
CASE STUDY

Credit Union Raises Member Satisfaction Level with MICRPro® In-House Check Production

INTRODUCTION

Richard Harvey is the CEO of the Superior Iron Range Federal Credit Union in Negaunee, Michigan. Since he joined the Credit Union five years ago, the institution has burgeoned, nearly tripling in size from \$17 million to a current level of \$42 million. Membership exceeds 8,000, loan volume has grown from \$10 million to \$32 million, and the institution has expanded to additional locations in nearby Marquette and Gwinn. It is now positioned as one of the most progressive and successful financial institutions around, and anybody who lives and/or works in the community can belong.

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- Richard Harvey, CEO

QUALITY MEMBERSHIP

“Our only reason for existence is to serve our members,” Harvey says. “We have emphasized expanded facilities and services, good loans and customer service. All of our earnings go back to the members in the form of better services or facilities and reserves.”

One such service traditionally has been free checks for members 55 years of age and older, a benefit that cost the credit union some \$36,000 per year and one that Harvey thought should be drastically reduced.

CONTROLLING COSTS WITHOUT SACRIFICING QUALITY

In early 2001, Harvey learned about ACOM's MICRPro® in-house check production solution, a compact turnkey hardware-software system that enables institutions to produce customer checkbooks right in their own facilities quickly and at low cost. While commercial vendors' charges have continued to rise to \$15.00 and more for an order of as few as 150 checks, an order of 200 checks can be produced using MICRPro for only about \$5.00.

THE SOLUTION

Following a system demonstration by an ACOM representative, Harvey immediately decided to purchase the system.

Currently, the institution generates personal checks, business checks and in-house customer checks, with plans to add more in the future. Check stock is available in many standard colors and designs as well as in custom designs. Moreover, to underscore its uniqueness, the credit union now offers check images of picturesque, localizing natural scenes such as Teal Lake and the historic Marquette Lighthouse.

“We don't intend to make money on checks but we do intend to break even,” Harvey says. “We sell an order of checks to members for \$11.20, with a \$1.00 premium for scenic checks. This is still appreciably less than they would pay third party providers and the margin between our cost and our charge offsets the cost of the free checks.”

“Very little promotion has been involved beyond offering the first order of checks free. More than 95 percent of the members now opt for the MICRPro® checks. ”

“MICRPro® provides us with a way not only to provide an excellent service and a very favorable price, but it is also something that our members can touch, feel, use and appreciate every day.”

- Richard Harvey, CEO

Price is a big reason, Harvey says, but there are other powerful issues as well. Two-to-three-day delivery is normal, but emergency needs can be satisfied quickly. Mail delivery is optional but with ordering and pick-up easy and personal, most members prefer to stop by the bank to do the business. If errors creep in, they can be rectified quickly since besides the regular operators, credit union receptionists are also trained in MICRPro® operation. Customization features are available, and more are on the way.

MEMBER SATISFACTION LEVEL INCREASED

“Credit Unions are all about service,” Harvey says. “MICRPro® provides us with a way not only to provide an excellent service and a very favorable price, but it is also something that our members can touch, feel, use and appreciate every day.”