

CUSTOMER SUCCESS STORY

Kinecta Federal Credit Union: Cohesive GRC Strategy Strengthens Risk Assessment & Complaint Management

kinecta 
banking done different

INDUSTRY:

Financial Services

FOUNDED:

1940

HEADQUARTERS:

Manhattan Beach, CA

ASSET SIZE:

\$6.6 Billion

**QUANTIVATE SOLUTIONS
IN USE:**

- Business Continuity
- Complaint Management
- Compliance
- Enterprise Risk
- Internal Audit
- IT Risk Management
- Vendor Management

Executive Summary

Kinecta Federal Credit Union needed a cost-effective governance, risk, and compliance (GRC) solution. The credit union wanted a better handle on complaint management and expanded capabilities that its previous solution couldn't provide. With the Quantivate® GRC Suite, Kinecta streamlined GRC management across the organization, eliminated manual processes, and reduced costs.

The Search for New Technology

More than 80 years after its start in Southern California, Kinecta has grown to become one of the nation's largest credit unions with \$6.6 billion in assets. In 2021, it extended its footprint through a merger and today has branches in California, New York, New Jersey, and Florida.

About a year prior to the merger, Kinecta's GRC platform was being replaced by the vendor and had limited functionality.



I've seen many different solutions, and there are few that make it as easy and as cohesive as Quantivate.

Jorge Cortes, VP of Enterprise Risk Management

“I was not impressed with the new platform that they were pushing to,” said Jorge Cortes, Kinecta’s vice president of enterprise risk management. “And then separately, we needed a modern solution for tracking our complaints.”

To mature its management processes that were still manual and spreadsheet-based, the credit union began to look at GRC solutions that included complaint management.

A Cohesive Approach to GRC Management

While competitors offered solutions that were expensive, overly complicated, and not tailored to the financial industry, Quantivate met all of Kinecta’s requirements and more.

“Quantivate is considerably more than what we had before, and it is also cost-effective,” Cortes said.

“We said, ‘Wait a minute. They have a complete software solution. We still use spreadsheets for some processes,’” he explained, citing the credit union’s business continuity program as an example. “Managing those spreadsheets and correlating all the data from business impact analysis is extremely tough.”

The Quantivate GRC Suite gives Kinecta the ability to manage GRC through a central, web-based platform of integrated applications that include Business Continuity, Complaint Management, Compliance Management, Enterprise Risk Management (ERM), Internal Audit, IT Risk Management, and Vendor Management.

Improved Oversight of Complaints & Risks

Since implementing Quantivate, Kinecta can collectively see the types of complaints it receives and analyze trends in where they’re coming from. Moreover, the credit union has improved its processes and reporting across GRC functions.

“Our end product when it comes to risk assessments is way better. I am more confident when I give management the results of a risk assessment. It is logical now, and they can see the path we took in order to get the results,” Cortes said.

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Quantivate offers a library of risks and controls for risk assessments, which Kinecta finds more logical than the blank database its previous solution provided.

“With implementing Quantivate, velocity is now a component that we consider in assessing our risks,” Cortes said. “Our previous solution didn’t have that capability.”

Streamlined, consistent risk assessment processes have also produced significant efficiency gains. A risk assessment that used to take two months can now be completed in half that time, and others take as little as two weeks.

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“We just completed our information technology risk assessment in record time,” Cortes said. “It involved probably 22 individuals. It was straightforward. Folks went into Quantivate and knew where to update the data. We used to send out spreadsheets, then pull all the data together and manually calculate the results. Now we have a solution that does it for us and produces great results.”

Proactive Audit Readiness

Quantivate helps Kinecta prepare for audits, identify potential concerns, and resolve them.

“We attempt to do our risk assessments in advance of audits and reviews,” Cortes said. “That way, if there’s a deficiency in our control, we can disclose it and work on a path to address it before it is written up. An examiner may acknowledge that and may not include a comment as a finding if we’ve self-disclosed it as part of our risk assessment.”

Accountability & Cost Efficiency Through Automation

Automated notifications in the platform ensure everyone meets timelines and help make teams managing GRC more accountable.

The notifications have also resulted in cost savings. Staff are alerted when vendor contracts are up for renewal, giving them an opportunity to cancel a contract without incurring penalties well in advance of the renewal notification date.

Scalable GRC Solutions Support Program Maturity

Now that the credit union’s merger is complete, Kinecta plans to incorporate Quantivate Compliance Management into its processes. The software helps financial institutions stay on top of changing laws, regulations, and internal policies. In addition, the team is focusing on improving the reports it delivers to executive management and the board. With Quantivate, Kinecta benefits from a holistic approach to GRC that provides a path to program maturity and growth.