



CASE STUDY

Synapsys®

"Because we can customize our system, we have improved customer service and reduced work for front-line employees as well as the operations staff. Synapsys takes work off the table and reduces stress for everybody."

Lindsay Green
Senior Vice President
Managing Director, Consulting
Extraco Banks

Institution:
Extraco Banks

Location:
Waco, Texas

Website:
www.extracoconsulting.com

Assets:
\$1.6 billion

Founded:
1902

Synapsys



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Sara Biggio

Rewind in time to early 2006, and Waco, Texas-based Extraco Banks' operations were a lot different. Back then, new customer on-boarding was managed using dated index cards and paper profile sheets accumulated in personal binders stored at bankers' desks. Referral tracking was handled using triplicate carbon sheets distributed via interoffice mail. Sales pipeline reports were time-consuming and inconsistently prepared – not to mention out of date by the time they were reviewed in commercial sales meetings. The bank's database was essentially a group of linked Microsoft Excel spreadsheets designed by a local programmer. It seemed everyone at the bank was on a different page.

That all changed when Extraco Banks installed Synapsys, Jack Henry Banking's automated sales, marketing, and customer service solution later that year.

"It became very clear to us that we needed to change the way we were doing things," said Lindsay Green, Senior Vice President, Managing Director of Extraco Consulting. "We needed to replace the silos of multiple contact, sales, and incentive processes and eliminate our reliance on manual processes."

Synapsys has improved Extraco Banks' operations in unprecedented ways. In addition to providing tremendous cost savings and reducing FTEs, Synapsys has been a major catalyst to improving and speeding bank-wide communication between bankers and customers alike. It has made employees more accountable, simplified training, and encouraged behaviors and activities that foster a more successful bank culture that customers notice and respond to.

Measurable cost savings

Perhaps one of the most tedious and costly processes at Extraco Banks before Synapsys was their fee refund procedures. After a unanimous decision among bank management, Synapsys was put to work to improve this process.

Sara Biggio, REDU Trainer at Extraco, said that the bank was refunding \$21,000 per month on average before implementing a service event in Synapsys. Since deciding to track the process in Synapsys, that number has reduced to approximately \$6,500.

"This solution saved us about \$14,500 per month in fee refunds alone," Biggio said.

"The amount of money Synapsys saved us by improving just one process is very impressive, and there are so many other ways this solution is helping us."

For Extraco managers, Synapsys helped facilitate overall process improvements for fee refunds, which improved customer visibility, employee efficiency, and accountability.

"With Synapsys, I can see if the customer has gone somewhere else to get a refund by reviewing the customer profile and the service events, where they may have gotten refunds twice before, or if they're constantly asking for a refund," said Green. "Now that refunds are tracked in Synapsys, we have an accurate measurement of who is refunding fees. That's really allowed us to control the excess refunding we used to do."

In addition to knowing the amount and frequency of refunds, the bank could pinpoint the reason behind every refund because of customization built into the system.

"We can report by reason code," said Biggio, "and if a certain kind of reason code shows up more frequently, we can go in and train for that particular code."

"We wanted our fee refund service event to be more robust than just simple paper management tracking," Biggio said. "We were able to customize Synapsys specifically for our needs, and that customization has just been invaluable."

Communication has improved dramatically, too, because managers can now sit down with employees and talk about which refunds were good decisions and which were not, rather than just saying "you have too many refunds this month."

"It was unmanageable before," said Green. "We could always get numbers, but there was no way to understand the reasons behind those numbers. Synapsys does a great job of drilling down and generating reports which our managers can use as coaching tools."

This functionality wouldn't have been possible if not for Synapsys' state-of-the-art customization capabilities. In fact, Green said that added customization may pay for itself in about a month. More importantly, it removes a lot of stress from the entire equation.

"Because we can customize our system, we have improved customer service and reduced work for front-line employees as well as the operations staff," Green continued. "Synapsys takes work off the table and reduces stress for everybody."

Time is money

One of the primary advantages of the Synapsys system has been the time savings the system has provided to multiple areas of the bank. For Extraco, Synapsys has dramatically simplified data research and reporting.

"Before Synapsys, I had to consult massive paper files at my desk to look at what happened last year," Biggio said. "Now I can run reports by bank center or officer and I can even go back and compare data between two time periods. It provides me with the information I need more efficiently, which enables me to respond to questions much faster."

Prior to Synapsys, many of the bank's automated tasks required manual intervention. John Maupin, Senior Vice President and Trust Administrator, said that Synapsys has saved considerable time by completely automating tasks from beginning to end.

