



Strategy for Conversion Success:
Protecting Your Credit Union's Core Investment

12th Annual Client Conference



What the Selection Team had in Mind.



How the Project Team Understood It



How Vendors Understood the Conversion



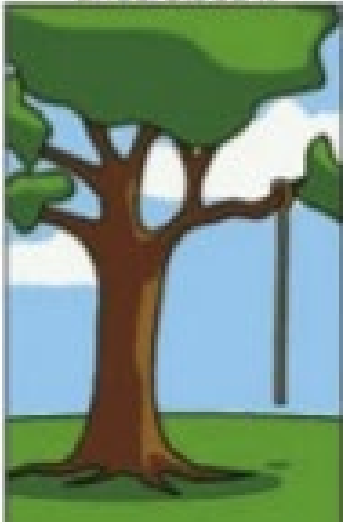
How Reporting Specs were Submitted



How it was Interpreted in Sales/Demos



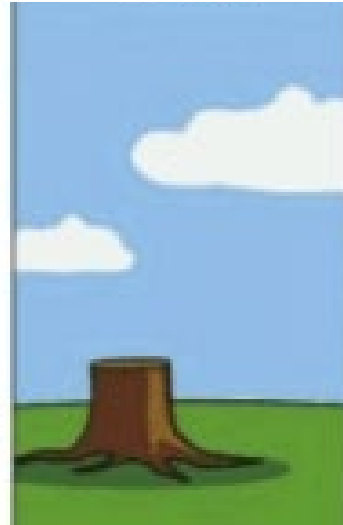
How MOST Conversions are Documented



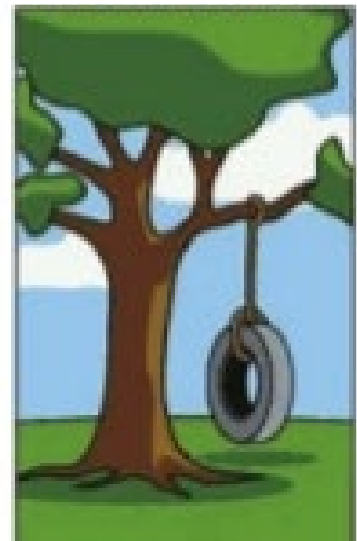
What was Operationally Tested



What was Communicated to the Board



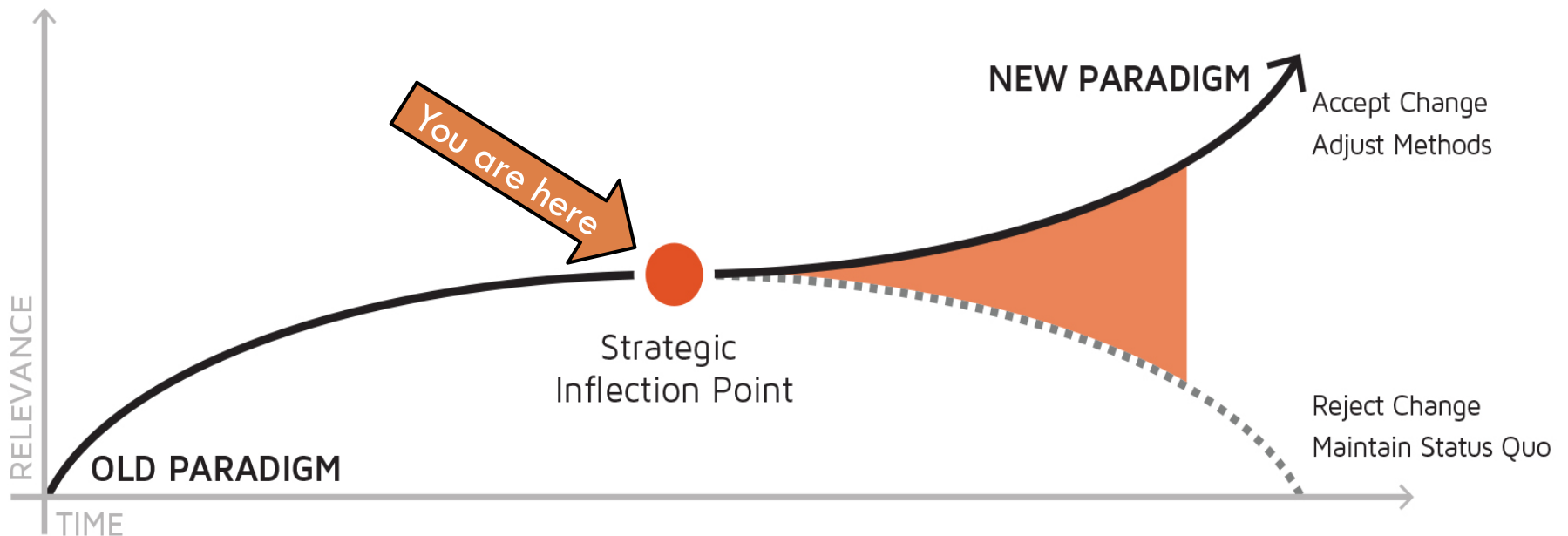
What Nobody Wants on Day 1!



