



# Baker Hill Case Study

## River City Bank Turns to Baker Hill Advisory Services to Implement OnePoint: *Third Time is the Charm!*

Baker Hill 2005 Summit Award Finalist

### Challenge

A staggering percentage of relationship management-related software implementations fail – some surveys suggest that upwards of 70% of them don't deliver on their original promise. River City Bank purchased Baker Hill's OnePoint solution in 1996. The bank was committed to implementing a fully-integrated commercial lending solution across the bank. It sought a relationship management system that provided centralized monitoring of loan conditions and a powerful contact management tool. River City also wanted that solution to seamlessly integrate with back-office functions, allowing those functions to be delivered in a significantly more efficient way.

But the implementation failed – twice – in 1996 and again in 2002. "We managed the implementation internally, and did not think that we needed external support for the project," said Karrie Blevins, Assistant Vice President, OnePoint System Administrator. "We gave our users the program without providing the necessary training and procedures. There was no follow up after the system was implemented. We did not have a project coordinator who was a user of the

system. While we had senior management buy in, we did not have senior management sponsorship. We did not have the resources that were needed in place — a plan or a project manager. Nor did we customize the product to match River City Bank's way of doing business." As a result, OnePoint was not fully implemented as an integrated solution in the bank.

The bank had purchased OnePoint's STAN (credit risk management), REACT (collateral and exception management), and SALES (sales automation) modules – three of four modules available in the OnePoint suite. The modules are designed to work together, facilitating the movement of information, providing a centralized view of customer information across the bank, and streamlining the workflow process across the lending process. Because the solution was not properly implemented, however, the bank was not seeing these benefits. In fact, lenders, analysts, and managers were doubtful that OnePoint could really meet the bank's needs.

Consequently, the SALES component was rarely used, and REACT was not used in the loan servicing area at all.

Users from three different departments utilized multiple programs to manage the same relationship. The bank's greatest challenge was to overcome the users' bias that the system, particularly OnePoint SALES, could not meet its needs as a comprehensive "one-stop" lending tool. An incomplete initial implementation and unsuccessful SALES redeployment project contributed to this belief that OnePoint could never become an effective solution for the bank.

In early 2003, the bank embarked upon a project to implement and integrate OnePoint, one more time. This time, bank management turned to Baker Hill's Advisory Services team. Advisory Services team members work with banks to introduce proven solutions and original ideas, by leveraging the team's extensive client experience, understanding of best practices, and knowledge of emerging industry trends.

Advisory Services team members performed a gap analysis – to analyze the gap between what the solution was currently delivering, and the bank's vision of how it could impact bank operations. Advisory Services created a plan of action to address

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- Karrie Blevins  
Assistant Vice President

**PROFILE**

**CLIENT**  
Founded in 1963 River City Bank maintains assets in excess of \$775 million and offers a full range of consumer banking services, along with business banking, commercial real estate lending and agricultural banking. As one of Sacramento's largest, independent locally owned banks, River City Bank employs 188 people and maintains 13 branches throughout the region.

**CHALLENGE**  
Fully implement Baker Hill's OnePoint solution after two previously failed attempts.

**SOLUTION**  
Baker Hill Advisory Services, OnePoint STAN, REACT, AND SALES

**RESULTS**  
A "one-stop" lending tool in place that effectively manages information, conducts analysis, and documents communication. Significant improvements in efficiency and effectiveness.

various areas of weakness around the implementation. With Baker Hill's guidance, River City assembled the right people to shepherd the project, a rigorous project methodology, and high-level executive sponsorship.

River City Bank was successful in deploying a OnePoint solution which is now the primary tool used to manage customer relationships, workflow, and reporting in the commercial lending, commercial real estate lending, and loan servicing areas of the bank.

### Solution

"The key to the success of this project was obtaining management support and buy-in from the inception of the project to its completion," said Blevins. "With executive support, project team members were able to hold each other — and the larger lending team — accountable for learning and utilizing the system as designed."

River City Bank reports that these strategies were also critical to the successful implementation of its project:

- Support and sponsorship of senior management. The bank's project sponsor was its EVP, Chief Credit Officer. His primary role was to define and communicate his vision for how OnePoint would be utilized within the bank to senior management, to project team members, and to the entire lending team. He also provided guidance and support to the project team regarding priorities, scope of work, and timelines.
- Engagement of Baker Hill to guide the project, make best practice recommendations, and assist in implementing new processes and system

enhancements. Ongoing coordination with Baker Hill to ensure that tasks were well-defined and completed as scheduled was also important.

- Designation of a project manager to ensure that the project met its objectives and expected timelines. The project manager was assigned to coordinate and facilitate team meetings, document and enable internal and external communication, track deadlines and milestones, and provide project updates to senior management.

- Designation of a user as the OnePoint system administrator, and 80% dedication of this resource during the initial project phase. A system administrator was chosen, and received training from Baker Hill prior to beginning the project. River City's system administrator was selected for this role for two reasons: 1) she was a current user of both STAN and REACT, and 2) she had enthusiasm for both the product and the project. She saw the value to the bank of a working integrated OnePoint solution. Additional project team members were assembled each representing the lending department and key bank positions.

- Customization of drop-down menus, profile screens, and reports to reflect the bank's way of doing business.

- Regular weekly project team meetings were held to report progress and identify issues. Baker Hill Advisory Services leadership was included in these meetings.

