UNICRED CENTRO BRASILEIRA

SUPPORTING STRATEGIC PLANNING AND GROWTH

QUICK FACTS

Industry
Financial service providers

Total Assets
US$219.05 million (loan portfolio US$141.9 million)

Employees
131

Location
Goiânia, Goiás State, Brazil

Web Site
www.unicredgyn.com.br

SAP® Solutions and Services
SAP for Banking solutions; SAP NetWeaver® technology platform

With over 17 years in the Brazilian market and more than 8,000 members, Unicred Centro Brasileira is a credit union serving healthcare professionals. In 2005, the institution redefined its strategic planning to boost growth and improve the level of service in its more than 11 attendance units. To support this change, Unicred implemented the SAP for Banking solutions and the SAP NetWeaver® technology platform.

Key Challenges

- Integrate processes to improve exchange of information among cooperatives, members, and suppliers
- Standardize the company information
- Upgrade the unstable legacy system

Why SAP Was Selected

- Functionality covering both financial services processes and back-end operations
- Integrated, comprehensive solutions
- Good fit with company business processes and able to meet regulatory requirements
- SAP's renowned brand and worldwide references
- Flexibility to adapt to new requirements and ability to foster innovation

Implementation Best Practices

- Implementation carried out in phases
- Internal center of competence (known as Abraccinti) created to help ensure smooth migration

Low Total Cost of Ownership

- Phased implementation in 12 months
- Reduction in number of servers and IT centers
- Simplification of IT governance

Financial and Strategic Benefits

- Real-time operation qualification
- Better alignment among attendance units, Abraccinti cooperatives, members, and suppliers
- Unified database with information on physical and juridical persons, organizations, and groups
- More free time for networking activities related to the core business

Operational Benefits

Key Performance Indicator	Impact[1]
Number of members	+215%
Number of employees	From 60 to 131
Credit portfolio growth	+510%
Assets growth	+424%

1. From 2005 to July 2011

UNICRED

SAP®

"The SAP for Banking solutions enable more transparent processes within the union and toward members. They support higher productivity with a level of excellence equivalent to that of other financial services institutions."

Dr. Clidenor Gomes Filho, President, Unicred Centro Brasileira

www.sap.com/contactsap

Innovating in a Competitive Scenario

Unicred Centro Brasileira, a Brazilian credit union serving healthcare professionals, realized that new investments in technology were needed to face an increasingly competitive environment. These investments were necessary not only to optimize processes but also to reduce IT maintenance costs, take advantage of new opportunities, and meet its members' expectations.

To achieve these goals, Unicred, together with sister cooperatives in Central Brazil, Rio de Janeiro, Minas Gerais, and Western Amazonas, started to analyze and evaluate different projects that had been implemented by other cooperatives and financial institutions. They were all looking for IT solutions that could integrate processes and enable alignment between strategic planning and execution. This way, Unicred would be able to achieve the growth target set for the following five years.

IT to Support Strategic Planning

Even though the SAP for Banking solutions were not at the time being used by other Brazilian financial institutions, Unicred decided to implement them and the SAP NetWeaver® technology platform, after considering many worldwide customer references. "We saw that the SAP core banking solutions have been implemented by many institutions in Europe and North America," explained Clidenor Gomes Filho, Unicred president.

The SAP® solutions adapt to Unicred's needs because they include a complete set of tools to support strategic planning, financial accounting, and credit control. In addition, they enable accurate reporting within the entire organization. They also provide results and risk analysis using an approach that fully integrates all functionalities. Unicred is the first Brazilian financial institution to implement the SAP core banking solution.

The phased implementation was completed in 12 months. It began in the units in Goiás, Federal District, and Tocantins, followed by cooperatives in Rio Verde and Anápolis. Thereafter, implementation took place in Minas Gerais and the Amazônia, followed by Rio de Janeiro and Mato Grosso. To help guarantee a smooth migration and implementation of the new technology, the cooperatives created Abraccinti, a center of excellence and competence that ensured the adequate technical support.

Improving Processes to Focus on the Business

After the implementation, Unicred is able to run its operations in real time and achieve alignment among the attendance units, Abraccinti cooperatives, members, and suppliers. It can unify databases and standardize processes. "By implementing SAP software, we saved time in operational processes and were able to focus on networking activities related to the business. We now have access to updated and trusted decision-ready information," said Filho.

The SAP implementation has enabled accelerated growth. For instance, back in 2005, when the credit union redefined its strategic planning with the support of SAP software, there were 3,853 members. In less than six years that number more than doubled, to 8,218 members. During the same period, the number of employees grew from 60 to 131.

Unicred can also better manage its credit portfolio, which has grown by 510% since 2005. Its assets have grown by 424% in the same period, as the profits have grown 747%. The groundwork is now laid for future growth and innovation, enabling Unicred to continue delivering the best financial services to its members in the healthcare sector. With greater support for strategic planning, the credit union has increased its operational efficiency – witnessed by the fact that its assets, credit portfolio, and profits have risen at a much faster rate than its numbers of members and employees in the same period.

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