# Corning Credit Union Case Study

Headquartered: Corning, New York

Asset Size: $1.3 billion

Overview:

Corning Credit Union (CCU) is headquartered in the small upstate New York town of Corning, home also to the global Fortune 500 glassmaker Corning Incorporated. Founded in 1936, CCU has grown from a single-sponsor cooperative to a $1.3 billion institution, today serving over 101,000 members at 18 branches across three distinct geographical markets. CCU has offered business services to its members since 2006, and today services a commercial loan portfolio of approximately $125 million, consisting of CRE, C&I, SBA and participation loans.

New York
11 BRANCHES

Pennsylvania
3 BRANCHES

North Carolina
4 BRANCHES
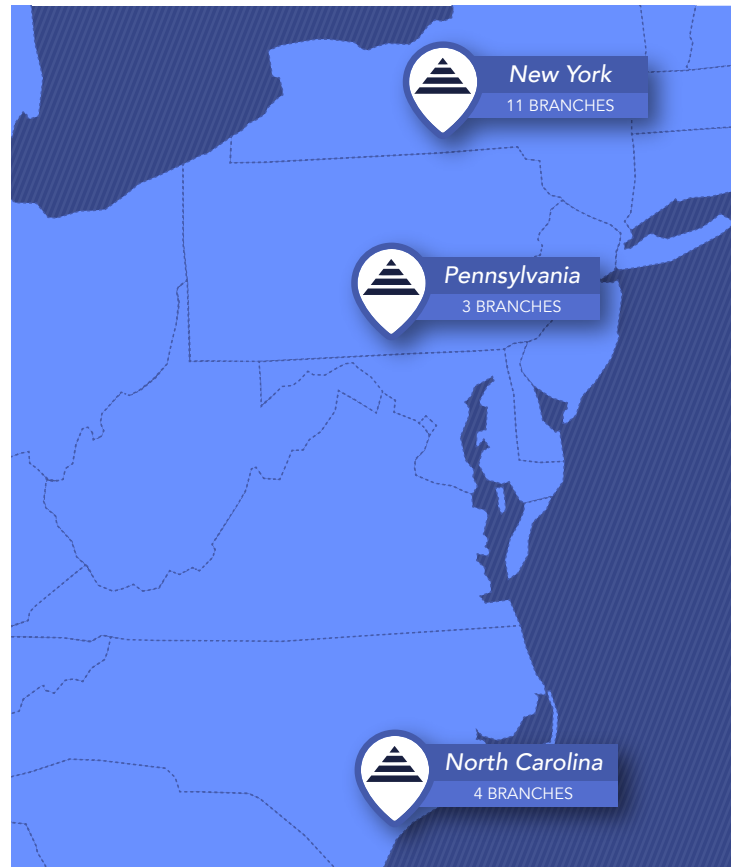
The Challenge:

As CCU rapidly grew its business services program over the course of a decade, it confronted operational challenges on several fronts.

One pain point involved a duplication of effort across various work functions within the Business Services department. With four systems of record and team members handling a variety of tasks, responsibilities were ill-defined and accountability difficult to enforce.

This duplication of effort was best illustrated by the daunting amount of data entry required in the legacy loan process. Jennifer Johnson, supervisor of business lending, reviewed processes in detail to determine exactly how many times certain common data points were entered per loan request. What she discovered was shocking: an individual property address needed to be entered a whopping 15 times for

a single loan. If the loan was secured by more than one property, that figure could be multiplied two or even three times.

Additionally, Johnson discovered that a member's name would be entered 25 times, on average, for each new loan request. This resulted in many hours wasted rekeying the same information dozens of times across multiple systems, and a concurrent increase in preventable data entry errors.

CCU's reporting systems lacked transparency, and management had difficulty in accurately tracking department productivity and processing times. The Credit Union sought reductions in turnaround times to provide better service to its members. Opportunities for improvement were present in both the underwriting and loan decisioning functions, as well as in the post-closing process.

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Corning Credit Union - Member Business Loan Balances