Implementation took place in only nine months. The solution is now being used —

and delivering as envisioned — by 42 users in both the commercial/small business lending, and loan operations/credit administration areas.

### Results

Lenders now consistently use OnePoint's interactive pipeline, including completing contact information for each prospect. "If it's not in OnePoint, the deal does not exist," says Blevins. By integrating sales processes with credit, product and loan administration information, the relationship manager has a complete "electronic credit file" that increases the effectiveness of value-added selling by allowing for fast and easy pre-call planning. Correspondence can now easily be sent to one customer/prospect or to many. Comprehensive pipeline reporting allows managers to effectively manage their teams.

The bank's loan servicing department is now using REACT (instead of Excel) to track loans. Lenders now have the necessary tools to manage their exceptions on a daily basis. By consolidating tracking into one database, loans are processed more quickly, and the quality of the bank's portfolio is assured. Loan covenant tracking has also been moved from Excel to OnePoint.

Letter generation has been automated, reducing the monthly time spent on this process from five business days to only one, and enabling cross training of administrative employees to perform this task. Default reporting time has been reduced by 80% monthly.

Customer relationships are now established in OnePoint, allowing the bank to produce

exposure reports in minutes that previously took weeks of manual work. These reports are now routinely provided to the bank's board of directors and regulators at the FDIC.

Management reports for pipeline tracking, booked loans, and calls made are distributed and discussed weekly. Monthly management reports, including top 15 relationships, new business, tickler exceptions, and call reports are now utilized for reporting to the board of directors.

The system administrator has periodically contributed to weekly department staff meetings by sharing tips and strategies for using OnePoint more effectively. The system administrator routinely pulls reports from OnePoint to check for duplicate records, errors, etc., and provides feedback and additional training to individuals as needed. A backup system administrator was identified to ensure continuity in the event that the system administrator is unavailable or no longer with the bank in the future. The system administrator, backup system administrator, and project manager meet weekly to cross-train administrative functions and discuss and implement changes/enhancements to OnePoint.

OnePoint provides the bank with one central location for consolidated customer information that is readily available to lenders and management throughout the bank. It is providing River City with the ability to more efficiently manage credit risk in its loan portfolio through early detection of credit and documentation exceptions. It is allowing more effective management of customer and prospect information through

utilization of electronic pipeline and call reports. The workflow and management of the bank's loan portfolio has become more efficient, allowing for additional time for business development and cross-training. The ability to easily generate a relationship report that is utilized by senior management and regulatory agencies

"OnePoint has provided us with a **'one-stop'** lending tool to effectively manage information, conduct analysis, and document communication. We're no longer using multiple databases and interfaces!"

River City is considering expanding its use to other Baker Hill solutions, and to expand its use of OnePoint. "We are always looking for opportunities to enhance our service strategies with Baker Hill's products and systems. We are investigating some new ideas that we have learned from other users. We're active in Baker Hill's OnePoint user group and learned a lot at the recent client conference."

#### About Baker Hill Advisory Services

New strategies bring changes in processes, behaviors and culture. Resistance to those changes can be very strong. That is why we created our Advisory Services team. Advisory Services is made up of a team of bankers and technology experts who have gained the respect of our clients as trusted advisors and thought leaders. Leveraging their extensive client experience, understanding of best practices, and knowledge of emerging industry trends, Advisory Services team members work with banks to introduce proven solutions and original

ideas. Together with an institution's management team, Advisory Services step through each phase of a project to architect the processes and systems needed to implement a bank's strategic vision. And, because they understand that a return on investment must be measurable for business process change and for technology deployments to be considered successful, they will deliver a scorecard that measures the impact of change on an organization. Core capabilities include: relationship/performance management; credit quality and origination; and portfolio management and risk assessment.

#### About OnePoint

OnePoint is a fully integrated business banking relationship management platform that helps a banking team cover more ground by working together. From the first contact with a prospect through the approval process, administration and management reporting, OnePoint facilitates the movement of information by streamlining the workflow throughout the entire lending process.

OnePoint consists of individual modules that handle specific tasks: Sales Automation, Collateral & Exception Management, Credit Risk Management, and Profitability & Pricing. These modules work together to streamline operations and to make customer relationships more easily accessible, while bringing the sales team together to focus on the customer's needs and the impact of the relationship on the bank.

#### About the Baker Hill Summit Award

The annual Baker Hill Summit

Award recognizes client banks that have successfully deployed Baker Hill's relationship management or origination solutions to support the institution's strategic vision. The Summit Award is an annual award and was created to:

- Recognize client banks for their commitment to solution deployment;
- Foster peer recognition;
- Highlight behaviors and activities that can positively impact successful deployment of Baker Hill's solutions;
- Promote deployment best practices;
- Provide an opportunity for client banks to share individual institution success with their peers.

#### Baker Hill Corporation

For more than two decades, Baker Hill has been focused on the financial services industry, delivering solutions that address business process needs and working as a trusted advisor to its clients. Baker Hill understands banking processes, knows how to implement technology to enable those processes, and has a long history of client success from which to mine best practices.

More than 1,200 financial institutions in all segments have drawn on the company's business expertise to improve critical processes, and have chosen Baker Hill's relationship management, credit origination, and portfolio risk management solutions as their enabling technologies. For more information visit [www.bakerhill.com](http://www.bakerhill.com).



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