



CASE STUDY

Univest Bank and Trust Co.SM Shrinks IT Concerns with JHA Outsourcing

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Eric W. Conner
Chief Technology Officer & EVP
Univest Bank and Trust Co.

Institution:
Univest Bank and
Trust Co.

Location:
Souderton, Pennsylvania

Website:
www.univest.net

Assets:
\$2.9 billion

Founded:
1876

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Univest Bank and Trust Co. finds that outsourcing its SilverLake System[®] core processor has significant advantages, particularly from an IT perspective. For this \$2.9 billion institution, Jack Henry Banking's infrastructure and technical expertise combine to create a compelling alternative to in-house operations.

Eric Conner, the Chief Technology Officer at Univest Bank and Trust Co., discusses the benefits, two years after migrating to JHA OutLink Processing Services[™].



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Jack Henry Banking (JHB): What were the compelling business reasons for moving from in-house to JHA OutLink?

Conner: There were a couple reasons. The first was disaster recovery. In the past, regulators would ask what we were doing in this regard, and we did not have an optimal solution. We used jVault[®] and maintained our own hardware. The fact was that we could have potentially been down for days after a disaster. We found that we couldn't do this better than JHA. Jack Henry has more resources.

Another reason is that we were starting to see our technical staff members retire, and finding the right skilled and experienced replacements was difficult. I know JHA has grown its own staffing and training resources to deal with this industry challenge. We simply couldn't do that on our own.

JHB: Tell us how JHA OutLink is positively affecting your growth goals.

Conner: We've had one acquisition since moving to OutLink and there's another one coming up. If we weren't on OutLink, the project scope for these acquisitions would be much heavier. It's hard to put it in dollars, but I can say that OutLink removes one giant headache. Two bank acquisitions in two years almost doubles our size, and JHA can scale a lot better than we can. It's much easier than it would be on our own. We run a very lean shop, and this gives us the efficiency to keep running lean and still do acquisitions in the future.

We also have more opportunities for growth than we had before because our costs are down. We're not thinking about managing IBM i-Series machines and disaster recovery. Our contract with JHA has built-in growth tiers. We just plug and play. JHA takes the core processing and related IT responsibilities from top to bottom.

JHB: Has JHA OutLink improved operational efficiencies?

I'd say we've improved our ability to acquire – and the efficiency of acquisition – by at least 40%. Some costs are reduced and others are avoided entirely. We're also using more standardized tools now that we've switched to OutLink. It's helped us to move on from legacy reporting tools. Now we hire SQL and Cognos programmers, not COBOL.

JHB: Have you reduced your operating risks since moving to JHA OutLink?

Conner: Regulators are pleased with what we've done. They are familiar with JHA and its security measures.

JHB: I understand you've visited our data backup facility, "The Mountain." Does it help provide confidence that your information is protected?

Visiting "The Mountain" gave us confidence that this isn't just some "ma and pa" data center. To see it in person is a significant confidence builder. We came away feeling like we're in good hands. It's well thought out regarding natural disasters, power, and so on. We can't do that ourselves.

JHB: You deployed the JHA data warehouse, jhaKnow™, as part of your transition to OutLink. Was the goal to eliminate custom programs and manual processes, and to dive deeper into your data?

Conner: Yes, both of those. Plus we can use it across all seven lines of business we offer beyond banking. We have wealth management, insurance, commercial, consumer, employee benefits, securities, and small ticket service. We can use the data warehouse for all of these along with the bank services. We've only just scratched the surface but we're starting to make use of this data now.

JHB: If there are any specific features that have exceeded your expectations, please share them with us.

Conner: Yes. I think of how quiet it's been. There have been precious few bumps in the road with OutLink. We almost don't think about it, and no news is good news. Being in IT is like being a goalie on a hockey team. The goalie can't win, but he can sure lose the game. So when it's quiet, that's a good thing. I don't usually go to bat for vendors, but I'm glad to do it for JHA. We're very happy with this service.

JHB: Can you speak to the integration of any complementary products? Has it been a positive experience?

Conner: I think OutLink makes other JHA offerings work smoothly because they are in your data center. Everything we've added on since has been much easier.

There are other benefits that we wouldn't have considered before OutLink. We are now in the process of moving to OutLink item processing, for example. Our statement printing is moving to OutLink. These things have precipitated out of our migration. Our thought process now is, since migrating our core to OutLink works so well, why not consider outsourcing other solutions to JHA as well?

JHB: What are the competitive advantages produced by using OutLink?

Conner: I'd say that OutLink makes us more nimble in terms of expanding our capabilities. We can move more quickly on opportunities. If there is something we want to take on, we can. Every decision isn't another excruciating i-Series decision. The flexibility is an advantage.

JHB: If you would recommend JHA OutLink Processing Services to other banks, what is the most compelling statement you would make to them?

It's a great way to make big headaches go away. In a disaster situation, there's no way we could handle it better than JHA could. That issue alone is the biggest one. This is what JHA does; it's what they get paid for.



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For more information about Jack Henry Banking®, or to schedule a demonstration or talk to an existing user, email askus@jackhenry.com, call 417-235-6652, or visit www.jackhenrybanking.com.

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