

Case Study

COBIZ FINANCIAL PROVIDES HIGHLY CUSTOMIZABLE INTERNET BANKING SERVICES TO BUSINESS CUSTOMERS AND IMPROVES EFFICIENCY WITH FUNDTech's CASHplus



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Overview

CoBiz Financial has always placed its customers' needs at the forefront of its products and services. It effectively combines its size and ability to offer an array of services, with its local knowledge and personal touch. A central element of this customer-centric service is internet banking. However, capabilities of the previous vendor's cash management solution meant the bank could only provide a one-size-fits-all service that could not be tailored to specific customer needs. CASHplus was selected as the replacement solution because of its real-time capabilities and flexibility along with Fundtech's ability to partner with the bank to add new functionality.

Situation

CoBiz with \$2 billion in assets, is a leading provider of financial services for professionals and small- to medium-sized businesses in Colorado and Arizona. Our target customers are small to medium enterprises – from the small single-owner store or business, through to law firms and medical practices with a turnover approaching \$200 million.

An important part of our culture and reputation is to understand the financial needs of our small business customers and the communities we operate in. Each of our locations is staffed with banking professionals empowered to make

FAST FACTS

Location: Denver, CO
Assets: \$2bn
Solution: CASHplus

BUSINESS BENEFITS

- Creation of targeted, segmented products
- Real-time interfaces to core bank systems
- Customizable reports mean fewer calls to bank staff
- Account set-up and administration effort greatly reduced
- Introduction of greater customer self-service via browser interface
- Foundation for future products and services

decisions and deliver personalized products and services. This enables customers to quickly get local credit decisions based on local knowledge. CoBiz is small enough to provide the personal touch but large enough to support customers through all stages of their financial lifecycle. To stay ahead of the fierce competition, we are always looking for innovative ways to help support our customers.

Internet banking is a critical element that all customers expect as part of their account services. Our previous cash management solution lacked certain key features, resulting in a one-size-fits-all product. Small customers were often paying for services they never used. And without real-time interfaces to our wire and core banking systems, large customers were not getting the timely data they needed.

This, coupled with limited reporting and monitoring capabilities, meant we could not immediately detect problems when they arose,



which dented customer confidence in our ability to manage their business accounts. From an operations perspective, the system was inefficient; administrative activities such as creating new accounts took a long time and were frustrating. We felt that the previous vendor was not properly supporting us to help overcome these issues, and was not moving forward with developing innovative services.

It was clear that to provide an efficient service for our business customers, we had to introduce a flexible, customizable, real-time solution. This would enable the bank to quickly offer new, targeted products and provide the real-time functionality customers demanded as an integral element of those products.

Solution

Building a solution in-house was not an option and went against the CoBiz philosophy. We wanted to concentrate on what we knew – meeting customer needs through great products and unbeatable customer service.

We believed that off-the-shelf products would meet our needs with minimal modification. After examining eight vendor solutions, the clear winner was Fundtech's CASHplus cash management solution. Fundtech's ability to provide us with all of our requirements was a critical factor in our decision to select CASHplus.

We were already using Fundtech's PAYplus™ USA solution to process wire transfers, so we knew they would deliver. That project had also impressed our treasury management team, who were driving the cash management project. It gave us the confidence that Fundtech would be a true partner throughout the project and beyond.

CoBiz went live with CASHplus in 2004 and we currently have 1,200 business customers. Today, we process around \$60,000,000 in funds every day.

Benefits

CREATING TARGETED, COMPETITIVE PRODUCTS THROUGH SEGMENTATION

We were aware that many small customers were interested solely in information reporting, while others wanted multiple accounts, wire transfers and ACH. The uCustomize feature within CASHplus has enabled us to segment our services to provide three distinct service brands and has given us the flexibility to brand each package as a separate offering.

Business Pathways, our brand aimed at small business, offers balance reporting, book transfers, imaging and check management. Our middle package, Commercial Pathways, adds wire transfers, ACH, bank reports and has a self-service administration module for user set up. Our third brand, Corporate Pathways, is for the largest business accounts and includes services such as ACH origination, wire transfers and intra-day reporting.

Being able to offer the right package of services for each type of segment means that our customers receive the services they need at the right price.

The feedback from customers has been positive and these distinct products have been a great success. That is borne out in the number of users – when we began we had 400 customers and today we have more than 1,200 clients taking advantage of our services. CASHplus has fully supported us to help realize our expansion ambitions, because these numbers would simply not have been possible with our previous system.

EASE OF ADMINISTRATION AND MAINTENANCE

CASHplus has also enabled the customer to set up its own internal users. We simply create a single administrator for each customer and they can then set-up internal users themselves. That has saved time and effort on our part and gives our customers greater control of their accounts.

IMPROVED MONITORING PROVIDES CUSTOMER INSIGHT

The lack of real-time monitoring and intra-day reporting in the previous solution meant we had very little insight

into customer activity. We couldn't produce reports to show demand for certain services, peak times for online access, or which services were accessed and when.

The real-time capability of CASHplus and its integration with our core banking and wire systems have created much better levels of customer service. Businesses can now view checks as they're processed, initiate real-time stops to avoid incorrect payments and receive instant feedback on wire initiations. That has made it possible for our sales team to actively promote our internet banking capabilities as a benefit of banking with us.

The monitoring and audit reporting functionality provided by CASHplus have been a huge boost for us. Now, when a customer has an issue, we can follow it through the system to see where the problem occurred.. It has made us much more proactive and boosted customer confidence in our ability to service their needs and support their businesses.

GREATER SELF-SERVICE AND REPORT CUSTOMIZATION

CoBiz has always been keen to introduce greater elements of self service and enable customers to take control of their finances. Customer feedback suggested they wanted more self-service elements, in particular the ability to view statements online and customize the account view.

Thanks to the flexibility of CASHplus, account reports can be customized, so customers can set the view that suits them and their company best. Customer feedback has been positive and they are very happy with the features and the amount of customization they can perform via the browser interface. With CASHplus, customers can move data around, hide a column, add columns and so on. The flexibility is powerful.

Online access to these reports and images has enabled us to introduce much greater self-service and provide leading-edge business banking. Customers can do their own research and manage inquiries which were formally handled in Treasury Management Client Services.

FOUNDATION FOR FUTURE GROWTH

CoBiz can package services for target markets, which makes us more competitive and as a result, gives us the ability to be more profitable. We have better control over expenses now and can anticipate our costs over a five-year period, which means better strategic planning.

We are experiencing increasing demand for integrated services. Customers want to move money between accounts quickly and easily. With CASHplus, we are in a position to add those capabilities, and eventually we plan to move to a situation where all of our products use the solution in one way or another.

WORKING WITH FUNDTech

Throughout the implementation and ongoing phases, one of the key strengths of Fundtech has been how easy they have been to work with. From the outset of this project, we wanted to work with a vendor that would work in partnership, not simply offer solutions and try to make them fit our business model.

Fundtech has been very willing to work closely with us and been extremely responsive to our suggestions. That has proven to us that they really care about our business and that we can collaborate to create new services for our customers. Our strategy as a bank is to support continued business growth by implementing systems and processes that are efficient, sustainable, scalable, reliable, auditable and secure. Working with Fundtech has certainly helped us meet this goal.



Enabling and Accelerating the Financial Supply Chain