Growth in Business Loans Since 2006
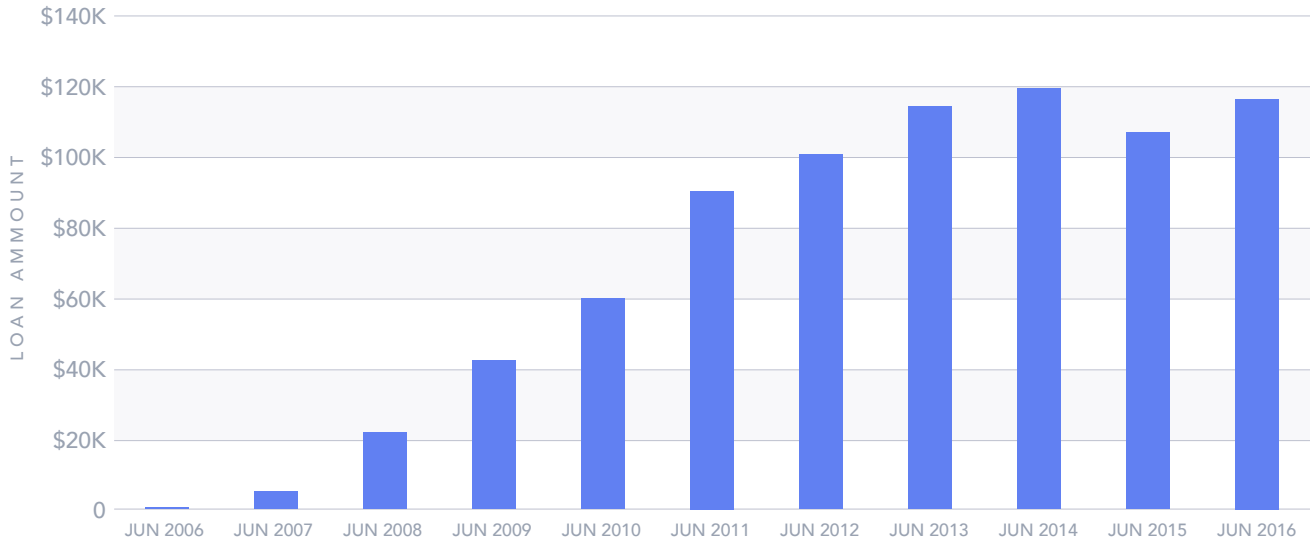
At one point, the Credit Union faced a three-month backlog for getting a booked loan file fully scanned and indexed into the imaging system.

Lastly, most internal communication within the Business Services department was conducted through email, which presented challenges in consistency and trackability. Management introduced new manual procedures to help improve the communication flow, and scheduled regular meetings between credit analysts and loan officers to ensure complete information was gathered from borrowers and disseminated early enough in the process.

"When a credit analyst sent over follow-up questions or a completed memo to the loan officer for review, we started

scheduling meetings," says Evan Lloyd, commercial loans participation manager at CCU. "The credit analyst would follow-up with a half-hour meeting, either later that day or the next day with the loan officer, so they could discuss the memo or the questions, and any changes needed."

Although these steps helped prioritize open communication among the various functions, they also reinforced a document-heavy process and tied up loan officers in meetings that could have been better spent serving the membership.

"The team was burdened with extra information," Johnson says. "I think it really affected the loan officers more than anyone because they had to put everything down on paper and hope the document got to the right place."

nCino Solution:

With the goals of improving productivity and efficiency within its business lending area, CCU considered several competing systems before selecting the cloud-based nCino Bank Operating System.

CCU ultimately chose nCino for several reasons, including the open, transparent nature of the system, its robust, built-in reporting functionality, and the ability to utilize a single platform for storing loan documents and member data. Once CCU management decided to sign on with nCino, they quickly realized it was the right decision.

"As we went through the actual implementation process, we grew more and more satisfied with our decision to go with nCino," Johnson says. "Prior to project kickoff, we were probably 80% of the way there in thinking this was the right decision. nCino took it to 200%, the minute they came onsite. There was no doubt in my mind, once we got the project team."

Implementation kicked off with an onsite discovery session at CCU's headquarters in November 2015. As with any major project, there were a few challenges

