

# Case Study

## FUNDtech's webBANKER AND PAYplus USA HELPS TEXAS CAPITAL BANK ACHIEVE MASSIVE GROWTH



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### Overview

Texas Capital Bank is a growing community bank that is effectively competing with larger banks for its business customers. Texas Capital Bank's strategy has been to win business through personalized service excellence. However, a lack of dedicated services and a reliance on manual business processes was hindering this development, leaving Texas Capital vulnerable to competition and unable to respond rapidly to changing market conditions. To grow its business and deliver the level of service needed in the marketplace, Texas Capital had to upgrade their infrastructure – eliminating manual processes to provide a quicker and more efficient service. Texas Capital Bank implemented FUNDtech's webBANKER—a flexible, centralized treasury management system that helped it target corporate clients and provide identical services to those offered by larger financial institutions. Due to the successful acceptance of FUNDtech's webBANKER application in the marketplace, the bank is now adding up to 100 clients a year. This new business has generated further demand for additional services. To meet this demand, Texas Capital Bank installed FUNDtech's FEDplu\$ (Now PAYplus USA) system on July 3, 2001 to automate the processing of wire transfers. By upgrading its commercial banking services, Texas Capital Bank has been able to sustain rapid expansion and is emerging as a leading community bank in Texas.

### FAST FACTS

Location: Dallas, Texas, USA.

Assets: \$2.5+ Billion

Volume: ACH – 18,735/Month,  
Wires – 7,978/ Month

Solution: webBanker  
PAYplus USA™

### BUSINESS BENEFITS

- Centralized one-stop-shop environment.
- Minimal support and training costs.
- Real-time processing.
- Simple, intuitive interface for clients.
- Increased cross-sell opportunities.



## Situation

Texas Capital Bank is a commercial bank that delivers highly personalized financial services to Texas-based businesses and individuals. Launched in December 1998, we had an initial capitalization of \$80 million. We now hold \$2.5+ billion in assets with full-service locations in Dallas, Austin, Fort Worth, Houston, Plano, and San Antonio.

In 1998, we had an infrastructure that was highly dependent on low volume, manual procedures. We simply lacked the systems necessary to support the growth of our commercial services. Because of this deficiency, we were also struggling to develop a strong and loyal customer base, something that we had identified early on as being critical to our ongoing growth strategy.

Therefore, it was with some urgency that we began searching for a technology suite that would let us match those services available through our larger competitors.

## Solution

Having evaluated a number of vendors, we decided that FUNDTech's webBANKER product was the only one that could deliver the functionality and service support that we required. FUNDTech's reputation for leadership in cash management and payments was a major factor in the decision to go with their solution. We were aware of FUNDTech's experience in the field and, having employed past FUNDTech solutions, we were familiar with its operating methods. FUNDTech was confident that webBANKER could meet the functionality and scope that we had outlined in our selection criteria. This included:

### A CENTRALIZED SOLUTION

A key requirement for any community bank is the ability to handle its processing procedures and ensure front-to-back office real-time processing. FUNDTech's webBANKER solution

not only enabled us to do this easily, but also allowed us to alleviate the expense of investing in a dedicated ACH engine and processing system because it incorporates similar functionality in its design. Control and risk monitoring procedures are all handled by webBANKER. That ability is very important and our selection process demonstrated that webBANKER was the only Treasury Management System on the market with that functionality.

### SCALABLE, INTUITIVE TECHNOLOGY

As a small community bank trying to penetrate a large market, it was essential that any solution we invested in did not come burdened with excessive training costs. We needed a system that was accessible and intuitive in its design and that both our staff and customers could use with minimal background knowledge. FUNDTech's webBANKER is extremely user friendly, employing basic point-and-click technology. As a consequence, our customers are not intimidated by the solution: they can log in and use the solution, without being distracted by a host of superfluous features.

### EASE OF INTEGRATION

FUNDTech offered us the independence of owning and operating our own system. It made the products affordable and easy to install and integrate with the rest of our back-office infrastructure. This meant the solution could be employed rapidly, with minimal disruption; two key requirements for a small bank seeking quick growth.

We installed the solution in early 1999, knowing that webBANKER would fit perfectly with our asset size and was scalable enough to help us grow and develop as our client-base increased. The solution also integrated well with our existing environment, meaning we could avoid expensive infrastructure upgrades.

## Benefits

With webBANKER in place, we began a focused effort to expand our commercial business. We were confident that we had a compelling and highly competitive offering in the market. We were able to provide our customers with the immediate service they were demanding. In fact, we went from five Treasury Management customers to close to 100 in the first year and we were so encouraged by these results that we decided to invest further in the business by purchasing FUNDtech's wire transfer systems FEDplu\$ (Now PAYplus USA).

WebBANKER allowed us exceed our projected growth rates, with wire transactions alone accelerating from approximately 100 daily transactions to upwards of 1,200 within three years. This dramatic increase came at little incremental expense because of the system's ability to automate the process. We only required two additional staff to process a 12-fold increase in transactions. This made the wire transfer service extremely efficient and highly profitable.

Through the automation of our treasury systems, we estimate a 200 percent efficiency gain over the legacy, batch-based, manual processes. We now have 500 corporate customers and have added approximately 100 customers a year since we implemented the solution. Furthermore, webBANKER allowed us to open up our infrastructure to real-time processing, something which has proved a significant benefit for all of our customers.

That functionality-rich, user-friendly approach has translated into impressive returns. For example, the wire system paid for itself in the first year. We have projected growth every year and have met or exceeded our projections based on the ability to provide our customers with a host of inexpensive services.

FUNDtech's webBANKER is reliable and flexible and allows our customers to find everything they need in a single product. For a community bank looking to expand and attract customers from larger competition, this is an extremely valuable product. WebBANKER ensures that we can deliver the services and functionality that our customers need, while maintaining the personal approach that our clients value in a community bank.

