

CASE STUDY

Shell Federal Credit Union Turns Up the Efficiency with Episys®



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- SAM JAMES, CIO OF SHELL FEDERAL CREDIT UNION

After 2017’s Hurricane Harvey, Texas-based Shell Federal Credit Union wanted to do the right thing by its members. It wanted to refund ATM, NSF, and overdraft fees to help them recover. Shell FCU needed to institute this quickly while the need was greatest. How did they do it?

“In a couple hours we wrote a custom PowerOn® that handled the refunds,” says Sam James, CIO. “I don’t think you could easily do that on other cores.” This Episys customization tool provided a solution that wouldn’t have been possible on the credit union’s previous platform, particularly in such a short timeframe.

Shell FCU had taken the big step of converting to a new core processing system two years prior. Sam was hired to lead Shell’s IT and Projects teams just as the credit union was making the conversion. His previous credit union had also switched to Episys, so he was experienced and knew the benefits of this core platform. Sam explains what his previous employer had been looking for. “We wanted ease of training, speed to compliance, and a dynamic system that we could do more with; one that wouldn’t restrict us.” They were very pleased with the results of that conversion. “It paid for itself over the course of a year just based on savings and efficiencies,” says Sam.

At Shell FCU, Sam’s work as part of the conversion team was instrumental in the change to Episys, helping the credit union achieve similar results. In addition to helping modify processes after the hurricane, they’ve used PowerOn and the dynamically programmable features of Episys to customize various operations.

THE JOY OF CUSTOMIZATION

“I’ve noticed how giddy and amazed people are about working with Symitar®, and PowerOn is one of the reasons,” says Sam. “Episys customers are willing to share solutions they’ve developed. For example, when we wanted to handle Reg D differently than the core does, we found a guy in New York who said he had the right PowerOn code for us. We got it, and within two weeks we had Reg D up and operating the way we wanted it to run.”

Another customization was performed for the Member Services group. In the past, some members who visited a branch were later polled with an email about how well the credit union did and what it could do better. "A random selection of members was mailed each week, but we didn't get many responses," says Sam. "We needed more survey participants to get a good statistical sample, so we built something with PowerOn that uses the signature pads. One of our developers created it. Now survey questions automatically pop up on the pad after a member signs for a transaction. We get a much better response and, we think, a more-accurate picture of the service we provide and how members feel about it."

PowerOn customization is also being used to help with activating dormant accounts. There are several steps an employee must take to reactivate an account. If a step is left out, Shell FCU might be out of compliance with regulations. Using PowerOn, they are automating the process with a form and drop-downs to do everything that's needed. The result will be better compliance and less pressure on frontline employees to have to remember each procedure.

EFFICIENCY AND GROWTH

The credit union's efficiency ratio shows gains made since changing to Episys. "In 2015, just before we went to Symitar, our ratio was about 77%. We went live with Episys in February 2016. Expensing Episys over three years, we get a 75% ratio in 2016, 70% in 2017, and at the end of first quarter of this year we were at 67%."

These numbers include every Symitar product they deployed at the time of conversion.

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- SAM JAMES, CIO

Sam continues, "I'm not saying that it's all Symitar behind this. There are other factors in play, but the numbers just keep going down. Meanwhile we're 100% loaned out. Our delinquencies are down, and our charge-offs are down." He explained that many of these changes were from factors such as company culture, but the time saved with Symitar has allowed them to build efficiencies where they could not before. He believes that Symitar has played a role the credit union's growth. "Our assets were at \$750M before our conversion in 2016, and they are now over \$1B," Sam says.

ADVANTAGES FOR IT CREATE ADVANTAGES FOR MEMBERS

From an IT perspective, Episys has made several significant improvements for Shell FCU. "On our last core processor," Sam explains, "we had to buy a test system if we wanted to have one, and it never really worked. Then they came up with a new one, which we bought, and that didn't work well either. We finally built one on our own and it took three days to refresh the data each time so it matched production. With Symitar, you start with your production database, and in 15 minutes build a SYM [a copy of the membership database] you can use for development, testing, training, research. It's wonderful."

Sam quickly added three more advantages gained with Symitar:

- » **Purging data.** "That has always been a nightmare in the past. All the cores I knew of before required you to bring the system down on a weekend for hours while the purge took place. During that time members were denied access to online services and subject to stand-in limits for their debit purchases and ATM transactions. With Episys you can purge without having to do that and can keep the system live because of the divert/revert feature."
- » **Account opening.** "On the old core it took 45 minutes for a new member to open a checking, savings, and money market account, and to get an instant issue debit card. After conversion to Episys, it takes 15 minutes for all of that and a loan application, too. There's an amazing cost savings there that continues every year. If you open a new branch you can choose not to add as many staff because of this efficiency."
- » **Tax statements.** "Symitar gives us two major service packs per year; the second one has all the new tax material in it. We can update a SYM with the new software and run all our tax business on it and get our tax statements out very much on time. Then we can update the production server later, when the departments and teams are ready to introduce the new features. That is one of the beautiful things about Symitar that we love."

INSTITUTION

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Credit Union

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WEBSITE

www.shellfcu.org

ASSETS

\$1 Billion

MEMBERS

97,000+

FOUNDED

1937



Sam James
EVP / CIO
Shell Federal Credit Union

THE CLINCHER

Sam shares a story, describing one event that originally helped convince him to go with Symitar. "Before converting to Episys, we went to Symitar's annual conference as a guest," says Sam. "We attended a breakout session where management answers questions from credit union clients. And nobody had anything bad to say! At other conferences I heard nothing but complaints. The only things people here were asking were: 'When are we going to get the next cool feature?' It speaks volumes about your platform and staff. This is the kind of story I tell people who are considering a conversion to Episys."



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