



Allied First Bank – Growth After a Major Charter Change



Allied First Bank in Oswego, Ill., started as a credit union for American Airlines employees. In 1998, the Credit Union Membership Access Act forced Allied to make a choice between stalling growth or changing its charter to become a bank. Although the charter change was obviously the better option, it had inherent challenges, such as converting to new account types, retraining personnel and connecting to new ancillary systems.

Allied also struggled with a number of other problems related to its original core system. According to Assistant Vice President of Operations Scottie Schofield, "We were jury-rigging information we had to fit into our old system. The vendor's hosted system experienced frequent outages." She explained, that "at the beginning of the month, when everybody was running month-end reports, it just dragged. You couldn't get into the system to pull up an account inquiry. You couldn't post transactions in the morning. It was brutal." Reporting too, lacked the efficiency that Allied demanded. To procure custom reports, the bank needed to make formal requests, which, "nine times out of 10" came with a fee.

Following Allied's decision in 2001 to change its charter, Schofield and the board sought a new core processing provider that would respect its credit union roots and help it grow and thrive as a bank. They selected Open Solutions' The Complete Banking Solution® (TCBS). Built on an open, relational core database, TCBS enabled Allied to connect, in real-time to their most valuable assets: their customers. Schofield describes TCBS as "very much like what we had, but with the extra functionality that we needed to be a bank." She elaborated on the benefits, "It had the ability to set up titles for trusts. It had commercial accounts where you based it on the organization. You had 'signers' as opposed to true 'owners'. We didn't have to jury-rig anything anymore." These capabilities contrasted with the previous software that would ignore relationships and generate annoyances such as statements for joint accounts with only one name. As small as this detail may seem, customers would call and complain.

TCBS has also enabled Allied to fully utilize its marketing and analytical talents without relying on an outside vendor for access to data. Schofield identified the system's data warehouse as a major utility. She explained how easy it is to produce reports that answer questions such as, "How many accounts do I have where the people are in the age group 20-30?" or "How many checking accounts do I have?" She continued, "You can use that for everything or to grow your

"Allied now has a core system to match its business needs as well as a strategic partner that provides continuous support."

**- Scottie Schofield,
Assistant Vice President of
Operations, Allied First Bank**

business." And once custom reports are created, Allied can save its parameters and reuse them without additional charges.

Allied now has a core system to match its business needs as well as a strategic partner that provides continuous support. Referring to the help desk staff, Schofield said, "We're all on a first name basis. They just know my voice." This familiarity translates into an efficient support process. Schofield added that because they "know what you've been doing and they know what you can do, they can fix a problem in two sentences."

The strategic relationship between Open Solutions and Allied extends beyond day-to-day support. Through conversion, Allied wanted to retain an ATM surcharge rebate program from another company. Open Solutions accommodated the program and helped Allied integrate it into TCBS. Since then Allied has made even more customizations, adding rich features like affinity groups that provide customers with additional benefits according to their overall relationship.

Allied has come a long way since it changed its status. Today, it has 8,500 customers and \$165 million in total assets. It has begun extending into retail banking with a new 20,000 square foot facility that opened this June. Building up from its core processing system, it has added safe deposit boxes, savings bonds, instant-issue ATM debit cards and cash machines. Allied is prepared to meet a wide variety of customer demands – all integrated – with no jury-rigging required.

For more information about Open Solutions and our full suite of products and services, please go to www.opensolutions.com or call us at 800.226.5674.



VISION . TECHNOLOGY . SERVICE

Open Solutions Inc.
Glastonbury, CT 06033
800.226.5674
860.652.3156 fax
www.opensolutions.com

©Copyright Open Solutions Inc., 2007. All rights reserved. Open Solutions Inc. is a registered trademark of Open Solutions Inc. The Open Solutions logo is a trademark of Open Solutions Inc. All other product names are used for identification purposes and are the registered trademarks of their respective companies.

AlliedBank11-07