

CREDIT UNION TIMES

Vol. 14, No. 33

Weekly Independent Report On Credit Unions

August 13, 2003

Special Report: Data Processing & Technology



Evolving intranets

From a Plain Vanilla Communications Tool to a Function-rich Solution

By MARC RAPPORT
CU Times Technology Correspondent

WEST LAFAYETTE, Ind. – Many credit union intranets have quickly morphed from a place to post company picnic announcements to an interactive tool that can allow tellers learn how to conduct complex transactions live without losing

eye contact with the member.

That's the kind of robust functionality the internal Internet is bringing Purdue Employees Federal Credit Union. There, two Purdue University students have created an intranet solution that so impressed their credit union that it helped set the guys up in business and now owns a part of the company itself.

"Since we turned our new intranet on in March, it's changed the whole complexion of how we can deal with members and with each other," says Bill Connors, veteran CEO of the \$385 million CU.

Connors was among several CU executives sharing their intranet experiences with colleagues from more than 60 credit unions across the country during a recent Webinar put on by Callahan & Associates.

The takeaway in general from the Webinar was that intranets have grown from single-purpose internal Web sites tangential to core operations to a mission-critical, internal cyber-entity with access to both front-end applications and back-office functions.

"What we've learned through our phone calls and e-mail surveys is that most intranets got their starts for internal reasons, but as the technology has evolved, so have the intranets," says Jeremy Dresner, the Callahan research associate who put

together the recent Webinar.

"The first thing most credit unions did was move from posting policies and that sort of information to making digital what had been paper processes like submitting time cards and now on to making member-facing interactions easier," Dresner says.

That's what Purdue Employees has found, and it was in face-to-face meetings with a couple Purdue students that the 57,000-member CU found the intranet solution it needed to make those next steps.

Two Purdue students – Christopher Beltran and Paroon Chadha – demonstrated to the credit union what has become the Passageways intranet portal. Connors and his staff were impressed enough that they invested \$30,000 to \$40,000 in the original installation, and went on to help the students create a company to sell it.

The credit union, through its CUSO, now owns 28% of the company and has 55% percent management control of it, something Connors says the credit union probably will relinquish once Passageways gets going on its own. "Our goal is not do this for a living. We're interested in serving members and this really helps us do that better," he says.

An example Connors likes to point to is how the portal helped a teller perform a wire transfer, not something most tellers do every day.

"She used the instant-messaging function to communicate with our settlement services office, which then pushed a screen to her telling her how to do it," Connors says.

And then, the teller completed the transaction by sending it back to the settlement office, all without losing personal contact with the member. And this took place without a lot of back-room training.



"The developers wrote it on the Microsoft .NET platform and it's a very powerful yet very easy to learn tool because of the way it's rules-based," Connors says.

Those rules make the site easy to customize to each employee's level of authorization and functional needs. For instance, managers of the credit union's six branches can create their own discussion and workgroups, and board members can access reports and receive notifications with simple clicks instead of complicated phone calls and voluminous mailings.

The Passageways portal replaces a system that Purdue Employees originally installed about four years ago, an off-the-shelf solution that cost about \$4,000 to buy and more to use.

"It was very IT driven and they had to make all the changes to it. Now, with our new system, everyone can make changes to their own parts of the site within the rules and authority levels that we can easily set," Connors says.

"It interfaces easily with our Summit core system and our network, and all our IT staff has to do basically is maintain the equipment," he says.

The Passageways founders are now marketing their intranet portal to other credit unions. They've signed one client and have either made presentations or scheduled them with another 20 to 30.

Such sessions have turned out to be more than just salesmanship.

"We might have been getting a bit of tunnel vision, seeing things only through our eyes, and now we're hearing about the features that other credit unions might want in their intranets or that they've been doing all along," he says. "So it's a learning experience for all of us."

For instance, Purdue Employees now is working on a business-resumption plan to put on the site.

"It, too, will be very rules-based and convenient to use. For instance, as the CEO I only need to know certain parts while our IT people have to know another part. I can find what I need to know without having to thumb through a large manual," Connors says. "In an emergency, when we would really need to use it, that would really even more of a difference."

— mrapport@sc.rr.com



Since we turned our new intranet on in March, it's changed the whole complexion of how we can deal with members and with each other.

—Bill Connors