What Everyone Actually Wants/Needs

Welcome to your inflection point.

- ▣ A core conversion is a transformational moment for any financial institution.



Who is DaLand CUSO?



- ▣ Strategic partner for project management and technology-driven solutions since 2011
- ▣ Recognized industry leader in core conversions
- ▣ Helped 27 credit unions convert onto KeyStone

Thanks to Corelation for inviting us to share some of our experience and perspective with you.

How do YOU Define a Successful Core Conversion?

- ❑ On-time?
- ❑ On-budget?
- ❑ Staff doesn't hate it?
- ❑ Members didn't notice?
- ❑ Will somehow help the credit union in the future?

How Do WE Define a Successful Core Conversion?

- ▣ You are **STANDING FIRM** on Day 1.
- ▣ You are **WALKING STRONG** by the end of Week 1.
- ▣ You are **RUNNING FAST** after Month 1.
- ▣ 45 Days after conversion, you are actively engaged in strategic initiatives producing return on your investment which **WAS NOT PREVIOUSLY POSSIBLE**.

You'll accomplish all this (and maybe more!) if you enlist the *engagement and collaboration* among all your business units.

We'll tell you how...

Successful Core Conversion Must Haves



1. Mindset: Strategic Investment vs. IT Expense
2. Aligned Expectations: Engagement & Collaboration
3. Data: During and After
4. Milestones: Clear Accountabilities
5. Post-Conversion, Core-Enabled Strategy

Mindset: Strategic Investment vs. IT Expense

- ❑ Core conversion is not merely a software installation.
- ❑ This core product, from this provider, was intentionally selected for specific reasons:
 - More in the Core
 - Control of data, enabling independence & adaptability
 - Most importantly, a relevant and sustainable future for your membership
- ❑ On-going investment will be required.

What's at the core of your core conversion?

Aligned Expectations: Engagement & Collaboration

Beyond managing project milestones, tasks, and other integral activities... **At the core of your conversion is the *engagement and collaboration* among all your business units to accomplish those things.**

- All business units affect and are effected by the conversion. They all need to know and understand:
 - **Why** have you decided to change cores?
 - **Where** is your most important data going to live?
 - **What** are your priorities in this very important change?
 - **How** will you ensure this conversion puts you on the path to relevance?
(Instead of simply retrofitting old operational habits & legacy processes)
 - **When** will you GO LIVE and what does that mean for member and community engagement?
 - **Who** is the guardian and champion of the answers to the above?

