

A CUSO perspective: How lending software helps improve customer experience

Case Study

Cooperative Business Services (CBS) was founded over 20 years ago as a commercial lending operations center for credit unions to cost-share and collaborate in the origination, underwriting, closing, participation, and servicing commercial loans. CBS provides commercial lending services and software solutions to nearly 150 credit unions in 16 states today. Like many credit union service organizations (CUSOs), most of its loans are participated or syndicated. As CBS grows and expands its products and services, vendor relationships and creating efficiencies are increasingly important to delivering continued profitability.

SEEKING ADAPTABLE SOFTWARE

When CBS executive management initially looked for software to streamline loan processes, the primary hurdle was finding one that would fit their unique CUSO needs and budget. They needed software that would allow them to report on individual loans and provide reporting oversight for their credit unions, boards, auditors, and examiners. CBS was also looking for software that worked with their Fiserv Premier core, allowing them to create their processes for CUSO-specific functions.

CBS manages over \$2.5 billion in commercial loans for its credit union clients and prepares financial spreads, credit memorandums, closing documents, portfolio management, special assets, and collections as part of its services. CBS needed software to incorporate all of its services into an easy-to-use program across departmental lines. They chose Abrigo's lending and credit software to help manage transactions, build workflows, and monitor covenants and ticklers for each loan.

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—
Lorain Cooper, Chief Risk Officer

COOPERATIVE BUSINESS SERVICES

CHANGING THE GAME

CBS chose Abrigo for its price point and flexibility. "Abrigo not only fulfilled our need, they worked with us on integration and growing into our modules," said Lorain Cooper, Chief Risk Officer of CBS. "Abrigo's staff assisted CBS in configuring the software to report at the lead and participant level — something very important in our reporting requirements with our clients and not something other software companies offered."

Another important factor when choosing Abrigo was that the credit analysis module provided the financial analysis in a similar format that CBS's clients were used to, allowing for an easier transition into the new system. In addition, the ability to send communications through the software requesting financials and tax returns and a secure upload feature with a tax return reader created efficiencies throughout the portfolio management process by reducing overhead, postage, and reporting expenses.

With Abrigo, CBS's financial analysis begins at origination when the credit team inputs financials into the software. From there, the loan's lifecycle through portfolio management, special assets, or refinancing ensures up-to-date information in one format, creating efficiencies through the software. Their average workflow completion time has reduced from over 100 days to just 25, mainly because there is no longer a need to recreate the financial analysis each time a loan moves from department to department.

Abrigo has also decreased the margins for human error. Before, CBS used manual spreadsheets for data collection, with formulas and macros that could easily be deleted or overwritten. The executive management and examiners appreciated the switch to the software, which provided greater data input control and maintained historical financial information.

As CBS expands its services and further establishes itself in the financial services industry, it attracts more experienced credit professionals. Those familiar with Abrigo products have already begun to explore different functionalities used at other institutions. Cooper continually refers them to Abrigo's team to explore how those functions could be used in their unique CUSO environment. CBS is also exploring additional loan origination and construction modules in the future.

"When searching for software, we appreciated that Abrigo was known and respected in the financial services industry. That was important to us," Cooper said. "As we continue our growth, we appreciate the synergies and new products that Abrigo offers and feel that their company and vision align with ours."

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GROWING TOGETHER

In the six years since CBS began using the product, it has proven itself flexible enough to handle the incredible growth CBS has experienced. "The Abrigo software provides continual updates and listens to customer needs," said Cooper. "Our voice and recommendations and the Abrigo team's willingness to continue improving user experience help shape the software to meet our needs."

ABOUT ABRIGO

Abrigo is a leading technology provider of compliance, credit risk, lending, and asset/liability management solutions that community financial institutions use to manage risk and drive growth. Our software automates key processes—from anti-money laundering to asset/liability management to fraud detection to lending solutions—empowering our customers by addressing their Enterprise Risk Management needs.

Make Big Things Happen. Get started at abrigo.com.