

## *Using Core Systems to Enable Superior Financial Performance*

One much respected credit union CEO has said openly that credit unions are non-profits looking to make a profit. Companies, no matter who you are generate income to survive. It's that simple. Credit unions are no different. Even though the industry's primary focus isn't to make money but to provide a viable – and more attractive – option for consumers' banking needs, credit unions must make money to survive and ultimately thrive. If not, then there's no viable – and more attractive – option for consumers. The financial services industry will be a one-horse race. And that's not good for anybody.

That said, I believe a credit union's core banking journey should be to house better technology that provides better services to its members. As a result, the money will follow. For example, if you provide a credit union with a truly open core system that allows them to integrate with nearly any third-party vendor out there, then the credit union exponentially enhances its ability to pick and choose technologies that will best serve its membership's evolving needs.

This flexibility opens the doors to more and more members using the credit union as their primary financial institution via lending, investing, paying bills, financial planning, etc. This increased activity and reliance builds a member/credit union relationship foundation that can only grow – which ultimately generates multiple, long-lasting revenue streams. So indirectly, when a credit union plans and implements increased services for its members, it is also planning and generating income for its future success. This success/income can be reinvested in future services that will make it an attractive primary financial resource that continues to generate revenue.

By enhancing the products/services choice spectrum, a credit union can greatly increase their ratio. What I mean by this statement goes back to my previous response. When you provide a credit union with an open system that greatly enhances the choices a credit union has when it comes to integrating with third-party vendors and their technologies, it opens the doors for more products/services to be offered to members.

Credit unions shouldn't have limits when it comes to products/services integration. It only limits them in the end when they are trying to attract members for future growth. As today's technology evolution seems to quickening by the minute, credit unions shouldn't be left to question "what if?" They should be asking themselves, "why not?"

That's what a truly open core system can allow a credit union to accomplish. It provides them with the freedom and flexibility to offer their members what they need – which increases the products/services per member ratio and drives growth. In addition, having an interface that can see all the member's activity at a glance can increase this number, as well. Because of this at-a-glance view, there are greater opportunities to cross-sell products and services the member may not be aware of when managing their finances. Again, these opportunities only lead to better numbers.

Because of our person-centric approach that allows tellers and other frontline staff to see at a glance and in one view the member's total credit union relationship, it provides them with greater opportunities to interact with the members – not only getting to know them better but to provide them with offers that are relative to their recent account activity and their current product set. This empowerment deepens the member-facing staff and their relationship with the member and deepens the member's relationship with the credit union because they are signing up for more services.

As for creating innovative products, Corelation's credit union clients have always played a significant role in this area. Ever since our first conversions, each credit union has had a say in customizing the system to their needs. This customization allows the converting and established clients with a more robust technology system to help them better serve their members. It also helps the more recently converted clients because our system is that much better from our more established clients' contributions/innovations to the system.

Both elements certainly drive growth. As a member signs up for more and more products and services, the credit union grows – and so does the member's satisfaction. Word from the member to his or her family, friends, and peers spreads for increased referral opportunities – which drives growth. And creating the innovative products from client contributions only makes the KeyStone core that much better. It allows our clients to provide cutting-edge products with accurate and opportunity-focused member service – which ultimately drives growth, as well.



**Theresa Benavidez**  
President

**Theresa Benavidez** is President of Corelation Inc., a core processing developer for the credit union industry. She has spent her entire career working directly with clients in the credit union industry. Her primary focus has always been in the areas of client service and product delivery/installation. She has worked tireless hours with many in the industry, from executives to IT staff to teller trainees, to ensure the success of conversions, system upgrades, and client support. Theresa and Corelation's founders have spent their entire careers creating core systems and providing unparalleled client service, and are proud to offer credit unions their new KeyStone core processing system. Today, there are 13 credit unions live on KeyStone with a total of 26 contracts signed and the company is celebrating 5 years of providing revolutionary technology.