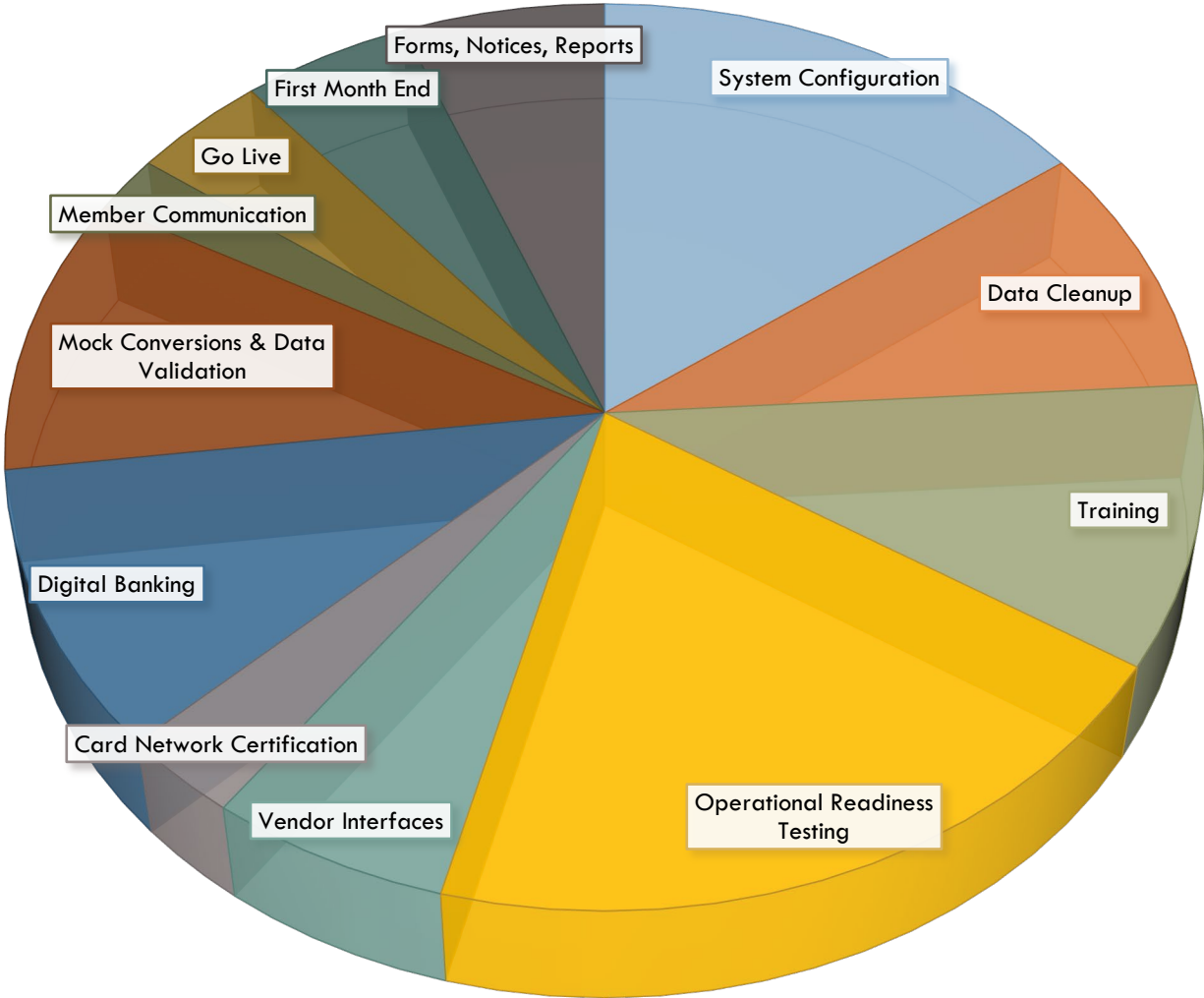
This is your CU's time to build sustainable, revenue generating relevance.

Data: During & After




- ▣ Core-centric, data-focused organizational strategy requires a core-data centric conversion strategy.
- ▣ Data helps us organize the work, mobilize the people and actualize the strategy.
- ▣ A few examples....


