



## FEATURE ARTICLE

# The Price of Procrastination

Today, banks are scrutinizing every aspect of business, including maintaining existing core technologies – to control short-term costs – or investing in new core technology for strategic, competitive growth. While new technology requires a conversion many banks are discovering that procrastination also has a price. The maintenance and functional limits of previous-generation core technology can quickly limit growth, security, and service. A strategic move to new technology often yields the best overall results, competitively, operationally and economically.

One reason is that the best new core options require less hardware and software installations and maintenance, even outsourced. This is because they are rebuilt on new technological foundations to be specifically more agile and responsive to a bank's changing needs, without the limited, expensive retrofitting of bulkier legacy systems. New core technology can also be more secure and automated, and allow banks to independently control and adapt it to their needs. This impacts ROI by reducing expenses and enhancing operational efficiency, strategic responsiveness, and service capability.

To decide, banks must consider their growth intentions to evaluate the viability of a new core technology. At minimum, it should:

- Be rebuilt on current, advanced foundations – not overlays or module patchworks on older systems,
- Be natively relational and integrated,
- Reduce hardware and software requirements,
- Involve the bank in a collaborative development of the technology,
- Permit quick response to custom programming requests,
- Improve service, security, efficiency, and information access,
- Enable unique, profitable products to attract customers and increase loyalty,
- Keep current with industry and technological changes,
- Provide favorable ROI in reasonable timeframe, and
- Impose no hidden fees or surprise costs after implementation.

With a thorough, unbiased study, not procrastinating on a new core technology decision can be a wise, economical investment in competitive leadership and peace of mind.

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