HOW INTEGRATING ORACLE WITH SALESFORCE DRIVES BETTER BANK DECISIONS

Data and operational silos are preventing banks from taking full advantage of the wealth of information Oracle Financial Services Analytical Applications (OFSAA) and Salesforce offer.

The result? Banks are missing opportunities to make more informed sales, pricing and risk decisions where the rubber meets the road — when their relationship managers and other market-facing personnel interact with customers.

Empowering your people with the right data at the right time increases insight and drives revenue growth.

Two Systems, One Goal

Though many banks may use Oracle and Salesforce systems like Einstein Analytics, Marketing Cloud, Financial Services Cloud, Sales Cloud and Service Cloud, neither Oracle or Salesforce offers the complete picture employees need to best serve customers.

Full and accurate information on product costs, profitability and risk reside within OFSAA, which is generally controlled by the finance function. Yet customer-facing personnel typically rely on Salesforce or another customer relationship management (CRM) solution. Salesforce may house general information regarding a customer's accounts, contact with the bank and sales history. It does not, however, indicate the profitability of a customer, or their accounts. Within this gap of actionable data lies the potential for presenting tailored leads, optimizing client pricing, or minimizing the inherent risks associated with financial services.

Hierarchies are another issue. Depending on how data is managed, Salesforce may offer only a partial view of a customer's relationship with a bank. For example, the Salesforce dashboard for a commercial account may not include the business owner's personal accounts or investment accounts with the bank.

By ensuring that cost, profitability and hierarchy data is appropriately centralized and controlled within OFSAA, and making that data readily available to relationship managers through Salesforce, banks can dramatically improve their sales and customer service efforts.

Why Visibility Matters

Consider this example: A relationship manager in a bank's commercial lending section calls on a business owner. The business's loan and cash management account information, balances and history are included on the Salesforce dashboard, along with the bank's contact history with the customer. But that dashboard lacks key information, including:

- The profitability of those accounts individually or the aggregate profitability of the business's relationship with the bank.

- The owner's personal checking, savings, mortgage and auto loan accounts with the bank, along with their profitability.
- Information related to the owner's spouse, who has a different surname, preventing their accounts from being linked. The spouse also owns a business and has personal accounts with the bank, but none of that information is displayed.

The relationship manager is walking into a meeting with only a fraction of the information available regarding this household's total relationship with the institution, making thoughtful decisions impossible. Worse, without complete information, the manager could damage the bank's relationship with the customer by underestimating that customer's value.

Scenarios like this one underscore how siloed data and systems are not simply information technology (IT) flaws, but a significant threat to a bank's bottom line.

Unifying Different Data to Serve Different Needs

Breaking down silos is vital, but not easy. Aligning OFSAA and Salesforce is more than a technical exercise; it requires a thoughtful strategy that takes multiple lines of business into consideration.

1. **Data discovery:** Before data can be centralized and effectively shared, you have to identify all the places it exists. Cost and profitability data may reside in a variety of places outside OFSAA. Depending on how disciplined a bank's data management practices and processes are, especially across lines of business and functional silos, that information may also live in other data warehouses, operational systems or ad hoc spreadsheets. A first step toward data-driven decision making is ensuring that all information that should be in OFSAA is maintained there, and isn't also being independently stored and manipulated elsewhere.
2. **Defined, tailored metrics:** Banks also need to decide how to define and report cost and profitability in all situations. For example, the fully loaded economic cost of a product would include a pro rata share of personnel salary and benefit expenses. At the line of business level, that definition of cost might be appropriate in determining profitability. Yet a relationship manager, whose incentive compensation may hinge on profitability measurements, would have no control over salary and benefit expenses. For purposes of the manager's performance, profitability might be defined strictly by pricing and other decisions over which they have control.
3. **Accessible, actionable, relevant insights:** Once data has been appropriately centralized and defined, the next challenge is sharing it with the right people at the right time. When it comes to sales and customer service, Salesforce is most often the logical tool. As a result, banks should adjust their Salesforce dashboards (powered by Einstein Analytics) to include the key cost and profitability measures necessary to inform sales and service decisions. They should also ensure data hierarchies are complete so that the overall value of customer relationships is clearly displayed.

Data silos prevent bank personnel from accessing the right data at the right time, inhibiting their ability to make strategic decisions. Effective integration of OFSAA and Salesforce can break down those silos and empower your people with the information they need to drive your bank forward.

HURON

huronconsultinggroup.com

20-2223