



WOCCU E-Payments Module: Credit Union Technical

WOCCU's WOCCU E-Payments Module: Credit Union Technical Assessment framework provides insight into the capacities of individual credit union and of national-level associations to digitize payments across four main themes:



- **Application software:** Core banking systems, current usage of digital channels, ancillary systems that support their operations
- **Infrastructure and Networks:** inventory of related hardware, virtualization technology, IT security
- **Human Resources:** IT staff and skills, defining staff roles and responsibilities and internal management
- **Operations:** what customer support systems are in place, how do they currently manage reconciliation and settlement, how do they manage dispute resolution if engaging third party accounts

Please complete the cells in white; do not fill in the cells in gray

Assessment of CU's Technical Capabilities			
A	CU Profile	Response	Supplementary Documents (if needed)
	1 Name of CU		
	2 Year founded		
	3 Type of CU		
	4 Geographic coverage (Please list the regions where your CU operates)		
	5 Distribution network (Please list the total number of the physical touch points below in your CU)		
	5.1 Branches		
	5.2 Other		
	6 What are the days and hours of your CU's operations?		
	7 What products do you offer besides savings and loans, if any? eg. insurance, bill payments, remittances		
B	Member Profile	Response	
	1 How many members do you currently have in your CU?		
	2 What are the typical professions of your members? Please list all that apply. For example: - Own business / entrepreneur - Salaried / professionals - please list typical sectors - Agriculture sector / farmer - Etc. (please list all applicable)		



The Assessment Methodology



Support on the path to digital transformation is a consistent request from our partner network; what is required; what has been done already; who do we work with; how do we achieve “transformation”; what are the costs and benefits of transformation; etc.

This tool was developed to allow partner organizations to **(1) assess the level of technical readiness among CUs'**; and **(2) identify steps to improve business operations with digital technology**

THE ASSESSMENT WILL EVALUATE THE SELECTED ENTITY ACROSS FOUR MAIN CATEGORIES:

1 Application Software



- Core banking system
- Digital channels
- Ancillary systems

2 Infrastructure and Networks



- Hardware
- Virtualization and scalability
- IT security and business continuity

3 Human Resources



- IT team structure and skill sets
- Employee roles and responsibilities
- Internal functions

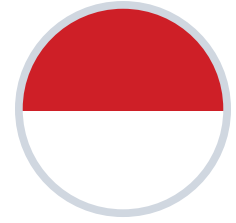
4 Operations



- Customer support services
- Reconciliation and settlement
- Dispute resolution



Snapshot: Indonesia



WOCCU conducted a technical assessment of three exemplar credit unions in Indonesia as part of our **Interoperable Digital Financial Systems for Credit Unions** project in order to assess the readiness of credit unions to connect to a real-time payment system (RTP). The assessment enabled the WOCCU team to assess credit unions and the National Association's readiness across the four categories and identify strengths and weaknesses across each category so that WOCCU could determine an engagement and implementation strategy with the partner associations when developing the RTP system. These findings are presented across the four pillars of the assessment to note strengths of the credit union or association and identify priority areas of improvement:



STRENGTH



- ✓ Majority of large credit unions are using centralized core banking services and maintain accounts and ledges electronically
- ✓ The core banking software are provided by local vendors or organizations associated with the credit union movement
- ✓ In general, systems have capability to interface using REST APIs
- ✓ Digital channels for customers include closed loop ATMs and mobile applications
- ✓ Mobile app development expertise exists locally with varied user experience

AREAS OF IMPROVEMENT



- Some organizations are using legacy technology framework/language for core banking (e.g Delphi, Pascal) due to resource constraints
- Many credit unions have limited capacity to process real-time transactions
- Additional testing of applications for performance and information security would be beneficial
- Investments in channels such as ATM software and card management may not be future proof
- Availability of middleware/switch to configure transaction flow could be upgraded

