

Challenges:

- Banking environment pressures require timely and robust financial reporting
- Need agile solutions for performance reporting and incentive compensation that can grow with acquisitions and accommodate unique business unit needs

Solutions:

- Axiom Financial Reporting and Dashboards
- Axiom Incentive Compensation Management

Results:

- Improved efficiencies surrounding financial reporting via automation and processing
- Tailored reporting to address varying needs of each business unit
- Flexibility and transparency in incentive compensation plan administration



State Bank & Trust Streamlines Financial Reporting with Kaufman Hall's Axiom Software

Challenges

With \$3.5B in assets, 25 branches and seven mortgage origination offices, State Bank and Trust Company provides a variety of community banking services to both individuals and businesses. The company offers a range of deposit products and services, loans for small and medium-sized businesses, residential mortgage loans, home equity loans, and consumer loans. In addition, the company offers payment solutions for funds collection and concentration services, cash management accounts, disbursement services, fraud controls, online cash management systems, and payroll services.

Owned by holding company State Bank Financial Corporation, State Bank has a dynamic organizational structure that includes numerous lines of business - each one with its own unique requirements, due in part to ongoing growth and numerous

“ Axiom Software gives us the ability to change and be nimble to respond to the requests and needs of our internal constituents as they are changing constantly. ”

acquisitions over the last seven years. As a result, the bank developed the need for a more streamlined reporting process that could automatically integrate data from multiple sources and ultimately improve efficiencies. Additionally, the pressures in the current banking environment - increasing regulation, unprecedented low interest rates, increasing competition, and challenging credit environment - underscore the importance of accurate and timely management reporting for the institution.

To support its financial and management reporting initiatives, Atlanta-Ga.-based State Bank & Trust sought to implement software that can leverage their existing reports and templates, and that also integrates easily with Microsoft Excel®. It was critical that the solution have the capability to automatically update and support the more efficient generation of reporting across bank divisions. Additionally, the institution sought a solution to help administer and manage their incentive compensation plan.

Solutions

After much research, State Bank & Trust selected Axiom Software's reporting and dashboard solutions and well as its incentive compensation solution. Axiom Software's reporting tool provides State Bank & Trust with the ability to produce extensive reports by extending the capabilities of Microsoft Excel® and integrating data from multiple sources in an automated way. The institution chose Axiom's incentive compensation management software to help facilitate their incentive compensation program they offer a subset of employees.

Results

Improved efficiencies surrounding financial reporting

Since implementing Axiom Software's reporting and dashboard solution, State Bank & Trust has benefited from the ability to integrate multiple sources of data and utilize automation to distribute daily, weekly and monthly reports. The bank finds the software interface to be very user-friendly, which expedites the training of users and has increased the adoption and usage of reports to support day to day decision making. Bank staff including management is able to utilize existing reports as well as create new reports specific to their needs - all without the need for involvement from IT. The ability for Finance staff to manage the solution provides the scalability and flexibility State Bank & Trust needs to be agile and integrate new lines of business as they are acquired.

Axiom Software's dashboard tool transforms the banks data into visuals highlighting performance trends, identifying variances, and providing users with alerts and insights that enable fast and effective decision making. When used in concert, Axiom Software's reporting solution and dashboard solution positions State Bank & Trust to better manage its internal reporting initiatives as well as operational management from the executive suite to each line of business.

Tailored platform to address widely varying needs

With multiple lines of business, State Bank & Trust needed solutions that could be tailored to their processes to support the unique complexities of their many business units. Axiom Software's dashboard solution allowed the bank to create

Executive and Market dashboards, each providing daily updates and views into respective lines of business. The Executive dashboard serves the executive management team, providing macro-level information that's driven by the general ledger, and views into product and level division performance. The Market dashboard serves the commercial bank by providing market and branch level information along with customer segment reporting.

The institution also needed software tools that were agile enough to support the rapid pace of acquisitions and accommodate constantly evolving needs of these new businesses. "In our six year history, we've integrated five acquired companies and watched our assets grow by 33 percent in the last two years," said Sean Hardin, Senior Vice President of Corporate Development for State Bank & Trust. "Because we are a fast-growing organization, we need software that is nimble, can be tailored to our business needs and is user-friendly enough for our associates to operate."

Visibility into and control of incentive compensation program

In addition to the reporting and dashboard tools, Axiom's incentive compensation tool has helped State Bank & Trust to utilize loan and deposit account level information for employee incentive tracking and management. Monthly scorecards are

produced for management as well as each individual employee so they have visibility into where they stand against incentive compensation targets. Employees can drill into the details and see weightings and progressions, giving them a clear understanding of their performance to date and insight into areas that need improvement before year end payouts.

Having a fully automated incentive compensation plan may seem too rigid for some institutions. Axiom's solution offers the ability to create and manage exceptions to one, some or all employee compensation plans. "One of the biggest values we see from Axiom's incentive compensation solution is the management of exceptions. We can easily update exception rules in the interface and they flow through to reporting and scorecards." Exceptions happen, particularly when employees move in and out of the organization, requiring adjustments to be made to volume targets (e.g. - loans that are run-off are inherited from prior employees).

Having the control to properly administer incentive compensation without needing to involve IT is a great advantage to State Bank & Trust. The institution is enjoying the benefits of the visibility offered by Axiom's solution, coupled with the automation and control for proper management of incentive compensation within the organization.