CACU wanted a more cost and time-efficient way of performing simple finance functions such as bank reconciliations, accounts payable, budgeting, and being able to determine monthly profitability of each brand, branch and ATM. This would provide the tools to make smarter strategic business decisions, allocate resources efficiently, and spend marketing dollars where they were most effective.

Other challenges included the need to manage budgets more tightly and to grow the business continually in a highly competitive environment.

The Solution

In 2009, CACU implemented TechnologyOne Enterprise Budgeting and Business ETL (Extract, Transform, Load), including embedded Business Intelligence (BI) portlets, to facilitate easy analysis and provide greater insight into its retail operations. As a result, benefits in areas such as cost reduction, risk management, and cultural change have flowed through the entire company, making for a more disciplined organisation where control is the key word.

Further enhancing the return on investment, the Enterprise Budgeting and BI capabilities fully integrate with CACU's existing TechnologyOne Financials and Human Resource & Payroll solutions.

The Case Study

As the winner of Money magazine's Credit Union of the Year award in 2009 and 2010, CACU has a strong focus on member-driven banking and was looking for a solution that would provide greater reporting capabilities to further drive efficiencies and business growth.

The decision to go with TechnologyOne was principally based on the credit union's successful history using the Financials solution since 1998. Another major reason for choosing TechnologyOne was its ability to demonstrate that its BI solution was far more user-friendly than competing BI applications and intuitive enough for power users to maintain the system so the IT department could focus on other projects.

Since TechnologyOne Business Intelligence was implemented in 2009, fast analysis of important financial data extracted from the credit union's banking systems and from TechnologyOne Financials has given the organisation the insight it needs to achieve its strategic goals. Other recently implemented solutions, such as TechnologyOne Human Resource & Payroll and Enterprise Budgeting, integrate with BI for improved cost analysis and simple ad hoc reporting.

The credit union has taken particular advantage of TechnologyOne's Business ETL and XLOne reporting modules. Business ETL is an intuitive yet sophisticated toolset aimed at business users and brings together data from multiple sources before transforming it for easy access to business information for decision-making. Data is presented in plain business language so that users no longer need to know SQL in order to get meaningful data out of the systems. According to CACU's Systems Accountant, Adam Struthers, this is evolving into a great resource for the Credit Union with ever increasing automation and data visibility.

The Allocations module, available within the Financials suite, reduced hours of manual data entry to a few minutes, generating a report that provides valuable insight into branch performance.

Greg Parrish, Executive Manager Corporate Services attests that the Allocations module has allowed CACU to budget more accurately.

"Allocations allows us to swiftly track our costs and income for each individual branch, budgeting more accurately, and identifying potential problems before they eventuate. We also relocated an under-utilised branch based on insight gained from an Allocations report. Without this report we would not have identified the cost savings and increased accessibility for members flowing from this move," said Mr Parrish.

The credit union is proud of its rigorous budgeting regime, however it has always been a very time-consuming process for the Finance team. Since implementing TechnologyOne Enterprise Budgeting, the process is much faster as each operational manager completes their budget and a workflow process ensures all inputs are properly reviewed and approved with a clear audit trail before being automatically posted to the budget ledger.

Mr Struthers noted that CACU has "now halved the time taken to do budgets because the driver-based budgeting solution is so easy to use that managers are now taking responsibility to complete their own budgets, where previously it had been a task centralised in the Finance department."

According to Mr Parrish, the Credit Union has seen an interesting cultural shift since the implementation of Enterprise Budgeting and BI dashboards.

"Managers are now owning their budgets and taking pride in beating the targets. Customised dashboards dynamically present budget versus actual data so managers can see the impact of their decisions in real time, which empowers them to respond to the changing market with more-timely decisions."

Implementation

The implementation was very smooth, requiring only some initial training with TechnologyOne consultants before

Products

TechnologyOne Financials – delivers enterprise wide control and integration of financial information essential to strategic decision making and improving the bottom line. Through its unique financial architecture, rich functionality, powerful online enquiries, integration with other systems, and versatile reporting ability, the solution provides the ability to interpret accounting and financial information more efficiently than ever before.

TechnologyOne Human Resource & Payroll – delivers a complete human resource management system that empowers organisations to make better people-related decisions. It delivers true integration with other organisational systems, business process automation and career planning, and self service capabilities.

TechnologyOne Business Intelligence – comes data-aware for TechnologyOne software to deliver immediate business benefits. From a user-friendly dashboard, monitor, visualise and take action across software system boundaries with an integrated, real-time, organisation-wide view of key strategic and operational metrics.

