



THE BACK-END IMPACT OF FRONT-END CHANGES

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The way we bank today is different than it was even five years ago. Core functions that were once key components of credit union services are now happening outside of the four walls of your branch, and often, online. Today, branch designs incorporate more meeting and consulting space and utilize technology to streamline and improve member service and, as a result, credit unions are able to do more in less square footage. While credit unions across the nation have seen these trends play out, and many are now operating out of new, streamlined, technologically advanced branches – the back-end impacts of these front-end changes can't be ignored.

Regardless of whether your member is doing business with your credit union through an app, a phone call or an Interactive Teller Machine (ITM), it still requires a highly trained workforce. But where do you place that highly trained workforce? The answer is simple – an operations center.



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Centralizing back-office functions like data processing, information systems, automated tellers, card processors, and human resource functions in an operations center creates efficiencies – and drives effectiveness. When operations are split, and you have some back-office functions at one branch, and some at another, your employees will likely be disconnected from the team members that matter most, resulting in more time spent on even the simplest of tasks.

By bringing these workers together under one roof into a clean, efficient, high-tech office space, credit unions will be able to more efficiently handle day-to-day business operations. ITM tellers will be able to handle more clients, even beyond the common 9-5 branch hours, member service will function as one centralized team, better able to address member needs, and credit union leadership will be a step – instead of a skype – away.



There are also a couple of important benefits of operations centers that are often overlooked. One such benefit: operations centers can create the right home for your servers. Often, servers are crammed into spaces that weren't designed for them, threatening security and the functionality of the equipment. A server room can be a key component of an operations center, and can be specifically designed to serve that purpose, enhancing security, improving performance and increasing longevity of equipment.

Additionally – and very importantly – an operations center is a great recruiting tool. Workers today want a modern, clean, updated work space with options like outdoor seating, places to eat lunch, and multifunctional meeting space. Moreover, as branches invest in new technology and services, significant training is necessary. An operations center can be a great way to attract new talent, and a great place to train that new talent. Some credit unions even opt to have mock credit union lobbies constructed in their operations centers to provide trainees as close to a real-life experience as possible.

An operations center is an investment in your future. Not only will it enable peak performance of your current operations, it will enable you to plan for future growth. It will provide your credit union with the tools to attract and retain top-notch talent that will be prepared to offer your members the highest level of service.

WHEN TO CONSIDER AN OPERATIONS CENTER

NEW BRANCH(ES)

Company growth is the number one reason to invest in an operations center. A new branch, or branches, require new employees to train, additional administrative, HR and support functions, and an increase in your member base that will require key services. These functions are most efficiently and effectively executed under one roof at a centralized operations center.

ACQUISITIONS / MERGERS

Acquisitions are becoming increasingly common in the financial industry. When an acquisition occurs, it is a prime time to invest in an operations center to bring key staff from the formerly two entities together as one. It ensures consistency in service and provides an opportunity for team building, training and information sharing. In situations where one or both entities already had an operations center, the question is which operations center to maintain. The right location will have room for growth – whether it's acreage to accommodate building additions or space for additional parking. Regardless of which operations center is kept, it will likely need to be updated and renovated to best fit the business plan of the new, larger, credit union. Which operations center is the best fit to invest in is also a key consideration in the case of an equal merger – but likely with added intricacies of “who is in charge” and “who gets to make the decision?”

TECHNOLOGY OVERHAUL

As your credit union services grow and evolve, it's likely you've integrated new technological solutions that require a different kind of service and staffing. Technology like ITMs require someone on the other end. That someone is going to be most efficient at an operations center where they can serve members at numerous different branches alongside colleagues doing the same work. In fact, in most cases, when housed at a centralized operations center, one employee can service up to three ITM machines at a time.



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