



Profitability Module

The Temenos Profitability module provides an industry-leading solution for behavior-based cost development and profitability measurement. The Profitability module has the ability to measure transaction-level profitability in order to calculate the economic impact of an account holder's behavior.

Why Temenos Profitability

- Defines, develops and analyzes all facets of behavior and profitability measurement down to the account holder, product, or individual account level.
- Facilitates strategic and tactical business, marketing and sales decisions.
- Includes comprehensive methodologies: Funds Transfer Pricing (FTP), loan risk, interchange income, transaction costs, corporate overhead costs and maintenance costs.
- Analyzes data from every support system, not simply core system data.
- Offers a completely outsourced solution with no hardware, software or application logic to contend with.
- Provides customized consulting from financial experts, not just software employees.
- All data and results belong to you!

Built-In Analytics

- Comprehending profitability data is easier than ever! The Profitability module offers built-in analytics that can be used to visually display all of the relevant pieces of information across your institution's product lines, even drilling down to the most granular level - the account.
- Capitalize on Key Performance Indicators for specified products and date ranges, even extending into years, as well as other critical analyses such as Top and Bottom 5 Cost and Revenue Trends, Fee Trends Analysis, Opened and Closed Accounts, and even Peer Comparison.
- Easily understand account holder behavior, analyze product performance and measure transaction-level profitability using heat maps, charts, graphs and tables in order to visually interpret the overall contribution of the line items. These graphic representations of data can also be conveniently used during presentations, internal meetings and more!

Insight Into Consumer Behavior

- Track the life of an account from opening, including all activities and transactions, interest earned, cross-fertilization data and cross-selling opportunities identified, all the way through closing.
- Analyze the fine points of cost and profitability through a user-friendly interface.
- Armed with knowledge on consumer behavior and the economic impact of account-level behavior on net income, Profitability users can make strategic decisions across all facets of their institutions, using the data to validate performance or motivate necessary changes.





The Profitability module is made up of two components: the **costing exercise** and the **profitability assessment**.

Costing

A critical piece of any successful profitability program is to define a comprehensive costing model unique to your financial institution. Our solution breaks away from industry averages, enabling you to develop custom unit costs and resulting in an in-depth understanding of every activity, product and channel. The cloud-based application facilitates process improvement, expense reduction, channel migration and creation of capacity management strategies.

Activities Management

- Automatically import activity data from core and third-parties, reducing manual input.
- Establish and monitor actions that drive cost calculations.
- Minimize manual effort using the system's automated processes, giving employees more time to work with actual results.

Center Management

- Define a comprehensive costing model specific to your operating and expense structure as opposed to industry averages.
- Easily evaluate cost summaries by center. View an itemized breakdown of product type, costs, account holder type and more!

General Ledger Management

- Automatically import General Ledger records, alleviating manual effort.
- Capitalize on built-in cost development features and manage initiatives based on a solid foundation of data.

Transparency into Behavior

- Obtain transparency into consumer behavior such as products in use and transactions conducted within each channel.
- Highlight staff productivity and gain insight into the expense of positioning resources.

More Information

To learn more about the Profitability module and other cutting-edge software solutions for financial institutions, visit www.temenos.com.

Profitability

Understanding profitability behavior has become a "must-have" business requirement. Yet while every financial institution needs actionable and accurate profitability data, many lack the time, budget, training or resources to generate and capitalize on it. Building on data generated through the costing process, the profitability application develops account and person-level reports and analytics based on person, account, deposit and loan information.

Validate Profitability Accuracy

- Review and validate data, either approving or rejecting files, before processing begins.
- Easily identify discrepancies with clear alert notifications.

View Processing History

- Conveniently access processing status and view results displayed with data visualization.
- Easily maintain a comprehensive history of reports viewable by month and year.
- Process and store all profitability data on one central platform.

Compare Data File Submissions

- Compare data side-by-side to the previous month's report by person, deposit and loan.
- Identify the Percent Difference between months and trigger alerts if the difference exceeds your institution's target.

Take Action with Data

- Equip decision-makers with compelling data, utilizing behavior-based assessments to guide strategic decisions across products and the organization as a whole.
- Minimize manual effort with streamlined processing.
- Take advantage of reports and insights at the account and person-level.