

## SAP Customer Success Story Banking – Financial Services for Healthcare Sector



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Geraldo Magela Couto, Managing Director, Unicred

### AT A GLANCE

#### Summary

Unicred, a Brazilian-based credit union, provides financial services for the healthcare sector and operates 130 cooperatives throughout the country. Expecting to triple in size by 2007, the company decided to implement software from the SAP® for Banking solution portfolio to help it meet future needs.

#### Web Site

[www.unicred.com.br](http://www.unicred.com.br)

#### Key Challenges

- Integrate processes and enhance flow of information between cooperatives, members, and suppliers
- Standardize information throughout company
- Migrate part of the back-office workforce to customer care

#### Project Objective

Implement a single, completely integrated IT solution

#### Solutions and Services

- mySAP™ Business Suite family of business solutions
- Industry-specific software for banking
- SAP NetWeaver® platform: the SAP NetWeaver Portal, SAP NetWeaver Business Intelligence, and SAP NetWeaver Exchange Infrastructure components

#### Why SAP Solutions

- Fulfilled all company requirements
- Precluded need for complementary solution
- Offered support for growth

#### Implementation Highlights

- Completed full-scale implementation in 12 months
- Involved creation of an internal skills center

#### Key Benefits

- Enabled employees to focus more on customer care and the core business
- Integrated processes throughout company
- Provided easy access to a centralized database
- Streamlined accounting processes

#### Implementation Partner

Systems & Processes Engineering Corporation (SPEC)

#### Existing Environment

Numerous disparate systems

#### Database

MaxDB

#### Hardware

Dell

#### Operating System

Microsoft Windows 2000

## UNICRED

### Credit Union Relies on Software from the SAP® for Banking Solution Portfolio and SAP NetWeaver® Platform to Integrate 130 Cooperatives

Since its inception 10 years ago in Casca, Rio Grande do Sul, Unicred has rapidly evolved from a single small cooperative to a full-service credit union for the healthcare sector, operating 130 cooperatives throughout all of Brazil with national headquarters in Sao Paulo. It has BRL 2 billion (around US\$0.85 billion) in assets, with BRL 1.2 billion (around US\$0.5 billion) in liquid assets – and it is set to grow. In fact, by 2007 Unicred expects to triple in size – which is precisely why the organization chose to implement software from the SAP for Banking solution portfolio – including the mySAP™ Business Suite family of business solutions. The SAP® software offered Unicred exactly what it needed: integrated, state-of-the-art technology designed to support future needs and continued expansion.

### A Wide Range of Credit Services

Unicred's numerous cooperatives perform a wide variety of tasks. For example, certain units recruit and train staff, while others provide business, marketing, and technical services. Still yet, others ensure regulatory compliance or provide market analysis services. In addition, Unicred operates some 330 customer service centers strategically located throughout Brazil.

Today, Unicred's members – who range from individual pharmacists to medical organizations – benefit from a wide range of credit services that enable them to purchase equipment or set up clinics, for example, or pursue further education and professional training. In addition, the members can also take advantage of offerings commonly provided by conventional banks, such as checking accounts, credit and debit cards, investment opportunities, bank transfers, and home banking services.



### **In Search of Integration**

Prior to its SAP installation – and in spite of Unicred’s strong market position – the company had to overcome several challenges resulting from a diverse organizational structure and a range of disparate IT systems: With 70 registered companies using different procedures, communication was often difficult. In addition, vertical communication between the smaller single agencies, the 10 regional offices, and the company’s national headquarters was problematic. “There was no single solution that was shared by all, and there was no communication between many of the systems,” states Geraldo Magela Couto, managing director at Unicred.

Unicred knew it had to find a solution that would enable it to integrate processes and at the same time deal with the idiosyncrasies of its industry. After analyzing several solutions, Unicred opted for SAP software. “The big difference with software from SAP for Banking is in the fact that it is completely integrated and also satisfies our needs, without having to be complemented by another software solution,” says Magela Couto. “For example, the SAP software has the flexibility to integrate the processes of both a small cooperative and a large unit with 3,000 people. This guarantees better banking performance and an enhanced ability to maintain one of Unicred’s biggest assets: its blanket coverage – which makes it possible to support businesses wherever they are based.”

The implementation was the first of its kind in Latin America. Because software from the SAP for Banking solution portfolio had been successfully implemented in the same sector in Europe, Magela Couto paid a visit to Germany to see firsthand how the SAP software functioned. He was pleasantly surprised.

“The solution was perfectly suited to Unicred’s back- and front-office needs and gave us confidence to face the future,” says the executive. “As for the technology, the SAP solution will ensure our competitive edge.”

### **A Complete Solution**

In addition to industry-specific software, Unicred also implemented the mySAP Business Suite family of business solutions, which provides open applications that enable companies to get the most out of their business relations, human resources, information, and processes. It also took advantage of the SAP NetWeaver® Business Intelligence component.

“Using SAP NetWeaver Business Intelligence, Unicred was able to create a single, central database for all regional offices,” explains Magela Couto. “The database now contains all the records of each office’s members and the associated transactions. Formerly each office had its own database and there was no standardization.”

Unicred also uses the SAP NetWeaver Portal component to configure and create new offerings – such as Internet banking channels, telephone banking, and ATMs, among others. A definite plus: SAP NetWeaver embraces Internet standards such as HTTP, XML, and Web services, enabling companies to rapidly and easily integrate new technologies.

### **A Successful Implementation**

Systems & Processes Engineering Corporation (SPEC) carried out the implementation. Its team kicked off the project in March 2004, installing the software in 12 months throughout branch locations in western Amazonia, central Brazil, Minas Gerais, and Rio de Janeiro. “The project team created a skills center in Unicred Minas Gerais, bringing together staff experienced in business processes and SAP products,” comments Magela Couto. The skills center provided technical and business support, training for users, and contract management. It also offered help desk support.

In March 2005, the first users began a one-month training course. On April 1, the first cooperative – Unicred Central Brazil, which has 3,500 members and seven customer service centers – began operating the solution in its entirety. “The transition was extremely smooth; we absolutely chose the ideal solution,” states the managing director.

### **Impressive Results**

For Unicred, the results of the implementation became visible almost immediately. It no longer has to deal with the instability of the former system, and thanks to role-based user access, security is no longer an issue. Users can now access all records and information right from their desktops, and communication with partners has greatly improved. In addition, the accounting department has an integrated, transparent view of the entire company, enabling it to keep track of all necessary information. “Thanks to streamlined accounting processes, we have improved our cash flow,” says Magela Couto.

Another important benefit: Unicred can focus even more on its relations with members. “At Unicred Central Brazil, 70% of the staff originally worked in the back office,” explains Magela Couto. “Now they have been freed up to serve the customer and can place greater focus on the core business. Furthermore, we are opening three new customer service centers, as a result of the increased productivity enabled by the new technology.

### **Moving Forward**

Unicred is rolling out the SAP solution in phases. In 2006, all other six regional offices, including 150 customer service centers, will have the software up and running.

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