

CASE STUDY

ORNL Federal Credit Union – A Profile of Success



“We’re a very progressive credit union. It’s one of our values: we invest in new ideas and new technology. We pride ourselves on being on the leading edge. Symitar has been a great partner to help us meet that goal.”

- COLIN ANDERSON, CEO OF ORNL FEDERAL CREDIT UNION

Institutions that fail to employ digital innovation could see up to 35% of their profit eroded.¹

SOURCE

¹ “3 Tips for Executing a Digital Strategy to Support Changing Member Expectations,” cuinsight.com, March, 2018

BIG MILESTONES AND COMMUNITY CELEBRATIONS

What is this credit union doing that is so right? ORNL Federal Credit Union recently gave an approximate \$3 million-dollar dividend to members and its efficiency ratio dropped by 10% in the last two years. Its assets have quadrupled over the past 20 years. These are major achievements and deserve some recognition.

In this case study, Colin Anderson, CEO, and Dawn Brummet, COO, describe their accomplishments and then reveal some of the secrets of its success. They begin by noting that the credit union just celebrated its 70th anniversary. ORNL FCU observed this occasion in its own spectacular way. “We did a \$70,000 give-back to community organizations,” says Colin. This consisted of seven separate \$10,000 awards for local member nominated non-profits.

As an example, one of the awards went to an educational organization called Youth Outreach in STEM (Science, Technology, Engineering, and Math). The program takes kids in underserved communities and gives them hands-on experience with activities like robotics, chemistry, and 3D design.

Part of the celebration was the previously-mentioned \$3 million dividend to members, and the credit union also underwrote a summer concert series. This consisted of five free public concerts in a city park featuring a selection of bluegrass and Americana artists. Investing in the community is obviously a core belief for this institution.

Colin explains the rationale behind the dividend. “We’ve been working on our efficiency ratio because there is direct correlation between the efficiency ratio, net income, and the net worth growth on our balance sheet. We are well-capitalized and have a strong balance sheet with sustainable earnings. The dividend is the best way to return value to the members.”

The results from the anniversary events are as positive as you might expect. “People are thrilled with our community give-back,” reports Colin. “They enjoy the concert series. Our employees also talk about how we’re living the principle of the cooperative movement.”

TECHNOLOGY, INNOVATION, AND EFFICIENCY

ORNL FCU has been with Symitar® for 20 years, using the Episys® platform. In that time, the credit union has grown from \$489 million in assets to more than \$2 billion. “We’re a very progressive credit union,” says Colin. “It’s one of our values: we invest in new ideas and new technology. We pride ourselves on being on the leading edge. Symitar has been a great partner to help us meet that goal. Our Symitar account executive helps by making sure we’re aware of new ideas and technologies and gets us in early so we can maintain a competitive edge.”

Colin explained how the credit union has kept its processes up-to-date and functioning smoothly. After 20 years on Episys, they found there were customized processes and operations built long ago that needed updating, so they did a core system “refresh.” “We eliminated all the ‘spaghetti knots,’ and that was highly successful,” Colin reports. “It streamlined products and reporting, which helped our efficiency. Two years ago, our efficiency ratio was over 80%. Now we’re at 73% and we expect that to drop even further in the next two years.”

SERVING THE MODERN MEMBER

Constantly improving member service is a primary concern at ORNL FCU. Colin says that Symitar providing call center support is an example of a technology partner helping the credit union provide more value to members. “We are the only credit union in our area that offers after-hours support,” he explained. “We are open every day of the year except Thanksgiving and Christmas.”

“The call center is exceeding our wildest expectations,” he said. “We were expecting a certain call volume, but it’s double what we thought. That tells us that members not only want it, they expect it. They want anytime and anywhere service.”

Dawn added, “Our employees initially had concerns about whether members would get the same level of service, but the team has been phenomenal. Symitar took the time to research and understand our standards and interactions.” Colin said it was like adding 2,600 hours a year to their call center, effectively doubling the time they are open and available.

Another strategy the credit union is pursuing to improve member service is the use of interactive teller machines (ITMs). This has been especially effective at drive-through locations. There are currently 28 in operation at seven different sites, and they report that it’s been a major success. Rather than talk to tellers through layers of glass and exchange paper through pneumatic tubes, members see a representative on a video screen.

For the first four weeks after going live, the credit union posted ambassadors at the drive-through to help members. The ITM strategy worked. It added a more personal touch for drive-up visitors. Drive-through volume has increased, wait time is shorter, and transactions are faster. They plan to deploy many more ITMs at their branches.

Speaking in general about investments in technology, Dawn says, “These things have to align back to our core beliefs. Those beliefs are a gut check as we’re budgeting and deciding. It’s not just about the efficiency ratio, it has to be about what’s good for the members. Does it line up with our values and core beliefs?”

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- COLIN ANDERSON, CEO

INSTITUTION

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Credit Union

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WEBSITE

www.ornlfcu.org

ASSETS

\$2.1 Billion

MEMBERS

162,000

FOUNDED

1948



Colin Anderson
CEO
ORNL Federal Credit Union



Dawn Brummet
COO
ORNL Federal Credit Union

OUTSOURCING FOR SMART RESOURCE MANAGEMENT

In its drive to turn up the efficiency, ORNL FCU has decided to outsource its core processing to Symitar EASE™. “Even though we are large, it’s hard to find technical talent that knows our platform and our needs,” Colin explains. “By outsourcing, we’ve got an endless supply of resources to do highly technical work. From a financial standpoint, it’s an easy decision.”

Dawn added, “When you migrate to EASE, they take over things like the annual upgrades and enhancements. They ensure that we are aligned with the releases, which is important. It also gives us confidence in how nightly processing is performed and allows our staff to focus on internal projects.”

COLLABORATION AND THE KEYS TO SUCCESS

Colin and Dawn also enjoy the special relationship among credit unions in the Symitar community. It’s evident in the fact that ORNL FCU generally sends a large number of representatives to the annual Symitar Educational Conference (SEC). Dawn said, “Every year I come back from SEC with a list of things we want to put into place. My list is from both sessions and conversations with attendees. Also, our account executive makes personal introductions to peers with similar experiences and goals. For me, it’s one of the more important conferences we attend. It helps us move the bar.”

Colin added, “Ted Bilke [VP of Jack Henry & Associates and President of Symitar] has always been very open to feedback. He’s listens and follows up on anything you talk to him about. He’s very attentive to our needs.”

It’s obvious why this credit union and its community are excited. Circling back to the question asked at the beginning, “What is this credit union doing right?” – a short list might sum up the answer:

- » Staying true to its core beliefs
- » Investing in new ideas and technology
- » Committing to delivering value to members, employees, and community
- » Engaging with the credit union community

That’s not a bad recipe for any institution. They start with a clear values-driven purpose and focus on carrying out that mission with service and technology. For ORNL FCU, the determination to better serve members with smart use of technology goes hand-in-hand with operational efficiency, which in turn helps generate credit union growth. Symitar is proud to have played a role in ORNL FCU’s success story over the past 20 years.

For more information about Symitar®,
call **888-796-4827** or visit **symitar.com**.