

Case Study



Seacoast National Bank

Integrated Risk and Performance Solution Supports Strategic Decision Making

In search of an overall financial platform, Seacoast National Bank decided to build upon its success with Asset Liability Manager from Fiserv by adding Funds Transfer Pricing and Management Planning and Control to the mix. This integrated set of solutions provides Seacoast with a robust financial risk, performance and reporting framework to help drive decisions.



By leveraging the integrated suite of risk and performance solutions from Fiserv, Seacoast National Bank has implemented a Risk-Adjusted Return on Capital (RAROC) framework that is leading to improved insight, increased efficiency and better decision making—all of which are adding significant value to Seacoast's bottom line.

Focusing on the Details

In seeking to replace the bank's in-house budgeting system with an overall financial platform, Chuck Shaffer, executive vice president, community banking, had a specific goal in mind.

"We were looking for the opportunity to put together a robust strategic plan, and we wanted to get down to looking at our business lines on a risk-adjusted basis as accurately as possible," Shaffer said, adding that Seacoast wanted to be able to look at RAROC and net income after cost of capital by line, enabling them to make more accurate decisions about capital and resource allocations.

The challenge was how to bring together disparate and uncoordinated data, tools and processes into a single platform to support all the components that feed into the RAROC framework.

Fiserv worked with Seacoast on a smooth implementation of Funds Transfer Pricing and Management Planning and Control, taking steps to ensure that Seacoast users understood the products.

"We were involved from the start, from the very beginning," Shaffer said. "The implementation was swift, and there was very little learning curve to adding an additional Fiserv product."

With the line analysis in place, executives and line managers can access each line as if it was its own business, enabling them to make more accurate decisions regarding asset allocation.



Client Profile

Seacoast National Bank was chartered in 1926 in the aftermath of the Florida land crash of 1924. Today, the bank is still focused on understanding and meeting the needs of the communities it serves. With over \$2.3 billion in assets, 34 offices, 43 ATMs and five Accelerate business offices in 13 counties along the southeast coast and central region of Florida, Seacoast ranks among the largest publicly traded community banks in the state. Seacoast offers a full line of loans, mortgages and credit card options, as well as online and mobile banking.

Fiserv is driving innovation in Payments, Processing Services, Risk & Compliance, Customer & Channel Management and Insights & Optimization, and leading the transformation of financial services technology to help our clients change the way financial services are delivered. Visit www.fiserv.com for a look at what's next now.

"Having the full three-dimensional view of the business as if it was its own operating identity is a tremendous value," Shaffer said.

Integration Leads to Time Savings

Integrating the Fiserv products created possibilities for automation that weren't previously available. For example, data entered in one of the programs automatically populates fields in the other programs. Automation also provides quick access to essential information, which is especially helpful during month-end, Shaffer said.

"For analyzing our variances, we have information at the touch of a button rather than going back to our core system and looking at particular journal entries and then digging through invoices," Shaffer said. The automation has shaved from one-half to a full day off of the month-end process, leaving staff more time to review and analyze reports rather than preparing them.

By leveraging the integrated powers of Asset Liability Manager, Funds Transfer Pricing, and Management Planning and Control, Seacoast has achieved substantial efficiencies leading to long-term cost savings. The strong analytical capabilities provided through the integrated solution, culminating in the RAROC analysis, enables the institution to make better and more timely strategic decisions that are improving the performance of the bank. The combination of these efficiency gains and enhanced results are adding considerable value for Seacoast.

Challenge

Seacoast National Bank needed to ensure it was investing in, and allocating resources to, the right areas within its bank to achieve its goals. They understood that a Risk-Adjusted Return on Capital (RAROC) analysis was the best approach to meet this need. The challenge for the bank was bringing together disparate and uncoordinated data, tools and processes into a single platform to support all the components that feed into a RAROC framework.

Solution

Seacoast implemented Funds Transfer Pricing and Management Planning and Control from Fiserv to integrate with the Asset Liability Manager solution from Fiserv that was already in place. The combination of integration and analytical capabilities allowed Seacoast to implement and support the RAROC analysis and reporting, leading to improved strategic planning and decision making, as well as decreased costs.

Proof Points

- Month-end reporting process reduced by one-half to one day each month
- Individual RAROC line reporting achieved throughout the bank
- Detailed variance analysis at the touch of a button
- Robust strategic financial plan realized throughout the bank

Connect With Us

For more information about Asset Liability Manager, Funds Transfer Pricing, and Management Planning and Control, call 800-872-7882, email getsolutions@fiserv.com or visit www.fiserv.com.



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