Data: During & After – Distribution of Task Type



Data: During & After – Organizing the Work

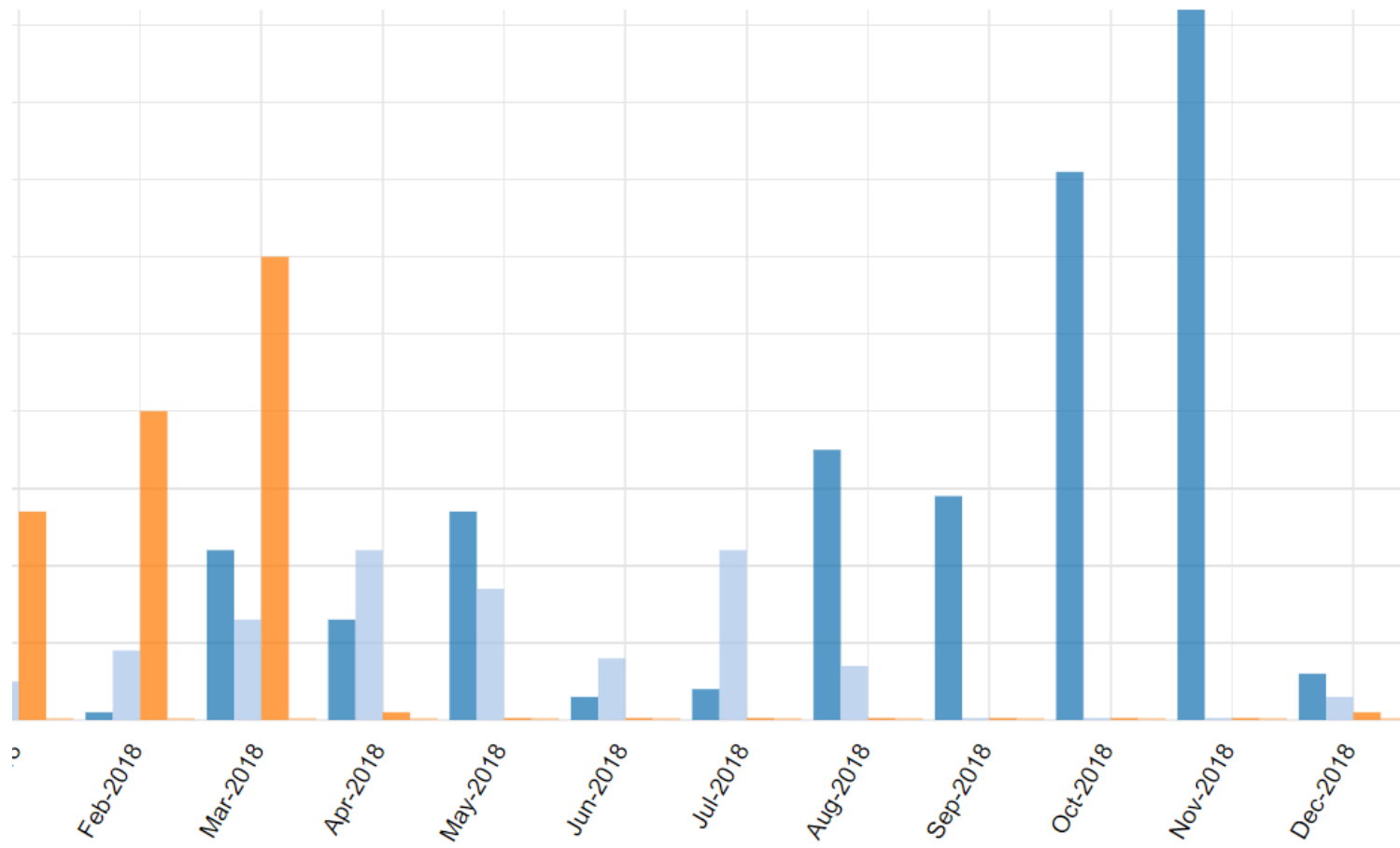
- Average Conversion Project Profile
 - CU Internal Team ~600 Tasks
 - CU/Vendor Combined ~1000 Tasks
- Tasks by Time Cycle in a Conversion
 - Tasks per Day – ~2.75
 - Tasks per Week – ~19.25
 - Tasks per Month – ~ 83.5
 - Tasks per Quarter – ~250
- Credit Union Operational Readiness Testing
 - Basic Operational Test Plan for Core Alone ~400 Tasks & Test Items
 - Process/Results Confirmation vs. Configuration/Coding Check

Project Tasks 	
Total	784
Completed	22%
<hr/>	
Created (this week)	0
Created (this month)	127
<hr/>	
Closed (this week)	1
Closed (this month)	1

Followups 	
Total	711
Completed	65%
<hr/>	
Created (this week)	316
Created (this month)	371
<hr/>	
Closed (this week)	16
Closed (this month)	57

Data: During & After – Actionable Insight

“When Can We Let People Take Vacation” Graph



Milestones: Clear & Understood Accountabilities

After committing to a data focused strategy, aligning stakeholder expectations, and identifying the critical data you'll need for your conversion project, the business units can assemble and mobilize around that objective with clarity about project roles and accountabilities.



