



CLIENT SUCCESS STORY

22.5%

loan portfolio growth



enhanced customer and employee experience



reduction in the number of manual reviews annually

GLOBAL CREDIT UNION

Global Credit Union, formerly Alaska USA Federal Credit Union, has experienced rapid growth and needed a better way to monitor its loan portfolio while reducing inefficiencies and manual processes.

► The Challenge

Global Credit Union's portfolio was growing rapidly—a good problem to have—but at the same time, the credit union knew it needed to be more proactive monitoring loans within their portfolio that were less than \$1M. With resources allocated to growth into new markets, Global Credit Union found it difficult to monitor these deals due to inefficient processes.

“We were doing a good job with annual reviews for deals that were \$1M and above, but had a hard time monitoring the smaller deals. You can lose your shirt on the smaller deals, so we understood the need for a better review process,” said Bob Warthen, credit officer at Global Credit Union. The credit union tried creating forms and processes to encourage annual reviews on deals \$1M or less, using credit reports and disparate systems. However, this manual process was time-consuming. More importantly, it prompted the credit union to seek assistance with monitoring its portfolio.

► The Solution

In 2015, Global Credit Union implemented Baker Hill's Portfolio Monitoring solution, replacing multiple systems of tracking client information and manual portfolio management processes. Combining ongoing consulting services with the solution enabled the credit union to increase visibility of the portfolio and reduce risk. The credit union needed the solution to consolidate information into one system, set up proactive triggers, and create quarterly reports on deals less than \$1M.

With Baker Hill's help, they were able to satisfy all three of these needs. The solution helps Global Credit Union proactively address the overall risks

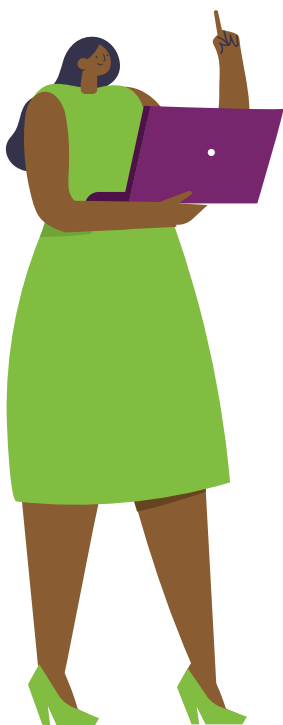


Global Credit Union



We felt very confident that with Baker Hill's Portfolio Risk Management solution we were going to be able to sustain the growth and expansion of our credit union."

Vilma Chavez
Vice President
Commercial Services Administration
Global Credit Union



and opportunities within their loan portfolio by improving efficiencies and lowering operating costs related to portfolio monitoring. Baker Hill Portfolio Risk Management also utilizes a single-database approach to allow for more comprehensive reporting and analysis.

Their original approach to monitoring risk had centered on missed payments, but Baker Hill NextGen® Portfolio Monitoring allowed Global Credit Union to set up triggers that alert them to other concerns within the portfolio. "Just because someone missed a payment doesn't necessarily mean they'll be an issue. There are other factors—low deposit balances, credit scores dropping, non-sufficient funds. Now we're taking a more holistic approach," says Warthen. "Having leading indicators brings a focused approach to the loan portfolio. The triggers help monitor risk, notifying us of potential problem before they arise."

Baker Hill NextGen® Portfolio Monitoring gave Global Credit Union the confidence to understand the performance of the portfolio at any time. This gave loan officers peace of mind that risk was being reduced through effective portfolio monitoring without time-consuming, manual processes, allowing them more time to focus on growing the loan portfolio and expanding into new markets.

► The Results

Baker Hill NextGen® Portfolio Monitoring provided the structure and consolidation Global Credit Union needed. Gone were the disparate systems and multiple repositories for notes and information. Instead, all information is easily accessible and customized for the institution's needs. As a result, reviews that previously took three or four days to complete now only take a little more than a day. These gains in organization and efficiency have allowed loan officers to focus on growing the portfolio versus spending time on general account maintenance.

Auto-renewals are easier for the team as well. With the help of Baker Hill NextGen® Portfolio Monitoring, loan growth was over 22.5 percent in 2016, surpassing the established goals. "It's worth every penny. Eliminating wasted time spent on accounts that don't require attention has helped immensely. Concentrating on the exceptions has mitigated our risk," said Vilma Chavez, vice president of commercial services administration at Global Credit Union.



Baker Hill is in the business of evolving loan origination by combining expertise in technology with expertise in banking. Built on decades of walking alongside banks and credit unions as they provide vital resources to their communities, Baker Hill NextGen® is a configurable, single platform SaaS solution for commercial, small business, consumer loan origination, and risk management that grows along with you as your business needs change. Baker Hill is lending evolved. For more information, visit www.bakerhill.com.