



Huntington National Bank Profits from Custom Credit Systems' Expertise

Huntington National Bank, headquartered in Columbus, Ohio, is focused on growing its Small Business banking loan portfolio. Associates in Huntington's centralized underwriting center, responsible for processing small business loans for seven regions across five states, were experiencing strain due to the increasing loan volume. Plus loan processors and underwriters had to access multiple systems to process a single application.

"While we had an electronic method of transmitting loan applications to the central underwriting team, system response was slow," said Linda Henschen, Manager of Huntington's Business Loan Center. "Once we received the application, underwriters utilized a separate system for tracking loan applications; one for performing credit checks; one for financial analysis loans; and still another to access customer debt and deposit information. Each time a customer applied for a loan, bankers had to re-populate fields of customer information. With the volume of work rapidly increasing, we knew there had to be a better way."



A Monumental Project

In early 2003, Huntington management worked with a consulting company to study their current processes and provide advice on what steps would improve the small business credit process. Armed with this new information and after benchmarking the practices of other financial institutions, the Huntington Bank team knew that streamlining their credit processes and consolidating activities would be necessary to maintain customer satisfaction and handle future increased volumes. But they couldn't do it alone. They needed a technology-driven solution from an expert in the industry.

*"We needed the right company to help us build not just a solution, but the **best** solution," said Kelly Mullenix, Credit Delivery Manager in Huntington's Business Loan Center.*

Following an extensive Request for Proposal (RFP) process, including on-site demonstrations to compare strengths and weaknesses of four very capable companies, Huntington management selected Custom Credit Systems (CCS) of Dallas, Texas, to work with them to develop that solution. CCS provides a comprehensive set of lending software modules and components, in addition to a suite of services from technical consulting to project implementation and system maintenance.

CCS Accepts the Challenge

The CCS team—Brian Shaw, Josh Marcy, Robert Meacham and Melissa Henricks—reviewed Huntington's current operations and provided ideas on how the entire workflow of processing small business loans could be improved through technology.

During this planning stage, the CCS team suggested innovative ways to streamline our processes and workflow," said Mullenix. "We were fortunate to have the benefit of so much practical experience. CCS helped us to define the overall scope of the project. Rather than try to take on

too much too quickly, the CCS team helped us to set realistic objectives and worked with us to develop a project plan to achieve them.”

With this mindset, the group divided the project into three phases. The first phase of the project would be to create the core components and basic functionality of a new system to accept and process small business loans and credit applications from under \$100,000 up to \$3 million. Phase II and III would include additional system enhancements.

Said Henschen, *“Once the initial scope for the system was determined, we utilized information from CCS to create a detailed business plan identifying the financial and efficiency benefits to Huntington. Benefits ranged from a quicker response to customers’ loan requests (allowing higher loan capture rates); interfaces with current mainframe systems to eliminate redundant activities; improvements to workflow by consolidating activities; plus we proposed to add the ability to auto-decision micro-business loans using a decision methodology. This enabled us to justify the cost.”*

Phase I began in December 2003. CCS and Huntington teams worked closely to create a single system to accomplish what had previously taken five. The new system would not only increase overall efficiencies, but would expedite delivery of banking services to all small business customers. With that in mind, the new loan system was named **“Velocity for Business.”**

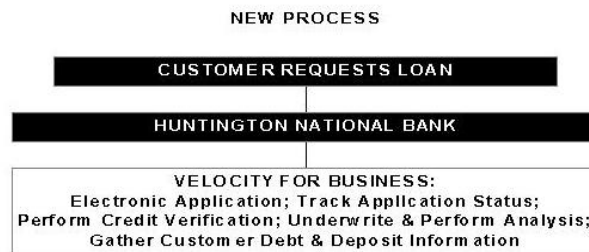
Velocity for Business

The CCS and Huntington teams worked side by side throughout the project and monitored progress weekly. At the end of August 2004, after both system and user-acceptance testing were complete, the team piloted **Velocity for Business** for four weeks. *“We had great user acceptance from the beginning,”* said Henschen. *“Not everyone adapts to change well, but the pilot went better than we imagined.”*

Bankers, discovering they no longer had to re-key customer information, quickly adapted to *using Velocity for Business* and appreciated its time saving features. *“It’s so much faster now for a banker to enter an application for a customer,”* Henschen continued. *“Gone is the frustration of repetitive data entry.”*

Following the successful pilot, Huntington deployed **Velocity for Business** to all regions, completing the full system rollout in mid-October of 2004. Completely integrated with the bank’s existing systems, **Velocity for Business** provides defined components customized to meet specific needs. Regional bankers utilize a web-enabled application that interfaces with bank systems and electronically communicates with underwriters. In turn, underwriters have a more integrated tool for account analysis and in documenting loan decisions.

Said Henschen, *“Processing future requests from our clients is easier than ever.”*



“CCS was extremely responsive throughout the planning, development, pilot and implementation,” added Mullenix.

“Implementation of Velocity for Business has allowed us to better respond to the expansion of our business model,” said Henschen. *“Before the new system was even developed, our business model increased significantly from managing small business loans up to \$1.5M to managing*



*complex relationships with credit needs up to \$3 million. Thankfully, **Velocity for Business** provides a robust solution that allows us to handle transactions quickly, as well as precise underwriting tools to make critical decisions.”*

“Had we selected a ‘canned’ product offered by other companies, I suspect their system would not have so easily adapted to our changing business needs,” she added.

Next Phase Underway

With the first phase completed on time and within budget, Huntington is now working with CCS on Phase II. The second phase will further enhance its ability to process small business loans, automate portfolio management activities, as well as simplify post-closing tasks.

*“CCS gave us great advice,” said Henschen in closing. “We started with a clear identification of the scope of the project. Then, together, we quickly designed a new system that met our exact needs. The first phase provided the base upon which we can build even more functionality. Processing of small business loans in by our underwriters is now faster and more accurate. The majority of our bankers LOVE **Velocity for Business**. We are very, very pleased.”*

About Huntington

Huntington Bancshares Incorporated is a \$32 billion regional bank holding company headquartered in Columbus, Ohio. Through its affiliated companies, Huntington has more than 138 years of serving the financial needs of its customers. Huntington provides innovative retail and commercial financial products and services through more than 300 regional banking offices in Indiana, Kentucky, Michigan, Ohio and West Virginia. Huntington also offers retail and commercial financial services online at huntington.com; through its technologically advanced, 24-hour telephone bank; and through its network of approximately 700 ATMs. Selected financial service activities are also conducted in other states including: Dealer Sales offices in Florida, Georgia, Tennessee, Pennsylvania, and Arizona; Private Financial Group offices in Florida; and Mortgage Banking offices in Florida, Maryland, and New Jersey. International banking services are made available through the headquarters office in Columbus and an office located in the Cayman Islands and an office located in Hong Kong.