Milestones: Clear & Understood Accountabilities

Essential Collaborative Roles Within Your CU

- ❑ Executive Sponsorship
 - ❑ Leadership must keep the organization's eyes on the prize.
- ❑ Project Management
 - ❑ Vendor's Project Manager is NOT your Project Manager!
- ❑ Business Analyst
 - ❑ Analysts must connect operational and technical knowledge to translate old-world operations to new-world capabilities.
 - ❑ Good analysts excel at facilitating meaningful conversations and mining technical & operational insights from inter-team and inter-organizational dialogs.

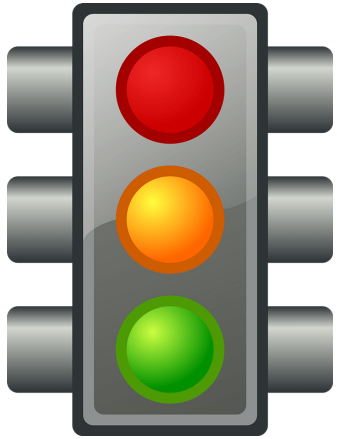
Milestones: Clear & Understood Accountabilities

Tracking Tasks

- ▣ A typical conversion requires the completion of more than 1000 high level tasks by staff, department leaders, executives and critical vendors.
- ▣ These interconnected tasks span the entire organization and their timely completion is essential to the success of the conversion.
- ▣ The parallel management of multiple simultaneous conversions makes this task even harder.
- ▣ Managing all these projects and the multitude of internal resources needed to execute them requires assembling decision makers, doers, SMEs in a weekly internal collaborative team meeting

Milestones: Clear & Understood Accountabilities

Go/No Go



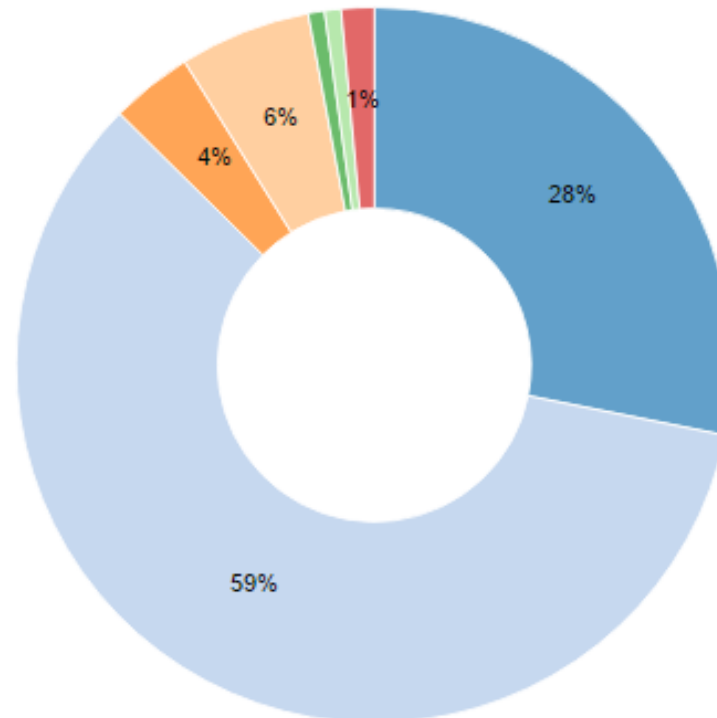
- How will you gauge the readiness of your team, staff, vendors and critical member facing systems are for using your new core and ancillary systems?
- The answer is through sustained conversation between business units around these milestones, supported by centralized conversion project data.

