



# **Lease Management Platform Standardisation**

**Client: Huntington Technology Finance (HTF), US**

## The Situation

### The Project

Replace the back-office infrastructure with a near zero-platform customisation and remapping of business processes.

### The Challenge

A platform modernisation to reshape the way business users work. Mapping business processes and identify areas of improvement while assessing the implications of those changes. Keep communications channels open among stakeholders to manage the transition effectively and encourage internal ownership. Overcoming data conversion work stream challenges, driven by the complexity of converting from a customised legacy environment to a new standardised platform, within an aggressive project timeline.

### The Solution

Implementation of Oracle Lease and Finance Management (OLFM).

A 2 Phase Project;

Phase 1 Business Process Landscape

Phase 2 Implementation & Change Management

### The Result

Since the go-live the bank has significantly reduced system support costs and leverage additional platform features with no development required. Additionally, our client has been able to shift IT resources towards technology that delivers benefits to their customers.

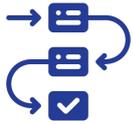
Organisations in the financial services sector are transforming their system capabilities to improve the customer experience and to stay competitive in a rapidly evolving industry. For many, that means modernising their leasing platforms. That was the case for our client, Huntington Technology Finance (HTF), a subsidiary of Huntington Bancshares in the United States. HTF's legacy Lease Management System was limiting business opportunities. With a highly customised system and high support costs, the system was restricting the ability for HTF to adapt to changing business requirements. As a result, HTF's IT support resources were exclusively dedicated to the maintenance of the core system and could not be moved to develop projects on customer-facing technology.

## The Solution

After carrying a technology review to determine which equipment finance platform would allow optimal results, the decision was to rethink and implement a complete replacement of the bank's entire back-office infrastructure with zero platform customisation. The selected solution was to upgrade to Oracle Lease and Finance Management (OLFM) and have VIP Apps Consulting as the implementation partner. The technology management team knew that remapping and auditing of all their lease business processes would be required to find areas of improvement and achieve the goal of the platform standardisation. The management team acknowledge that a system change would have a significant impact on business users and included a change management strategy in the project scope.

Throughout the project, VIP Apps Consulting worked with HTF SME's to understand business processes, users' pain points and identify areas of opportunity, managing the resulting changes by opening the channels for regular feedback and communications. It was an important objective of the bank that business users were on board with the vision where the organisation was heading and the best way to get there, pushing for internal ownership by the business function. The realisation of the standardisation needed strong project management and an open mindset from the stakeholders to embrace the new ways of conducting business. With the help of the VIP Apps Consulting business process experts and departing from the standard system flows, the team worked to rebuild and remap business processes. With a focus on the desired outcome of any given process, steering internal stakeholders away from the impulse of focusing on the ways it was currently done and encouraging each business function to take ownership of their process maps and training material.





## Phase I

- Workshop for Requirements Identification, Definition and Approval
- Future State Process Maps and Playbacks
- Gap Summary and Remediation Options
- Conversion Strategy
- Implementation Scope



## Phase II

### Initial Scope

- Solution Design & Configuration
- Functional & Technical Design of GAP Mitigations
- Unit Testing and results documentation
- GAP developments, Workflows, Configurations and testing
- Production Configuration
- Warranty Support

### Additional Scope transitioned to VIP from Client team mid Phase 2

- Data Conversion Workstream
- Operational Reporting
- Profitability and Portfolio Reporting
- Batch processing, bank interfaces, cash and perfect pay.
- Batch Originations, to configure and load contracts and assets into the Client's lease servicing and accounting system



## Change Management and Training

- Continuously foster Change, working with stakeholders, management and business users



## Project Management

- Managing Plan, Project Status, RAID log and communications

## Phases



The project engagement phase is based on initial client discussions, allocating skilled resources and agreeing on the high-level project structure, governance and terms of engagement.



VIP Apps Consulting team worked with the client to agree on project deliverables, timelines and resource needs to define the full scope and cost for Phase 1 and Phase 2, utilising the Client business and IT teams as much as possible.

In line with our 'DELIVER' methodology, Phase 1 scope involved an evaluation of all aspects of the client's business processes. The client trusted VIP's knowledge of the application and advice to move away from customisation, allowing new standard functionality to be adopted as soon as the vendor releases it. This proved to be critical when collecting the business requirements and discussing with the team how the process could work, and the requirements could be met using a standard solution.

