

# how to improve back-office work with the private cloud

In an industry as competitive as the financial one, the importance of having a streamlined back office has become increasingly significant. Modern workflows can provide quicker response times to accountholders, reduce transaction times, create efficient workflows for employees, and automate the flow of information for greater productivity internally and more seamless operations externally.

As companies continue to grow, back-office operations tend to fall on the back burner. But, keeping business efficiencies at a maximum is critical to maintaining employee productivity, ensuring operations run smoothly, and staying ahead of your competitors. A back office working at maximum efficiency can drastically reduce the number of errors while also adhering to compliance and regulatory demands.

In the effort to combat back-office friction, one trend the financial industry has seen is the migration of operations to the private cloud – which helps banks and credit unions optimize and unlock the full potential of back-office operations and increase productivity. When migrating to a private cloud, banks and credit unions can increase back-office efficiencies by:

- **Collaborating** between systems and departments
- **Saving** on hardware and maintenance costs
- **Reducing** IT and infrastructure burdens



# collaborating between systems & departments

Traditionally, banks and credit unions have operated with siloed information systems that are inefficient to maintain and difficult to use as a consistent reporting source for strategic decision-making. Often, financial institutions have all the necessary data needed to collaborate between systems and departments but have historically managed the data in silos. These disparate systems do a poor job of informing staff who your most profitable clients are, making it difficult to protect and nurture key relationships. And, when systems and departments are siloed, communication breaks down and interrupts the flow of information – making it even more difficult to maximize the potential of your bank or credit union.

Smarter, cloud-based platforms empower organizations to operate more efficiently and perform better market reconnaissance. With a 360-degree view of your client base, banks and credit unions hold the key to unlocking hidden potential in data and revealing insights that will transform your back-office operations, business strategies, and decision making. Simply put, you'll get the data integration you need to create more efficient operations.

These cloud-based data integration platforms are paving the way for more collaboration between departments like finance, lending, marketing, risk, and more – freeing up your back office to focus on core competencies and strategic initiatives.

Next steps? Look for a platform that helps you maximize collaboration through a powerful collection of integrated products in one hosted system and remain agile in a highly competitive landscape.

# saving on hardware & maintenance costs by migrating to a private cloud

Gaining efficiencies, peace of mind, and saving time and money are just some of the benefits a cloud-based platform can provide banks and credit unions. You gain more control of your budget by

reducing hardware investments and overhead and maintenance costs in addition to supporting the reallocation of resources. A recent Aite Group report identified 95% of new financial institution core deployments in the U.S. are choosing a hosted environment.<sup>1</sup> In addition, 52% of survey respondents to a Cisco survey said they utilize the private cloud because it is more cost-efficient.<sup>2</sup>

With a cloud-based platform, financial institutions can leverage a diverse, extensive infrastructure and a sophisticated processing environment – eliminating the significant capital expenditures required for in-house solutions, the need for resident resources to operate and manage in-house data center operations, long-term capacity planning, and ongoing hardware upgrades. By freeing up time and resources, your organization can narrowly focus on core competencies with seamless access to advancing technology.

What's next? Consider migrating to a private cloud environment to reap the benefits that come when capital is redirected into areas that improve accountholder services and significantly increase workplace productivity and back-office operations.

## reducing it & infrastructure burdens with hosted computing services

Has your institution found it challenging to keep up with the latest technological advancements, regulatory compliance guidelines, and accountholder demands? Managing your institution's information technology (IT) network is an incredibly demanding, costly, and time-consuming responsibility. Your IT staff must understand the increasingly complex operations of your department in addition to the ever-changing compliance rules, regulations, and evolving security threats targeting the financial industry.

As IT departments can become more capable and responsive when hosting with a cloud-based service, the recent move toward cloud technology doesn't come as a surprise. According to IBM, banks and credit unions have an enormous opportunity to leverage cloud computing to drive innovation and improve competitive positioning.<sup>3</sup> With



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the private cloud, financial institutions can be far more agile and reduce IT costs and operational expenses.

Boosting efficiencies, security, and availability by hosting your IT infrastructure on the private cloud results in significant benefits. Freeing up resources to focus on core business operations is the most widely cited reason for migrating IT functions at 49%, with 46% of businesses stating a cloud-based core lets them access skill sets that aren't available in-house. In addition, 71% of financial service executives have already migrated to cloud-based operations (or plan to).<sup>4</sup>

Where do you go from here? The private cloud has become a central part of IT departments in bank and credit union operations – addressing the need for capacity, speed, and an efficient back office. Consider using available cloud hosts and resources to transform your IT operations and automation so your institution can meet regulatory compliance guidelines and deliver an enhanced accountholder experience.

## streamline your back office

[Learn more](#) about our solutions for your back-office operations.

For more information about Jack Henry, visit [jackhenry.com](https://jackhenry.com).

### sources

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