"Synapsys has allowed us to eliminate certain steps like scanning documents, reprinting them and re-scanning them, and attaching them to profiles in our imaging system," said Maupin. "It enabled us to omit tedious processes that brought no value to the customer or the bank."

Synapsys also helped save time and resolve a compliance issue where the bank's safe deposit boxes were concerned. During an internal audit a few years ago, the bank discovered that it needed to more efficiently process safe deposit box transactions, so they turned to Synapsys to let technology do the work for them. Extraco utilizes a Safe Deposit Journal Service Event.



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"Our old reaction would have been to assign tasks to different levels of management, create a new paper form, and then all of us would sign off," said Green. "This would have created a miniature tornado of work any time somebody worked with a safe deposit box."

Synapsys helped simplify the process and made related information visible to all the right people, so research was easy for everyone, including the bank's internal auditing department.

"In less than a week, we were able to take a compliance issue and solve it really fast with Synapsys," Green said, "and we didn't have to train a single person, because everybody in the bank knows the system. It turned what could have been a big deal into a non-event."

"A lot of angst and frustration just simply disappeared," Biggio said. "Synapsys is like 'Have a better day 101.' "

Process improvements lead to undeniable growth

From an FTE standpoint, Extraco Banks has realized a reduction of approximately 1.5 to 3 FTEs per branch, thanks to the adoption of Synapsys and a redesign of their branches to include Vertex Teller Automation System™, Vertex Teller Capture, cash recyclers, and dialogue towers.

"Those two things coupled together have really given us efficiencies," Green said, "and not just on the front line, but in the back office as well."

Green feels that from a trending perspective, Extraco's number of accounts and deposits have grown healthily during the past handful of years. She dubs Synapsys a "process improvement tool" that has undoubtedly contributed to this trend.

"When I talk to people about Synapsys, I say that the true power is in the technology," she said. "It encourages obvious positive changes in the culture of your company, and that clearly contributes to growth. Perhaps we may have gotten where we are with index cards and a filing system – but it wouldn't have been nearly as efficient as Synapsys has been for us."

Maupin agrees, adding that Synapsys also serves as an operational cushion by which Extraco Banks can base future growth and expansion.

"We went a little slow with Synapsys at first because we put so much effort into getting the culture right so that everyone could use the technology," Maupin added. "But the more we grow into the system and get accustomed to using it, the more comfortable we are expanding with more branches and customers. The efficiencies are now in place, so we know we can add 15 or 20 percent more customers without adding an equal amount of support on the operations side, and that's an incredible advantage."

Capturing customer attention ... and keeping it!

Efficiently on-boarding customers is an important goal at any bank, and Extraco is no exception. Synapsys has helped the bank attract new customers and keep the ones they have by implementing procedures that ultimately improve customer service levels.

"Synapsys doesn't make bankers better sales people," Green said. "It is a tool to help measure and improve the behaviors that lead to quality conversations. The individual coaching Synapsys automates has enabled us to turn leads into better sales results."

While Extraco Banks doesn't use the Synapsys system to track customer satisfaction per se, management believes that the system's ability to track customer engagement and interactions has resulted in an improved customer experience. Maupin says that during the past few years, they have seen a rise in customer engagement based on surveys the bank has sent to its customers.

"There is a definite correlation between our increased customer engagement levels and Synapsys," agreed Green. "For example, we use the system to track our outbound calling efforts. Outbound calling and quality conversations lead to referrals, which improve customer interaction and engagement. Synapsys tracks all of those interactions for us and makes the process easier."

Biggio adds that Synapsys' ability to improve customer communication helps resolve issues in a more efficient, timelier manner.

"If a customer calls with a problem, it's put into the system in a central location," she said. "If somebody marks the issue resolved, everybody sees that in the system. We get fewer customer service calls from frustrated customers as a result. Now that's customer service."

Synapsys also helped hold staff accountable when it came to the on-boarding process.

"When we track outbound calls, we can generate reports to ensure we have followed up with new customers," she said. "It's a constant process that makes our employees more accountable – if they know we're monitoring the process, they're more likely to stay on top of it. We established a Customer Retention Unit that took over the on-boarding and produce great results."

Bank-wide communication is better than ever

A cohesive culture is important to Extraco Banks, and Synapsys has been successful in breaking down the lines between departments and improving communication bank-wide.