Milestones: Clear & Understood Accountabilities

Operational Readiness Testing Item Status

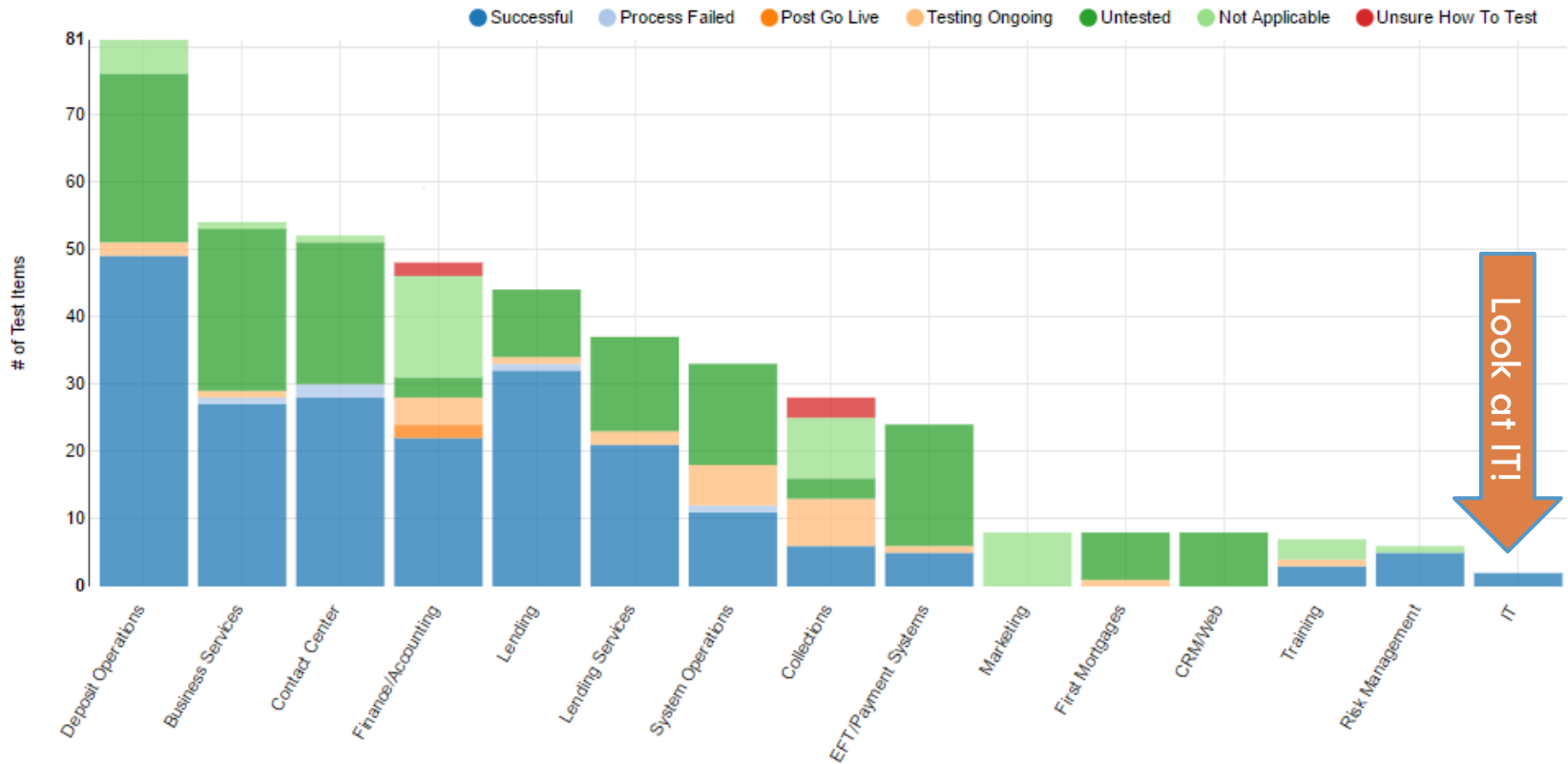
The technology may be installed and working, but are you, your staff, your business units, your vendor interfaces, your operation ready?

● Untested ● Successful ● Testing Ongoing ● Process Failed ● Process Review Neede...



