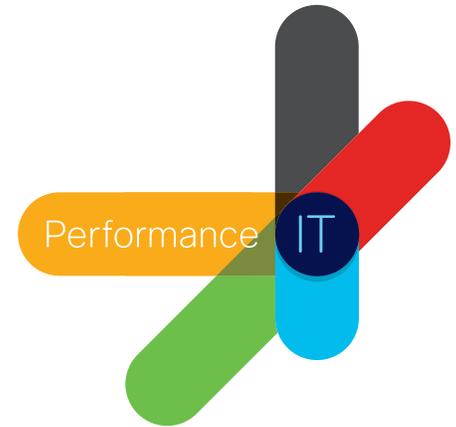


Cisco Performance IT Outcome: Business Growth Transformation

Credit union manages double-digit growth at a lower annual IT infrastructure spend



Challenge

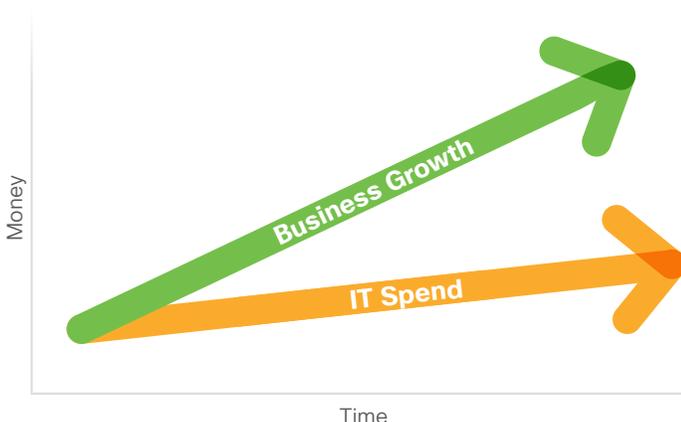
Annual increases in revenue and membership are reasons to celebrate for any credit union.

However, when that growth averages double digits year over year, it's a significant challenge for IT to maintain that momentum.

For one national credit union, that means ensuring member satisfaction via its highly regarded 24x7 support even as membership ranks increase. It also involves opening additional branches each year.

Under its previous IT strategy, the credit union would have required more staff and more infrastructure to manage the growth. The unfortunate reality of that strategy was that the credit union was already spending more on IT than comparable organizations, according to a third-party assessment.

This triggered a mandate from the board. In addition to bringing costs more in line with industry averages, the team was tasked with driving costs even lower. The new directive was to maintain customer service levels for its burgeoning membership while keeping IT costs below the business growth rate.



Solution

Cisco used its Cisco Performance IT methodology to show how the credit union could implement a network transformation that achieved both the financial and customer service goals.

Starting with an analysis of the credit union's operations, Cisco validated that the IT spend was high when compared to other Cisco clients.

The next step was to determine why. Detailed reviews of procedures and team structure identified inefficiencies and redundancies. A look at the existing architecture helped pinpoint opportunities to simplify IT operations.

The Cisco team, in partnership with the credit union IT team, determined that changes to elements of the IT architecture and adoption of cloud resources would eliminate inefficiencies and reduce operating costs. Staff would not have to scale to match business growth, nor would infrastructure need to be deployed at the scale demanded by the previous strategy.

These recommendations were developed into a transformation roadmap and business case for the CIO to share with internal stakeholders. The business case showed how a network transformation over five years would significantly reduce spend per device and contain overall IT spend.

Now, as the credit union's business grows, the IT spend no longer grows at a comparable linear rate.

Results

As the credit union continues its double-digit growth, the annual IT cost growth is less than 2 percent.

>2% IT cost growth

This was achieved through implementation of more efficient infrastructure and adoption of secure cloud services that reduced IT infrastructure costs by 18 percent.

18% reduction in IT infrastructure costs

The credit union can now keep pace with increases in new membership and branch openings without increasing staff levels or substantial additions of hardware each year.

Would a similar approach be right for your organization?

Yes, if any of these apply:

- Experiencing high growth in consumers of services (due to merger or acquisition, new business, or organic growth)
- Under-investment in a scalable infrastructure, so all changes are manual
- Unable to quickly scale for change-oriented projects, resulting in delays

A business growth transformation will reduce the network spend growth rate compared to overall business growth. You'll gain higher network capacity and performance.

Contact your Cisco account manager to start building your blueprint for network transformation with Cisco Performance IT.

Learn more at
cisco.com/go/performance-it

Performance

IT

