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Identifying (Sick) Members To Head Off Bigger Problems Later

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NORTH VANCOUVER, B.C.—Maxed-out members are getting personal calls from financial advisors at North Shore Credit Union here, who are acting on daily alerts issued by the CU's Customer Relationship Management (CRM) system.

Whether members are maxed-out by debt or by disheartening financial headlines, the \$2-billion CU uses CRM data to "help members who are trending toward a position we don't want to see them in and to quickly deal with the risks in our books of business," said Fred Cook, CIO.

The CRM system—the heart of North Shore's tech anatomy—amasses data from multiple systems, including the core, mutual funds, investment, credit products and insurance systems, and is thus able to keep an eye on myriad trends, such as rate changes, or on segments of its portfolios, such as jumbo loans, Cook said.

North Shore has used Pivotal CRM, offered by Atlanta-based CDC Software, since 2000.

"CRM has always been the place where we start and end our day in terms of how we interact with members," added Cook. "But at times like this, CRM is an even sharper tool. When the market shifts, it's a matter of how well you respond to the information you have on your members."

CDC Software has noticed that more customers are using Pivotal to get "closer and more consistently in touch" with members, according to Jason Rushforth, VP-worldwide marketing at CDC. "Our customers are reaching out to every member, whether through direct calls or emails. Member needs are dramatically different today than they were two years ago."



North Shore automatically translates data from multiple systems into CRM reports that alert financial advisors about loan and deposit trends, Cook explained. Each advisor has an assigned "book" of members to counsel. "About 20% of our members are assigned to a financial advisor. One advisor would be looking at mortgage reports, another at investment reports. The advisor then calls the member to take a proactive approach" to stemming delinquencies or ramping up deposits.

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—Fred Cook



"We have not gone down in our book of business as much as the marketplace has taken a hit, and part of that is because we're talking proactively to our members," Cook said.

"We're looking at what types of mortgages are going sideways and talking to the borrowers ahead of time. Or our central services department might see multiple overdrafts and send a report to the CRM and to an assigned account, with the idea that maybe the financial advisor should call the account holder."

"We're constantly looking to see where the next issue is," he said.

CRM also helped North Shore reach out in November to about 200 "key" members to bulk up deposits in a time where members were justifiably "skittish" about other investments, Cook continued. The provincial government had just voted to provide unlimited deposit insurance to all credit unions in British Columbia, up from the previous \$100,000 protection—and North Shore used CRM to make the most of the change.

"The day that unlimited insurance was announced, we used the system to reach out to all key accounts and reassure them that the credit union industry was strong and that insurance was unlimited," said Cook. That made members think twice about spreading their deposits across several institutions—they could keep all their money at North Shore and have it 100% insured, he said.

That campaign was superior to "blowing our brains out with jumbo rates" to attract deposits and then "trying to figure out how to pay for them in the future," Cook said.

The results? "The calls were very successful," according to Cook. "We know from our statistics that making a few phone calls makes a difference. We also get the opportunity to have trusted, advisory conversations and understand our members' fears."