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- Financial Services

**Solutions**





- OpenText™ Assure
- OpenText™ MBPM



# Leading financial services provider tracks project spending to reduce costs, manage operational risks and increase efficiency

**PSCU delivers end-to-end project budget governance and compliance with OpenText™ Business Process Management**

## Results

-  **End-to-end project spending governance**
-  **Cost avoidance** of roughly \$7 million annually
-  **Estimated reduction of cycle times** by 25%
-  **Expected 35% reduction in non-value-added activity** through automation of manual tasks

*"From the current burn rate for a project, to actuals versus plan, to every cost-management metric you can think of, the OpenText™ Assure solution will give it visibility and transparency."*

**Daniel Rosen**  
Senior Vice President of Process and Program Excellence  
PSCU





Leading financial services provider tracks project spending to reduce costs, manage operational risks and increase efficiency

Since 1977, PSCU has been a leading provider of financial services to credit unions. Today, PSCU is the leading Credit Union Services Organization (CUSO) in the United States, representing more than 800 credit unions and offering industry-leading credit, debit and prepaid card servicing to more than 18-million cardholders and innovative bill payment solutions to more than one million online bill payment subscribers.

## Background

PSCU is committed to providing the highest quality service to its members—and developing a cutting-edge technological environment is a critical element in delivering on this commitment. Recently, Daniel Rosen, senior vice president of process and program excellence at PSCU, saw an opportunity to apply this approach internally to improve effectiveness and efficiency in tracking spending on technology projects and programs. Building on his past successful experience with Assure and OpenText™ MBPM, Rosen and his team turned again to Assure to develop an end-to-end governance solution that automates processes for monitoring project expenditures to reduce project costs, risks and inefficiencies.

## Challenges

### Project budget overruns

In a recent internal audit, PSCU identified a lack of governance, controls and oversight when it came to tracking project spending. Technology projects and programs were frequently over budget, resulting in a negative financial impact. With roughly \$25 million to \$35 million spent on projects annually, it was critical that PSCU establish a comprehensive governance process.

***“There was no end-to-end solution on how we allocate costs and invoices from project conception all the way through to the general ledger,”*** Rosen said of the challenge. ***“For the past few years, we have seen variance in the budget due to no end-to-end solution.”***

### Lack of budget visibility

One of the difficulties that PSCU faced with projects was a lack of visibility into project spending, with project managers and executive sponsors simply not knowing when projects were over budget. The process of tracking project costs was fragmented and sometimes manual, with some data tracked in Microsoft® Excel® spreadsheets and ultimately housed in seven or eight different applications.

***“Historically, when we’ve gone over budget on several projects, the executive sponsor didn’t have visibility into the whole process. That was a major pain point,”*** Rosen explained.

### Slow cycle times and manual inefficiencies

Manual processes for handling project invoices added to the frustration. When an invoice related to a project was received, it was manually routed through interoffice mail from the mailroom to the project manager to the appropriate executive for approval and then to accounting. Once paid, the invoice was then sent to the capital accounting team to be put in the general ledger. ***“It could take 7 to 14 days just to make it to the accounting department. And, a lot of times, invoices would get lost during this process,”*** Rosen said. The lack of automated business rules around the invoice approval process also made it difficult to adhere to budget controls or to understand any budget exceptions. ***“We needed to be able to account for every single dollar from a project standpoint,”*** added Rosen.

***“I love the data that comes out of Assure. I just can’t say enough about it.”***

**Daniel Rosen**  
Senior Vice President of  
Process and Program Excellence  
PSCU



## Solution

### An agile, intelligent business process platform

Rosen and his team looked at solutions from several major vendors before deciding on the Assure solution from OpenText. Based on MBPM, Assure is a leading business process management platform that includes a work center for improved productivity, advanced reporting and analytics for business insight and change tools for process improvement. PSCU had already achieved significant success using the Assure platform for various customer services.

***"Honestly, it was a pretty quick and easy decision to use the Assure platform, since we've already developed a lot of successful solutions on it. Assure is so flexible in terms of how much we can customize and develop, which really helps us,"*** explained Rosen.

## Implementation

Rosen and his team are completing the development of the solution for deployment in early 2015. The new system will support the end-to-end process that allows PSCU to match up costs with projects.