Milestones: Clear & Understood Accountabilities

Test Items by Business Unit & Status

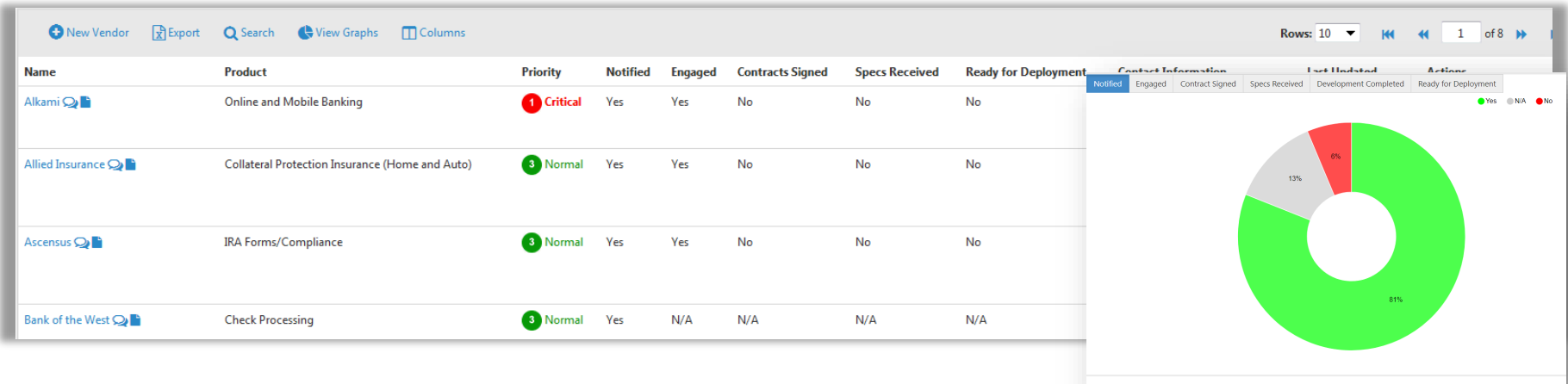


The 80% successful rule – operations getting things to 80% done by 30 days to GO LIVE

Milestones: Clear & Understood Accountabilities

Third party Interface Vendors - Communication & Coordination

- Corelation is excellent at enabling vendors to interface, **but your PM must manage vendor engagement, communication threads, and hold vendors accountable to maximize their integration to your new core asset.**
- Managing vendor preparedness is an integral ingredient for Day 1 success ... **and your project can get costly if someone isn't holding these critical partners and service providers accountable.**



BONUS: challenge your team to remove 10 redundant vendors

Post Conversion, Core-Enabled Strategy



You've already taken the first step by selecting a premier, modern, and extensible core processing solution and partner as the foundation of your credit union's future relevance and innovation.

Remember, go-live is a beginning, not an ending, so it is critical to focus on your future ROI and prioritize your strategic initiatives.

Post Conversion, Core-Enabled Strategy

Protecting Your Credit Union's Core Investment

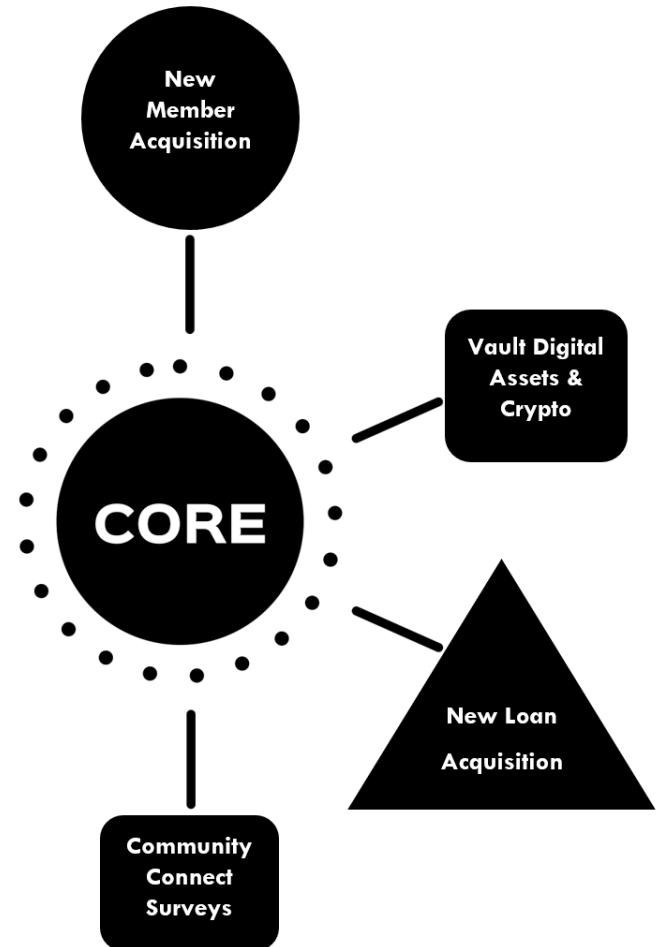
- Consider your conversion to actually run approximately 45 days after go-live.
- After that, move on to the “fun” stuff, generating efficiency, revenue, and value to membership.
- Develop a “T+45 Strategy”, a starting-point strategy devoted to maximizing return on investment into your core.
- With Keystone as your core, you can centralize, modernize, mobilize and achieve most anything you set out to accomplish...

