

## *Core Systems – Collaborating to Better Serve Customers*

The bank customers of our cooperative range in size from very small – just a few million in assets – to quite large – over \$1.5 billion in assets – and fortunately they have all managed to successfully weather the current economic downturn. They have accomplished this somewhat difficult task by remaining focused on customer service and maintaining sound lending and general banking practices.

In the current economy, we are seeing a renewed effort to utilize BI (business intelligence) tools and CRM (customer relationship management) systems. Banks really need to understand their customer demographics so they can identify services that make sense for the customer while contributing to the bank's bottom line. This can be done by making intelligent use of core system data and by seeking profitable customer relationships. The beauty of our open core platform is the relational database at its foundation that enables employees to see all of the customer's information without having to go into ancillary systems.

In the back office, we have seen our bank partners make tremendous strides in improving efficiencies, especially when it comes to check image processing. In fact, 95% of the 12.5 million outgoing, inclearing and over-the-counter checks we process each month on behalf of our clients will be images by year end. Since Check 21 legislation took effect in 2004, we have worked hard to install a robust image exchange and storage platform, and then to develop a complete operational flow for end-to-end image processing. The end result has been that COCC's bank clients often see greater than projected efficiencies in their operations and enjoy dramatic increases in funds availability.

For the past 42 years, we have made collaboration a cornerstone of our client relationships. It all starts with our structure: we are a cooperative owned by our clients. Our 400 employees feel a special obligation to serve our owners well. We have implemented 'shadow days' where our staff observes bank employees on site as they use the system. This enables us to suggest how the bank might further increase its efficiency. We also gain unique insights into the way our system is used.

Communication is key, so we firmly believe in focus groups, seminars, user meetings, and face-to-face interactions with our clients so that we can continuously improve our applications. We want bank employees to use our software in the most efficient manner possible so they can enjoy the greatest benefits from our development efforts. This commitment to implement effective new products, reduce time to market, and maintain full attention on every day service details is our formula for success.



Joe Trafton is COCC's Senior Vice President and Chief Strategies Officer. During his 35 years in the financial technology industry, Mr. Trafton has managed the customer service and product development efforts for a wide range of financial institutions and information technology providers. At COCC, Joe is responsible for building strategic alliances to maintain and expand the company's 100+ product offerings. Joe combines knowledge of the industry and its personalities with an understanding of the needs and desires of community-based financial institutions. Mr. Trafton has spoken at numerous industry events and has served as a director of the Association for Financial Technology.