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Corning Credit Union - Total Assets
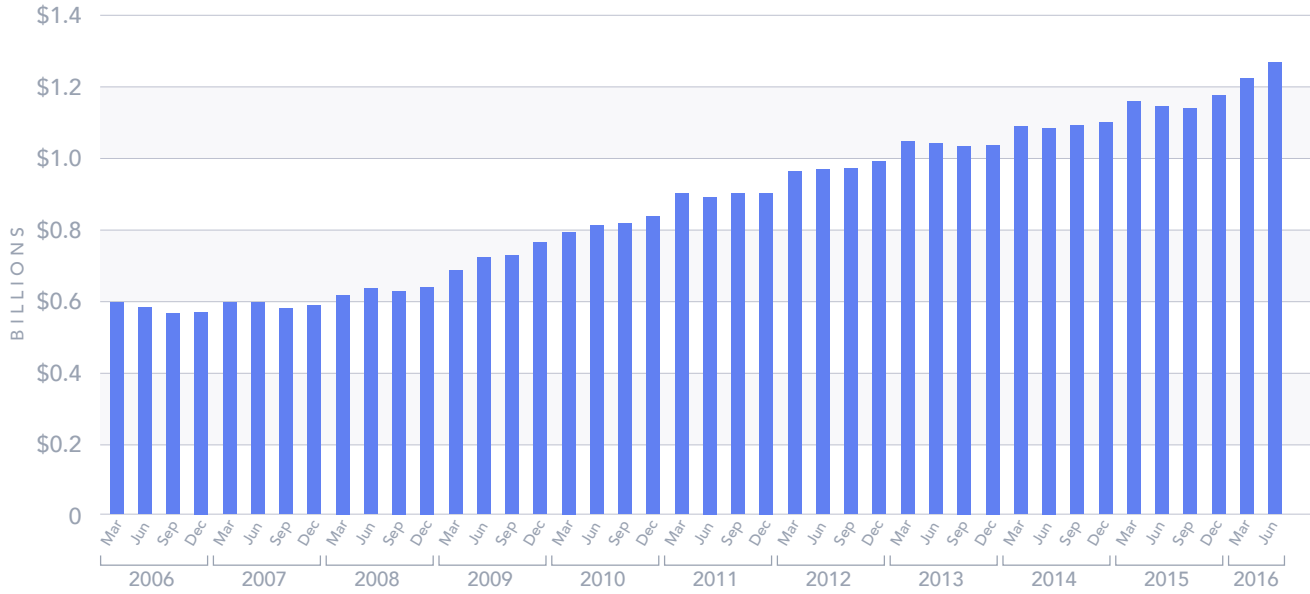
along the way. But CCU and nCino partnered effectively to address any issues that popped up.

"The biggest issue that we had with our project implementation was the understanding of the flow of information in nCino," says Lloyd, who was part of the nCino project team and today serves as one of two nCino administrators at CCU. "Understanding that really impacts how you extract your data from your core system. Our understanding of how that worked just grew as we continued to see the development of our custom work in nCino."

"I think that really speaks well of the nCino project team, because the CCU team consisted of people who don't have IT backgrounds," adds Johnson. "They were able to explain the solution to us, and really spend the time with us to make sure that we understood it, so that we could implement it the right way.

"I will say, from our end, I think we did a lot of, 'Okay, hang on, we're not going forward until we understand,' and they were completely fine with allowing that. I think other companies would have said, 'Just trust us on this, it'll work.' nCino didn't do that, and they were more than willing to say, 'Okay, we'll stop, make sure you understand it before we go forward.' We never felt like we were being put into a box, where we had to do exactly what their system said, and they

couldn't do what we needed to for our process," Johnson says.

"The answer from our project team was very frequently, 'I think we can do that for you,'" Lloyd agrees. "It was never, 'That capability is not available.'"

nCino's approach to the project was refreshing, even to veteran project management specialists at the Credit Union.

"I've worked in a project manager role for almost 10 years," says Becky Smith, project analyst at CCU. "During that time, I've had the pleasure of working with several great vendors. nCino surpassed them all in terms of service and satisfaction. I've never worked with a better team of people.

"The nCino implementation team worked tirelessly to provide us with a great implementation and end product. This group of individuals exceeded every expectation I had set forth and has become the project team/vendor that I will use to measure the success of all others.

"Working with nCino has been my best project experience to date. Great people, great product!"

- Becky Smith, project analyst at CCU

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The Results:

Since going live with the nCino Bank Operating System in May 2016, CCU has experienced many benefits of the nCino platform:

80% Reduction in Rekeying of Data

Post-implementation, data rekeying for a typical loan transaction has dropped from an average of 15 times for a single property address, and 25 times for a member name, to just three times each from application through to booking.

CCU management looks forward to reducing this number down to a single point of data entry as it considers implementing additional platform capabilities in the future, such as nCino's built-in financial spreading module, and direct booking of the loan from nCino to the core system.

Improved Communication

Prior to the implementation of nCino, CCU's Business Services department relied heavily on Outlook emails for internal communication. To enhance accountability, reduce missed tasks, and improve the timeliness of responses, management introduced regular meetings among underwriters and loan officers, which rapidly filled up staff calendars with appointments that could be better spent with members.

With nCino's built-in task creation functionality, communication, productivity and accountability have all markedly improved.

"With nCino, we can assign tasks right in the system and really hold people accountable," says Johnson. "It removes the stress from trying to manage multiple loans and have multiple people completing tasks on those loans."

"nCino has given us the ability to not have to manage our own to-do list, in a sense," adds Lloyd.

Streamlined Loan Process Flow

The introduction of the nCino Bank Operating System into CCU's commercial loan process has streamlined and simplified the workflow.

