



CommunityAmerica Credit Union Practices Collaborative, Consistent Performance Management with Axiom Suite

Challenges

CommunityAmerica Credit Union (CommunityAmerica) is a \$2.6 billion, full-service financial institution that serves more than 230,000 members nationwide, with 32 branches in the Kansas City metro area and one branch in St. Louis. CommunityAmerica already had a budgeting system in place, but it was looking to create a more driver-based budgeting approach that would enable the credit union to forecast multiple “what-if” scenarios, and then quickly adapt financial plans to meet changing business realities. The credit union also wanted individuals across the entire organization to be able to easily understand and adjust its budgeting system and methodologies, versus just the finance department. Beyond budgeting, CommunityAmerica was also looking for additional performance management tools to help the credit union improve overall performance.

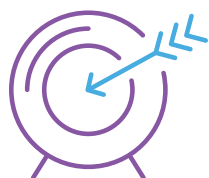
“In any industry, but especially banking, the decisions we make now have more impact on future years than the present,” said Brad Richardson, Director of Finance for CommunityAmerica. “We needed to be able to adjust our budget assumptions and goals based on what we are doing strategically at the moment – as well as adjust to current market conditions – rather than being locked into a budget.”



Solutions

To implement a more driver-based planning process, CommunityAmerica complemented its budgeting system with Syntellis’ Axiom™ periodic forecasting solution. This solution enables the credit union to model how changes to interest rates, deposit growth rates, number of new accounts, and other variable income and expense factors will impact financial results. With Axiom, CommunityAmerica can project cash flows at the record level, share those assumptions throughout the institution, and then aggregate them into planning portfolios accordingly. CommunityAmerica also implemented Axiom’s scenario modeling tool to determine the impact of pricing changes on its balance sheet and model new initiatives to understand the impact on financials.

Additionally, Axiom’s Incentive Compensation Management tool helps credit union leaders encourage behavior that actually improves financial performance and supports the



More informed decision-making with integrated, holistic reporting



More efficient and accurate driver-based budgeting and forecasting processes



Mitigated risk with rolling forecasts and planning for “what if” scenarios

team's sales goals. "Ultimately our goal was to link all of our disparate performance management data together in one place to drive more strategic decision-making," said Richardson. "In doing so, we can better understand all the levels of our financials and find ways to give that money back to our members."

Results

Driver-Based Budgeting and Forecasting

CommunityAmerica's budgeting and forecasting is now a truly driver-based process that delivers timely and accurate record-level results management can trust — transforming financials from inputs to outcomes. The credit union leverages its budget as more of a snapshot that illustrates key ratio goals, while rolling forecasts deliver the insights needed to quickly adapt to changing business needs, all without adding to staff workloads.

"Rather than asking our departments to spend even more time thinking about expenses to create driver-based budgets, the Axiom platform simply aligned forecasting with our existing budgeting processes," said Richardson. "If the market turns and our forecast uncovers a better way to hit our goals, we can easily make those adjustments. We have become much more flexible through driver-based planning."

Incentive Compensation Measurement and Reporting

CommunityAmerica takes a hybrid approach to incentive compensation management, first determining the overall performance at the branch level and then drilling down to individual performance to provide complete transparency to staff. Weekly reports to branch employees show the individual's performance relative to branch performance, giving employees consistent feedback and the opportunity to improve their performance on a regular basis. "Now our staff can clearly see how each member contributes to the credit union's overall performance, and then adjust their activities to meet their goals," said Richardson.

Enhanced Reporting to Drive Decision-Making

One of the key drivers behind CommunityAmerica's selection of the Axiom Financial Institutions Suite was flexibility. Not only did the credit union have solutions configured to meet specific needs, it also consolidated reporting across all financial systems — creating one easy-to-use reporting hub. CommunityAmerica now creates more comprehensive reports that transform data into actionable information to improve decision-making. "We knew we needed to improve our reporting, but it wasn't until after the implementation that we realized more uses and efficiencies than we could have ever dreamed of," said Richardson. "Very few systems have the ability to support multiple, disparate data sources, and Axiom easily accommodates our data needs."

Familiar Excel Interface with More Robust Functionality

Axiom software features an Excel-like interface in a solution designed for performance improvement, which makes it easy to learn and use, while avoiding the limitations of stand-alone spreadsheets. "Not everybody is an expert in Excel, but all of our end users are comfortable with Excel, and Axiom expands on that familiarity while eliminating its shortcomings," said Richardson. "Leveraging a system that our end users were already comfortable with helped eliminate the learning curve and made implementation much easier, which has been a significant benefit for us."

Financial Industry Expertise

The unique business model of a credit union requires industry-specific functionality and services expertise for effective budgeting, forecasting and reporting. "Each member of the Axiom team we worked with has actually been in the finance world, so they truly understand the challenges and the pain points we face," said Richardson. "The Axiom team has become trusted advisers whom we know we can rely on as strategic partners to our business."