

CASEY STATE BANK

Realizing the Advantages of Outsourced Over In-house Processing



Over the years, as technology has changed banking, many financial institutions have found themselves at a crossroads of either keeping core processing in-house or outsourcing it. Casey State Bank in Casey, Illinois, faced that crucial decision just over a year ago and has since found that its decision to outsource makes the bank more efficient and compliant.

IN-HOUSE ... AND EVERYWHERE

As a growing bank, Casey State started experiencing technology headaches and vendor overload when it came to maintaining in-house processing. It was facing both growing demands on employees' time and increasing compliance issues with such IT components as firewalls and hardware. Besides, the bank had numerous vendors for various IT needs, and the responsibilities of managing all the complexities were becoming frustrating.

“When you use in-house processing, the core is really just one piece of the puzzle,” says Brad Wolfe, Casey State president and chief executive officer. “Our core was with one provider, and all our other services were with someone else. When we had issues, everyone pointed the finger at the other.”

CHALLENGE

Casey State Bank faced numerous challenges with in-house core processing: too many vendors, inefficient IT oversight and rising compliance concerns. The bank needed to add full-time IT employees or switch systems.

SOLUTION

After reviewing several core providers, the bank decided to migrate to hosted core technology. Casey State chose CSI NuPoint®, a cloud-based core processing platform.

RESULT

Casey State has eliminated at least 10 vendors, automated several processes and enhanced everyday operations. According to the bank's president and CEO, Casey State is just all around “better” now that it's using hosted core technology.

With the bank's IT staff, which consisted of one person who also served as a cashier, becoming overwhelmed with complexities, Casey State realized the need to explore other options. According to Wolfe, “the bank had become too big, and we needed to hire someone full-time or move to a new processing model.”

OUTSOURCED ... AND EFFICIENT

After researching outsourced core platforms, Casey State chose CSI NuPoint, which offers cloud-based core processing. To help with the migration, CSI stationed a conversion specialist at each branch to ensure a smooth, seamless process. Wolfe says that component was essential in getting the bank's outsourced core off the ground. And the benefits have only grown from there.

"We don't miss anything about in-house processing," Wolfe comments. "We're always using the latest technology since enhancements and updates are installed automatically, rather than having to do all that ourselves."

Wolfe also appreciates the opportunity to establish relationships with other NuPoint users, so he can understand additional ways to enhance system usage. What's more, he says that Casey State feels less pressure from examiners now that the bank is using NuPoint and CSI.

"The examiners know CSI's reputation for doing things the right way. If you're using CSI, then the examiners understand that you're doing it right, too."

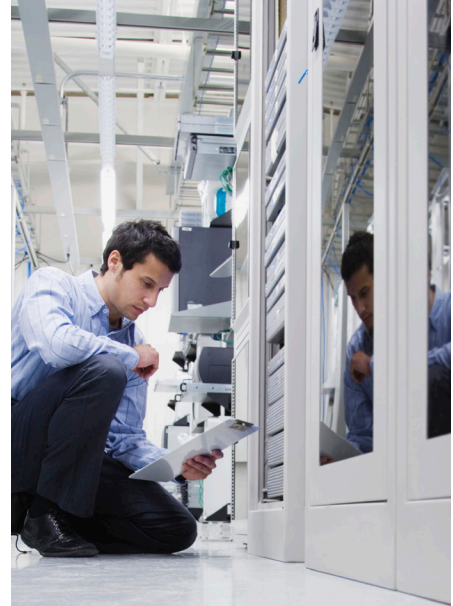
BETTER ... AND GROWING

Wolfe says that many banks perceive "more control" as the primary reason for keeping core processing in-house, but he doesn't subscribe to that line of thinking. Since outsourcing its core, the bank hasn't looked back or felt any regret for the decision.

"We took a huge leap forward when we migrated away from in-house processing," Wolfe says. "In fact, I no longer understand why a bank would want to operate that way."

Outsourcing, according to Wolfe, has made the bank better. NuPoint has allowed Casey State to automate such manual processes as accounts payable. He says the bank's numbers, including its income numbers and balance numbers, are better as well. Much of this can be attributed to streamlining many of its ancillary products through NuPoint and eliminating vendor sprawl. In fact, the bank has eliminated at least 10 vendors due to efficiencies gained through hosted core technology.

"We are trying to partner with one vendor for core processing and those ancillary solutions integrated through the core," Wolfe says. "And we want CSI to be that partner."



CASEY STATE BANK

Assets: \$250 million

Customer Since: 2013

ABOUT CSI

With nearly 50 years of industry experience, CSI places personal, professional customer service at the core of everything we do. We provide not only relevant solutions that ensure your success, but also one-on-one account management to help you utilize them to their fullest potential. Your business matters, and our team of knowledgeable professionals will ensure you achieve superior results for both your bank and your customers.

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