Biggio said that she and Maupin partnered with the operations side to customize Synapsys Service Events which helped disintegrate the barriers that formerly existed between the departments and merge their methodologies into one common solution. The bank is able to resolve issues much faster because everyone is involved in decision-making. "There's always been a difference in thinking between the operations side and the sales side," said Biggio, "but Synapsys allowed us to make communication very succinct. Our processes were suddenly easy, information was automatically completed and visible, and we didn't have a lot of back and forth to get the information we needed. Currently in 2016, we have 67 service events being utilized in Synapsys."

Green refers to this trend as the "positive domino" effect, where Synapsys has not only contributed to better processes, but to an overall team-oriented mindset. Now when a process changes at the bank, it is less likely to be met with opposition.

"We're coming up with new ways to look at things," she said. "People are less likely to focus on what's bothering them, and more likely to try and think of ways to do it better. That has been a really wonderful attitude shift at Extraco."

And this cohesion eventually results in a more positive experience for the customer.

"The automation Synapsys provides created an 'institutional knowledge' of customer needs and previous conversations," she continued. "Synapsys dramatically improved the communications



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between the support staff and the front-line sales and service staff. Any employee can now help a customer understand where their service request is in the process, which increases the customer's confidence in our brand."

If it's broken, Synapsys can fix it

In 2010, Extraco was at risk of losing income if it didn't adequately target which customers should opt-in for overdraft protection fees per the Regulation E mandates.

"I don't know how we would have handled the Regulation E issue if we didn't have Synapsys as the tool that could communicate between the customer-facing retail employee and the operations side," Maupin said. "Synapsys was crucial to this effort."

Biggio added that the bank notified customers about Reg E in the branch, in addition to email and direct mail marketing campaigns, but Synapsys enabled the bank to better target the exact customers they wanted to reach with the Regulation E message.

"Synapsys really helped us target the customers we wanted to personally ask to opt-in for overdraft protection fees," Biggio said. "We called those customers through our call center and tracked all of that in Synapsys."


Green added, "Regulation E was a great example of how Synapsys gets everyone on the same page – be it a front-line banker, a back room person, or call center person – regardless of location or branch. Everyone could see if a particular customer had opted-in already, so both the right and left hands knew what was going on."

Another process improvement Synapsys provided was the ability for everyone to process change of address requests in the system. The staff received continual feedback that the communication on this process was lacking, and Synapsys hard wired the process, enabling many change of address requests to be processed in conjunction with gathering information in the bank's Regulation E campaign.



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John Maupin



"I am so far from the front lines, but I was able to process change of address requests, because all I had to do to was follow a step-by-step process," Green said. "Monetarily it's hard to quantify the value of the time savings and peace-of-mind of streamlining a process."

"Synapsys has improved our training as well," added Maupin, "We can put people on the floor to do their jobs in a more confident way, and quicker than before. Not only are we able to put good employees out there, but also we're not sacrificing another employee's time by training them on the job."

A bright future ahead

Over time and as Synapsys continues to make life easier at Extraco Banks, the management team has to do less and less research into what to do next with the system, because the staff approaches them with ideas.

"As people realize the value of the system, they approach us and say 'can you take this off our hands too?' " Green said. "That makes the environment fun and more cohesive, because we're working on improving processes to help everyone have a better day. And lightening the load by improving processes gives our staff more time to come up with the next process we want to improve."

And Green says that Jack Henry Banking is continually working to ensure that Synapsys is always growing and changing to meet the needs of Extraco Banks.

"The support staff always works with us to find creative solutions to our particular ideas," she said. "And the user group freely shares ideas and best practices, which validates that there is always someone to help us if we need it."

Maupin agrees, and offers advice for other bankers who are seeking a strong vendor relationship combined with the assurance of ongoing support and process improvements.

"The development team from JHA has worked with us to create custom reports and allowed us to use Synapsys in ways that JHA hadn't even considered," he said. "If I could tell other bankers one thing about Synapsys, it would be that they can't afford not to use this solution! In fact, Extraco has seen such great results that Extraco Consulting, a subsidiary corporation of Extraco Banks, actually assists Jack Henry banks across the United States with employee training curriculum and best practices for implementing and/or enhancing results throughout the cultural change."

Synapsys automates client relationship management (CRM), customer service and event tracking, and sales and marketing initiatives for high-performing banks. This innovative system's broad functionality places the power of information and efficient client interaction and workflow at the fingertips of sales associates, calling officers, lenders, and support staff. Synapsys was exclusively designed to support banks' unique sales environments and to easily assimilate into day-to-day operations. This solution provides the information needed to assess customer relationships and accurately work with individual customers to expand existing relationships and increase profitably. The Marketing Manager module provides banks with a sophisticated marketing query tool for database research and campaign development.