Beyond Conversion

Protecting Your Credit Union's Core Investment

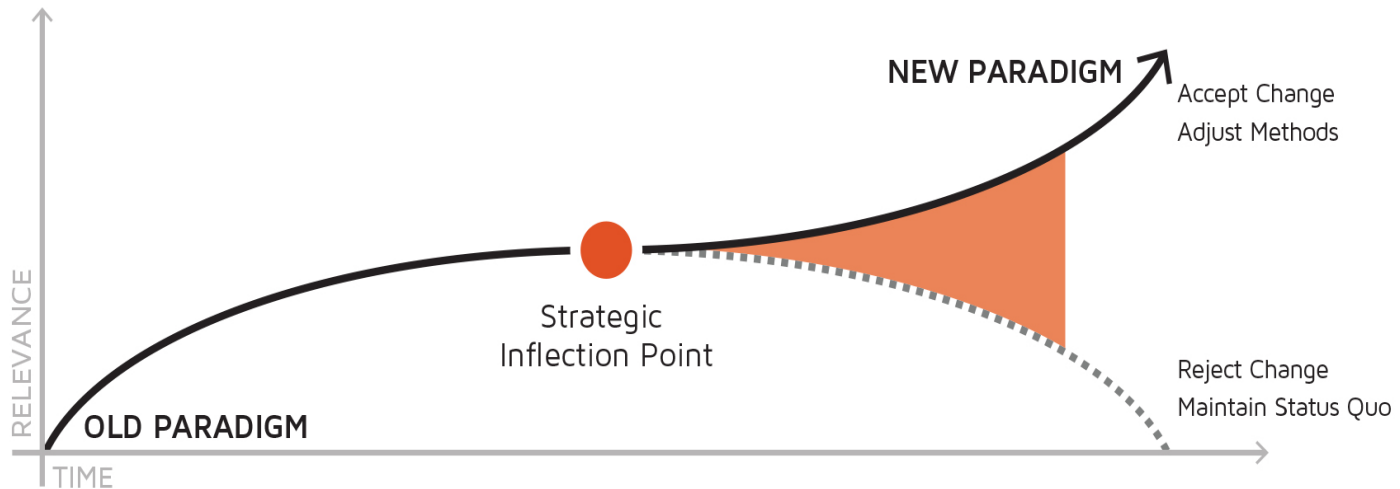
Long term, continued focus on strategies for:

- ❑ Further core centricity
- ❑ Data control & stewardship
- ❑ Using data to connect to community, existing and future members
- ❑ Building new digital operations, products, and services
- ❑ Safeguarding your privileged & trusted position in the community



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THANK YOU!



THE NEXT GENERATION CUSO

Questions, comments, concerns?
Grab us after this presentation.

Stop by our booth.

Email us at info@dalandcuso.com



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Client Testimonials for the Strategy for Conversion Success

“We started our conversion process to Corelation and probably did not have a full understanding of the complexities involved. We have worked with DaLand through the process and DaLand has been better than advertised. Tasha is our project manager and has helped us immensely. She keeps us on task and has consistently helped us unravel the project workflow, the project tasks and especially helped in getting our third-party vendors engaged. We know we made the right choice in our conversion partner.” - Robb W., IHCU

“DaLand came highly recommended as a strategic partner with our Corelation KeyStone conversion project. The credit unions with which we spoke referenced how DaLand’s knowledge and experience made all the difference in the success of their core conversion projects. As Monterey CU’s project manager, I can say with confidence that having partnered with DaLand at the beginning of our core conversion project provided us with the “insider’s knowledge” for our team to get a jump start on the conversion tasks and to stay ahead of the Corelation project plan. We wouldn’t be in the positive position we are in today without our DaLand partners.” - Scott M., Monterey CU

“The experience and expertise our Daland Project Manager provided for our core and online banking conversions was invaluable. They provided vendor management and communication templates to stay on track with each of the implementations. The Dynamic Collaboration Hub (DCH) website organized the multiple project plans. It allowed assigned tasks to be prioritized and tracked as well as provided test plans with status tracking. Daland was integral to our successful conversions.” – Karen Tate, Members Heritage CU



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