TechnologyOne Enterprise Budgeting – delivers comprehensive budgeting solutions to address the most simple or complex organisational requirements.

the Finance team was able to work efficiently with the system. While the Finance department is the power user of TechnologyOne solutions, staff believe the software's ease of use enables quick uptake in other departments.

Mr Parrish observed that the implementation brought about a marked change where the Finance team now acts as the main deliverer agent of business technology, freeing up the IT department to focus on the core banking system.

"We work closely with TechnologyOne consultants and this has enabled us to develop strong competency in data reporting using TechnologyOne as the middleware. The software's flexibility and ease of use lets us bypass IT and proliferate the uptake of BI, and Business ETL in particular, throughout the business."

Benefits

When TechnologyOne Financials was first implemented in 1998, there were 14 staff in the Finance department. Today, the business has almost doubled from \$265m to more than \$450m in assets, and yet the Finance team has halved, with only seven staff from the executive manager down to a cadet accountant. This is a direct result of automation the TechnologyOne software has delivered. Reduced resources in a Finance team means that organisations can focus resources where they are most profitable.

CACU continues to increase efficiencies while keeping staff resources low because TechnologyOne Financials easily integrates with the Credit Union's TCS banking system.

"Each day we import, post, and reconcile over 8,000 transactions in less than 2 hours – a process that used to take a full day. In fact, over 95% of our transactions are automatically generated," said Mr Struthers.

The ability to upload daily transactions allows for immediate analysis of branch profitability via Business ETL and BI.

"In a competitive banking landscape, having immediate access

to how we're tracking gives us a certain edge when running the business," notes Mr Struthers.

Overall benefits include consistent and more meaningful branch profitability reporting for the credit union's Board, without requiring extra work from staff. This allows the Finance team to spend its time on developing innovative solutions to business problems. Managers are now actively running their business units within budget constraints, and Board members are armed with greater insight, which helps them make better business unit decisions that return more value to CACU's members.

Mr Struthers credits TechnologyOne's devolved business solutions as being "the catalyst to help drive organisational change and foster buy-in to the strategic plan. The software engages staff at all levels, with everyone from the frontline to the CEO. Our overheads have been reduced, we're more efficient, and we're better equipped to compete against larger competitors."

The future

Mr Parrish believes that business decision-making has improved tenfold since the credit union implemented ETL.

"We've only had Business ETL for six months and it's revolutionised how we do things already. As we become more familiar with BI, it's allowing us to provide more value to our members by analysing their desires and needs more accurately. This empowers frontline staff and our sales force to deliver better banking solutions," said Mr Parrish.

In 2011, CACU will implement TechnologyOne Performance Planning, which integrates with Enterprise Budgeting, BI and Business ETL for a complete Corporate Performance Management solution.

"This will allow us to take the business to the next level, for further improvements in business planning as well as quicker and more accurate leadership decisions, which gives us an edge in this very competitive environment," said Mr Parrish.

"In a competitive banking landscape, having immediate access to how we're tracking gives us a certain edge when running the business."

– Adam Struthers, Systems Accountant,
Community Alliance Credit Union



TechnologyOne Solution Suite for the Financial Services sector

TechnologyOne provides totally integrated enterprise software solutions. Each product in our solution suite stands alone as best in class, or can seamlessly join together to create one total enterprise solution.

Our integrated enterprise suite for the Financial Services sector includes:

- TechnologyOne Financials
- TechnologyOne Human Resource & Payroll
- TechnologyOne Supply Chain
- TechnologyOne Business Intelligence
- TechnologyOne Enterprise Budgeting
- TechnologyOne Performance Planning
- TechnologyOne Asset Management
- TechnologyOne Enterprise Content Management
- TechnologyOne Customer Relationship Management

Each solution is built on our leading edge, Connected Intelligence platform which is based on an advanced service oriented architecture, setting the benchmark for true people-centric business tools.

About TechnologyOne

TechnologyOne (ASX: TNE) is a leading enterprise software solutions provider. For more than 20 years we have been providing deeply integrated software solutions for business, government, financial services, health and community, education and the utilities sectors. Tens of thousands of people each day use our world class solutions which we develop, implement and support. Our organisation wide solution suite, integration solutions and custom designed solutions provide world-class services which are based on leading edge technology and are backed up by a substantial R&D program providing our customers with a long term, secure and valuable partnership. TechnologyOne employs more than 600 people and has offices in each State and Territory of Australia, New Zealand, Malaysia and the United Kingdom.



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