Using Assure and MBPM for workflow, the process starts off with the traditional request for a project/capital investment. An executive sponsor begins by submitting a project initiation document within the Assure platform, which is then routed to the enterprise project management office to review and then trigger the project to start in Microsoft® Project.

When a project invoice comes in from a vendor, it is attached as a request in the Assure module and sent to the appropriate person for approval using automated business rules and logic. If someone approves an invoice and it results in going over a budgeted element of the project, it automatically routes to a next-level executive for further approvals.

As a final step, the invoice is sent to the accounting department for processing. ***"The second I hit 'Approve,' it gets launched to accounts payable for payment, the general ledger for booking of the approval, and also Microsoft Project so the project manager knows exactly how many dollars were taken out of the project budget,"*** explained Rosen.

The new solution integrates into three systems and centralizes workflows to the Assure platform, reducing the number of applications involved by half. ***"We have an API from Workday integrated with Assure so we know organizationally where it needs to route to for approvals, titles, and description of titles. It's going to integrate into Microsoft Project Server and then into accounts payable,"*** said Rosen.

## Benefits

Rosen expects to see major benefits in cost and risk avoidance, reduced cycle times and improved efficiency and effectiveness.

### Cost and risk avoidance

The primary driver of this initiative is cost avoidance. By eliminating project budget overruns, PSCU can reduce annual costs by an estimated \$7 million or more. However, Rosen explained that the benefits go beyond the actual dollars saved.

***"In the last few years that we went over budget, one of the biggest consequences was that we actually had to reprioritize projects to accommodate budget constraints. There's a credibility risk there in the market. And, any time we go over budget, that is a risk to our organization that affects profitability and revenue streams,"*** he explained.

***"By rolling out this process with Assure, we'll reduce cycle times by roughly 25%."***

**Daniel Rosen**

Senior Vice President of Process and Program Excellence  
PSCU



### Enhanced budget management effectiveness

With the new solution, project managers have a way to handle their project budgets more effectively. The Assure system gives complete visibility to all executive sponsors, project managers and their executive team. ***“From the current burn rate for a project, to actuals versus plan, to every cost-management metric you can think of, the Assure solution gives it visibility and transparency,”*** said Rosen.

### Efficiencies and reduced cycle times

With the automation of manual processes, Rosen anticipates a significant reduction in the time required for an invoice to complete the workflow process from start to finish. ***“By rolling out this process with Assure, we’ll reduce cycle times by roughly 25%,”*** explained Rosen.

PSCU will also realize savings related to the reduction of non-value-added tasks related to the manual processes. Rosen estimates a 35% reduction, including no longer having to backfill positions. Additional benefits include providing faster payments to vendors and partners and savings related to decommissioning applications.

### Next steps

Looking forward, Rosen will continue to combine business processes and technology innovation in order to support PSCU’s commitment that every dollar spent goes to serve the credit unions.

With the success Rosen has seen from PSCU’s current Assure deployments and the upcoming project spending governance solution, he envisions expanding its use even further. ***“Our goal within PSCU is for the Assure platform to be the universal platform for almost any process, with the end goal of connecting all processes together within the Assure platform.”***

Rosen also plans to continue using the customer data that is available via Assure to gain business insight through data analysis. ***“We’re really focused on using all the data out of Assure. It’s a huge part of how we do things here,”*** he explained. ***“We’ve actually centered two strategies this year, based on some of the data that we’ve pulled from Assure.”***

***“It’s pretty powerful stuff. In fact, we’re close to being able to predict when a customer is upset enough that they might leave, based on some of the data we’re pulling,”*** added Rosen. PSCU recently targeted three credit unions where they saw increased trends in issues and problems, and they targeted them with proactive solutions.

Recently, a PSCU member notified PSCU that they were going to leave. Using data from Assure, PSCU was able to identify the credit union’s pain points and come up with solutions. ***“They actually signed a contract extension with us about three months later. I love this story, because it’s so powerful. I love the data that comes out of Assure. I just can’t say enough about it,”*** Rosen concluded.



### About OpenText

OpenText, The Information Company, enables organizations to gain insight through market leading information management solutions, on-premises or in the cloud. For more information about OpenText (NASDAQ: OTEX, TSX: OTEX) visit [opentext.com](https://www.opentext.com).

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