

Case: Bradford N.B.

Bradford National Bank uses Integrated Bank Technology's Integrated Bank Environment to become more efficient and competitive.

Who:

Based in Greenville, Ill., Bradford National Bank was established in 1867. It uses four branches to service customers throughout southern Illinois. The bank offers a comprehensive menu of banking services that includes the latest technologies so that its customers can enjoy the service of a community bank and experience the conveniences of a larger bank.

Challenge:

In a competitive financial services market, community banks must constantly search for new technologies that will meet the changing needs of their customers and work with the current business processes. As Bradford National Bank began to consider new imaging solutions, the management team determined that it would be best to find software that allowed them to have some flexibility with their core system. This meant finding a cost-effective, comprehensive solution that eliminated the practice of simply adding layers to the core system, making it more cumbersome to access data.

Solution:

Bradford National Bank selected Integrated Bank Environment (IBE), the flagship product of Integrated Bank Technology. IBE is a repository for not only a financial institution's core system, but also all of the ancillary systems enabling everything to be tracked and managed from a single system. This allows the institution to combine all of its data and monitor transactions in real time. Its modules include Internet banking, Integrated Image Teller, fraud monitoring, proof of deposit, statement processing, Financial Crimes Enforcement Network (Fin/CEN), Bank Secrecy Act (BSA), Office of Foreign Assets Control (OFAC) and merchant and branch capture.

Bradford National Bank has been a customer of Financial Systems and Equipment (FS&E) for several years. FS&E is a multi-faceted consulting, marketing and service organization, and it is also a preferred partner of Integrated Bank Technology. When Bradford National Bank began searching for imaging solutions, its successful relationship with FS&E led it to explore Integrated Bank Technology and the products that the company provides for financial institutions.

"Integrated Bank Technology has the most cost effective, comprehensive technology solution available from any software provider in our market," Jim Keaster, senior vice president at Bradford National Bank, explained. "We've been able to eliminate the use of three different vendors and bring all of the information together in a real time environment using IBE. This is the exact solution we needed to compete with larger banks. Our customers are very loyal, but they want to enjoy the convenience of new technologies as well. With the help of Integrated Bank Technology, we've been able to deliver."

One of IBE's key characteristics is its ability to run parallel to a financial institution's core system, allowing transactions to be posted in real time and transferred to the system at night. Not only did this eliminate interface costs, but it also allowed Integrated Bank Technology to install IBE at Bradford National Bank and conduct training. Then the system ran parallel to its core system for a month in order to make sure that all of the staff members were comfortable with the new technology.

"With our current core system, any time that we access data we have to pay a \$15,000 fee," Keaster said. "That fee was eliminated when we installed IBE because the solution works off of pull files and does not rely on the core system. Integrated Bank Technology also worked with us during the installation process at the pace that was best for our bank, rather than rushing us through the process. This allowed us to make sure that our employees really understood the new technology before going into full production."

Prior to installation, Bradford National Bank sent all of the checks to bookkeeping where they were encoded and collected for batch processing. In the morning, the data processing staff created reports and made them available to everyone at the bank. Since transactions were not completed in real time and the Internet banking only showed the account status up until the previous evening, customers were required to call the bank in order to receive truly up-to-date account information.

Now the bank uses IBE as the daytime processing software. Transactions are posted to IBE throughout the day and at night the data is transferred to Bradford National Bank's core system. This process allows Bradford National Bank to operate in a real time environment. Bradford National Bank now has the choice to real time post all transactions including all credits and debits within a single deposit. Since all information is contained in a single database, all transactional information and images are immediately available to its customers through Internet banking. This also includes all transactions scanned at the teller line.

“The real time availability of account balances has allowed us to get information to our customers quickly, which is exactly what they want,” Keaster added. “Internally, we have been able to reallocate some of the data processing staff members to other positions that better serve both the bank and our customers. All around, it has been a win-win situation.”

Bradford National Bank is also experiencing cost savings due to the time that has been saved in the bookkeeping department with the bank’s move away from batch processing. Not only has the bank been able to reduce operating costs by reallocating two and a half full-time positions, but the reduction is also apparent in the amount of money spent on backroom office item processing equipment, supplies and maintenance.

“Any time you go through a period of transition, there will be some challenges,” Keaster concluded. “However, it has been my experience that when you ask Integrated Bank Technology to do something, there is an immediate response. We’re working with a great company and an innovative product to achieve a higher level of efficiency and offer our customers better service.”

About Integrated Bank Technology

Cedar Park, Texas-based Integrated Bank Technology (IBT) is a provider of software applications that facilitate electronic exchange in order to manage and protect financial data. IBT has successfully integrated more than 125 individual financial institutions. IBT’s flagship solution, Integrated Bank Environment, provides users a single, centralized database to view and manage all customer relationships. For more information, visit www.ibanktech.net.

About Financial Systems & Equipment

Founded in 1981, Financial Systems & Equipment, Inc. (FS&E) has provided more than 800 financial institutions with the widest choice of hardware and software products. Its technology facilitates business activities through electronic management of image delivery, workflow and regulatory compliance. FS&E is committed to financial institutions and their success and the company continuously provides clients with successful implementations of Integrated Image Teller, image check and loan compliance tracking systems. For more information, visit www.FinancialSystems.net.