



Neil Carroll, Business Intelligence Manager

Credit Union Australia finds 'single view of the truth' with SAS®

Industry

Financial Services

Assets

US\$5.2 billion under management

Business Issue

Credit Union Australia had a requirement for a business intelligence platform but did not have either the IT infrastructure or capabilities in-house at the time.

Solution

Credit Union Australia engaged IT consulting firm BearingPoint to assist in conducting a feasibility study and selection process to secure a complete best-of-breed solution. SAS was selected for ease of installation and execution. SAS integrates easily end-to-end, and provides data mining tools and an efficient metadata management tool.

Benefits

Credit Union Australia now has a deeper understanding of its member base and is able to identify, through analysis, where opportunities are among its members in order to sell additional products.

Credit Union Australia implemented SAS to: streamline its management reporting capability; help establish a system of continuous business improvement; adopt a scalable platform for the future; understand its members better; and pursue opportunities for increased business.

Credit Union Australia (CUA) is the country's largest credit union. It was created in the late 1940s through the consolidation of a number of small, community-based credit unions. Today, CUA has about 75 state offices and storefront branches and US\$5.2 billion in assets under management. Its 400,000 members are, by the nature of its constitution, also its owners and enjoy a comprehensive range of retail financial services.

CUA Business Intelligence Manager Neil Carroll was responsible for the pilot study that persuaded his board of directors to adopt an integrated platform approach – with a comprehensive range of tools – to meet CUA's objectives, rather than the superficially more obvious option of adding piecemeal functionality to the existing infrastructure.

Carroll explained that CUA had not previously had anything in the way of BI. "The initiative started with a clean sheet of paper," said Carroll. "There was a desire within the business to have a BI platform, but we didn't have the IT infrastructure or capabilities in-house at that time.

"We conducted a feasibility study and system selection process and took a two-pronged approach. We wanted best of breed, and we also wanted a complete end-to-end solution."

IT consulting firm BearingPoint was engaged to assist with the feasibility study and the evaluation of alternative software solutions. SAS was selected, according to Carroll, largely on the basis of ease of installation and execution. "Plus, it was obvious that SAS integrated easily end-to-end and provided data mining tools and an efficient metadata management tool, which was one of our main requirements," said Carroll.

"We have two traditional mainframe banking platforms that give us our core systems," he added. "Our business intelligence adoption had to be able to integrate easily with those, and it became obvious that SAS would provide us with the line of least resistance, or pain, in terms of that integration.



"Of the two platforms, one is specific to lending and the other to transactions. The platforms were too inflexible to provide meaningful metrics, but we are now able to merge data from them to provide one reporting platform."

The pilot study involved a proof-of-concept exercise, the outcomes of which

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were approved by CUA’s executive management team and board of directors. They were particularly impressed with SAS software’s dashboard examples and the capabilities for types of reports and levels of analyses that had not previously been available to CUA. Along with SAS®9, CUA also implemented SAS Enterprise BI Server and SAS Data Integration.

With the new capabilities, management can quickly see, for example, to which stage a loan process has advanced and measure point-in-time performance at branch, regional and product level. CUA’s most valuable members can be identified at a glance, and models can be quickly created to determine such things as the probable effect on bottom-line pricing.

This ability has led to a cultural change at CUA: Key performance indicators now extend throughout the organization for continuous measurement. According to Carroll, employees now understand the value of the information and their ability to take measurements to better track performance against goals.

Carroll said the underlying aim of integration was to provide CUA with a “single source of the truth” with the removal of multiple reporting silos. “You

could call it a data rich environment, but we were not enhancing the data,” said Carroll. “We were not able to really use all of that data to our benefit.”

Now, Carroll says that CUA has begun to realize some of the benefits of the data rich environment. “We’re beginning to really understand our member base and properly analyze where the opportunities are amongst our members in order to sell additional products,” he said. “We’re reducing processing times and arriving at a single view of the members to find out where we can do the best job of selling them our products.

“In terms of reporting, we are replacing the previous manually produced spreadsheets and automatically generating reports from a data warehouse. In effect, we’re providing an on-demand information-delivery service that was lacking in the organization.”

CUA managers now log on to the internal SAS portal for vastly improved versions of reports. “The crux of the return on investment is the removal of manual reporting,” said Carroll. “We have cut out the delays in reporting and can now get the right information, to the right people, at the right time and in the right format. We can now provide next-day visibility of what has been happening

and that is a huge leap for an organization such as ours. Before, next week was optimistic and next month was the norm.”

According to Carroll, growth has been rapid in more recent years. “This has given us greatly increased volumes of data,” he said. “In the past, we were not able to manage our data to give us any real competitive advantage. Now with SAS, however, the strategy is to leverage the data for improved decision making: to enable us to create effective and innovative marketing campaigns on the back of accurate operational reporting.

“We still have a long way to go, but in a multiyear strategy in which the data warehouse was switched on three months after the initial installation, we have come a long way in a short time.”

Carroll gives partial credit for this achievement to the wholehearted way in which CUA management has embraced the “single view of the truth” objective. “Management has given me an additional six people within the overall IT headcount in order to fully embed business intelligence in the organization’s daily processes,” said Carroll. “The investment in this new platform is pretty serious.”



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