Phase 2 scope for VIP Apps Consulting was defined as Solution Design and Configuration of all modules, GAP Solution design and testing. Our Project Manager and consultants worked in close partnership with the business sponsor to manage the business team through the change impacts and keep the project on track.

Midway through Phase 2, the client requested VIP Apps Consulting take on significant additional scope, including full data conversion from the legacy system. Also, a new Batch Origination integration was requested to feed the leasing system with new originations for activation and pay-out.

Before engaging VIP Apps Consulting, the client team had reviewed their as-is processes and found it quite difficult to accept and adopt to changes. Understanding the application's capabilities, our business process workshops and requirements gathering involved in-depth discussions and solutioning to meet the business needs through standard configurations and workflows.

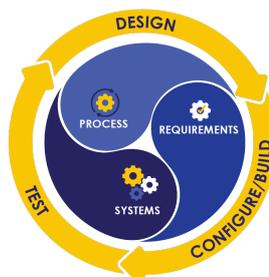


- Business Process and requirements workshops were followed up with playback sessions to give the client business teams comfort we had understood their requirements, validate the process and show how the standard solution would work.
- GAPS were analysed, discussed and prioritised for management to decide whether to remain standard, adjust the process and request functionality to be added in a later vendor release of the product or build an extension.

The Landscape Phase closed with a clear scope of work and timeline for implementation; all parties worked together to meet the objective of standardisation. Solution configuration began during the definition of the Landscape and evolved through multiple iterations.



Using **Agile** methods to rapidly implement configured test environments, with sample lease contract data and frequent review iterations of component functionality to enable feedback by the business and IT stakeholders for incorporation into the progressive design and build cycles. Iteration phases follow successive agile rounds of development, review and feedback:



The iteration phase cycles through rapid successive create/unit test of development for Interfaces, Configurations, Reports and Portfolio Conversions. We provided our client with project testing progress, tracking and management of defects while assisting the client test team with questions on the application, test scenarios and functional test steps. All functionality was tested internally by VIP Apps Consulting prior to asking the business to test, this saves client time and improves the consistency and quality of testing.

Integration testing, reporting and conversion each involved multiple iterations of build, review and test.



Validation and user acceptance concluded and signed off according to the exit criteria and defect levels.

Validation testing is the precursor to the Go/No Go decision, on closing the following deliverables could be finalised:

- Configuration documentation
- Custom component Functional and Technical designs
- Test phase results and reports (project audit compliance)
- Deferred issues and requirements agreed for addressing post go-live ('Phase 2')



Ready for the final cutover and go-live, the following deliverables were created:

- Cutover Plan and Schedule of Events
- Go Live Support Plan and post go-live hyper care

Due to the Volume of data converted it was critical to complete the cutover within the defined window approved by the business. 24 by 7 monitoring ensured the conversion was reconciled and released on schedule.



Hypercare support provided by VIP Apps Consulting post cutover then scaled down to a partnership of continuous improvement with our client adopting new functionality quickly. This has enabled the technology to meet the fast-growing nature of the client's successful business model.



### Results and Benefit to the Client

Using our **DELIVER** approach and the breadth and depth of domain expertise, our client was able to understand the organisations' current system state and assess, map and optimise business processes. In addition to the cost savings, the implementation of change management meant that the organisation was able to open communication channels to engage stakeholders, identify risks early, and make informed decisions that create greater efficiency in the long term. Modernising legacy systems can help fix inefficiencies but supported by a **business process first approach**, and a change management strategy proves paramount in the success of a platform modernisation. Training, communication and a continued focus on the change management workstream and business processes optimisation, through go-live and beyond, were critical to the project success.

Since the go-live, our client has significantly reduced system support costs and leverage additional platform features with no development required, partnering with Oracle for updates to the OLFM product itself. Additionally, the bank has been able to shift IT resources towards providing the technology that delivers better customer experience.

Sean Johnston, Operations Director, Huntington Technology Finance commented:

*'Our legacy Lease Management system was highly customized, expensive to support, and unable to adapt to changing business requirements limiting business opportunity. The VIP Apps Consulting team was instrumental to achieving our goal of platform standardization on an exceptionally aggressive timeline. Their deep product and industry knowledge, combined with their sensitivity to the change management dynamics ensured business buy in to the process redesigns required.'*