

WASHINGTON FEDERAL SAVINGS

By Tom Ewers

PROJECT MANAGEMENT AND TESTING EXPERTISE HELP TRANSITION A SUBSIDIARY TO A NEW BANKING PLATFORM IN LESS THAN FOUR MONTHS.

To fulfill the terms of a service contract, Washington Federal Savings had to move a subsidiary to one of its two banking platforms in just four months. West Monroe Partners provided the project management and testing expertise to complete the transition and set the stage for the bank's future transition to a single platform.

WASHINGTON FEDERAL SAVINGS.

Washington Federal, Inc., is a non-diversified unitary savings and loan holding company. The company conducts its operations through its federally insured savings and loan association subsidiary, Washington Federal Savings. Washington Federal has 135 full-service branches located in Washington, Oregon, Idaho, Arizona, Utah, Nevada, New Mexico, and Texas.

MIGRATING A SUBSIDIARY TO A NEW PLATFORM.

Washington Federal Savings currently uses two core banking platforms to manage its operations: its in-house Tandem application and vendor-provided FPS Gold platform acquired when the company purchased First Mutual Bank in 2007. As part of the First Mutual acquisition, Washington Federal Savings had to convert First Mutual's New Mexico subsidiary, First Federal, from its Jack Henry 20/20 platform due to an expiring service contract. After some analysis, the company determined that First Mutual's FPS Gold system was a better fit for First Federal's branches.

The conversion project began in January 2008 with a May 16, 2008, deadline to meet the contract terms. In February, the conversion project manager left the bank—with very little work completed and just three months remaining on the service contract.

Seeking project management expertise to complete the transition, Washington Federal Savings turned to West Monroe Partners. West Monroe Partners offered financial services, testing, and project management expertise, as well as direct experience with bank acquisitions and conversions.

EXECUTING THE CONVERSION UNDER TIGHT CONSTRAINTS.

The West Monroe Partners project team immediately assessed key risks and stepped in to assist with:

- ◆ Establishing adequate project resources. The project team requested that key team members, and particularly team leads, be re-assigned as full-time project resources through the duration of the transition. In addition, it worked to increase the IT and management resources on site in New Mexico.
- ◆ Conducting regular status meetings that focused on resolving issues and completing critical tasks.
- ◆ Creating project management documentation, including a master project plan, risk mitigation plan, issue log, conversion calendar, customer communication plan, operational readiness plan, hour-by-hour conversion plan, testing plans, and testing scripts.
- ◆ Incorporating the bank's product mapping exercises into testing scripts and conducting a simulated conversion two weeks prior to the date of transition.
- ◆ Executing a thorough testing process and, at the same time, transferring critical knowledge about conversion testing to Washington Federal Savings' team.

Overall, West Monroe Partners provided the project management and testing expertise and rigor to ensure that Washington Federal Savings completed the transition before expiration of the Jack Henry 20/20 platform service agreement, while at the same time managing issues before and after the transition date to minimize customer defections. By working with West Monroe Partners, Washington Federal Savings also acquired valuable knowledge and documentation—insight that will be invaluable as the two organizations work together to plan for the bank's future transition to one banking platform.

West Monroe Partners is an international, full-service business and technology consulting firm focused on guiding organizations through projects that fundamentally transform their business. With the experience to create the most ambitious visions as well as the skills to implement the smallest details of our clients' most critical projects, West Monroe Partners is a proven provider of growth and efficiency to large enterprises, as well as more nimble middle-market organizations. Our more than 300 consulting professionals drive better business results by harnessing our collective experience across a range of industries, serving clients out of offices across the United States and Canada.