"We've gotten rid of other software programs, because now we have nCino," Johnson says. "Software programs that we didn't even think we would remove in the beginning of implementation, are now gone because we don't need them. Everybody wants everything in nCino. They want that one location."

Outlook email use has been measurably reduced with the introduction of tasks, and the entire appraisal ordering and review process has been modified and improved.

nCino customized the process flow to conform with the Credit Union's preferred workflow, just more intuitive and efficient than it was before.

> *"With nCino's keys and tabs it's really easy to adapt and move through the process quickly. It's 10 times better than what we did in the past which was all fairly manual."*
>
> *- Todd Strong, senior commercial loan officer*

"The way we have set up the system," continues Strong, "it reminds you before you get ready to book a loan. It doesn't let you forget anything so you don't have any surprises right before closing."

Improvements to Post-Closing

Some of the most significant improvements have been to the post-closing process, particularly the digital imaging and secure storage of loan documents. Whereas in the past, CCU administrators would digitally scan and catalogue paper loan documents by hand, today that process is incorporated seamlessly into the nCino platform. Documents received electronically from members or scanned into the system are automatically saved under the correct loan and member, and indexed for easy retrieval when needed.

At one time CCU team members were drowning under a three-month backlog of paper files that needed to be imaged and indexed. Today, with the nCino Bank Operating System, the post-closing process takes on average a single business day.

Improved Transparency

Thanks to the built-in transparency of nCino's cloud-based platform, CCU can provide secure log-in access to other key departments. Now internal team members in other areas that conduct critical functions such as accounting, audit,

collections and appraisal reviews can access specific, relevant data and documents in real time. This helps them do their jobs more efficiently, without interrupting the workflow of Business Services team members.

> *"Our consumer mortgage department can now pull tax returns off the nCino relationship objects for their business members, so that they don't have to come to us and ask for them anymore."*
> - Evan Lloyd, commercial loans participation manager at CCU

"Everything is right there at their fingertips," says Lloyd.

Increased Capacity

CCU credits the nCino Bank Operating System with helping to streamline operations and improve per-team member productivity to the point where the Credit Union is processing a higher volume of loans than it was previously, with fewer team members performing the same functions.

> *"It's had a direct impact on our operations team. But more than that, because the team is operating more efficiently, we've been able to increase capacity for every job function."*
> - Jennifer Johnson, supervisor of business lending at CCU

"That has happened even with the addition of the nCino administrator role into our department," Johnson continues. "The efficiencies we gained with nCino allowed for that. You can just see how much more time everyone has to work on things and improve member service, and really focus on member service. We can focus on that now, whereas before we had to focus on, 'What is the process?' 'How do we do this task?'"

Better Service to the Members

Considering CCU's unrelenting focus on delivering outstanding service to its members, a critical factor has been how nCino has freed up team members to focus on building relationships. For example, due to capacity constraints and an inefficient workflow process, for years the Credit Union outsourced its annual commercial loan property site visits to a third party. This not only added unnecessary expense but also prevented loan officers from taking advantage of one of the best opportunities they had to interact with borrowers.

"Our focus has really been to get back out to the members and service their needs," Johnson says. "This is the first year our loan officers have been able to complete all of their site visits. We now have a site visit functionality in the system, so we can hold them accountable for getting this done. They can go out and do the site visits, which gives us the most value, and gets them out there with the members."

The nCino Bank Operating System's streamlined process flow and ease of access have also allowed CCU to serve its members faster and more efficiently.

"It is easier to look something up for the member, such as to see if we actually received their tax return. It really helps in tracking information I need to help the loan go faster," Strong says.

A Better Place to Work

Management has always valued contributions from CCU's team. But with the implementation of the nCino Bank Operating System, members of the Business Services department are enjoying coming to work just a little bit more.

"Everybody wanted to be on this system," Johnson says. "They were ready for it. They were excited about it. They love the system. They're happy to come to work, knowing how the process works and what they need to do."

"There's been a flourishing of creativity and 'out of the box' thinking since we started using the system," adds Lloyd. "Originally, we thought that we were going to take this implementation a little more slowly and get our hands wrapped around it piece by piece. I think we got wrapped around it a lot faster than we expected, and we've made a lot of system improvements as we've gone."

"We literally can't stop the department from asking, 'Can we do this? I'd love to see this in nCino,'" Johnson says. "They're constantly logging new requests because they really appreciate that central location, and they've really been pleased with nCino's capabilities."

Within virtually every function, nCino has made an impact. According to CCU leaders, team members today feel more valued and appreciated because they have an intuitive process that makes sense, and makes their jobs easier.

"It's provided so much clarity for every job function," Johnson says.

"Today, I enjoy my job more," adds Lloyd.