

helix

The Conversion Remedy

*Your Rx for reducing the pain
of a BaaS platform change*

by Q2

You've made a major BaaS investment—banking on the promise of big returns. So far, though, results are falling short. *It's time for a healthy turnaround.*



The Case for Change

The power of BaaS is real. But achieving its full potential takes:

- Attracting and keeping active users
- Controlling costs

To realize your profitability goals, the BaaS technology (and partner) behind your financial product must deliver:

- Personalized solutions people will use (and keep using)
- Economics to efficiently scale

You need a new BaaS partner with the people, processes, technology, and experience to ensure your banking business thrives.



The Rx for Conversion Pain

There is no magic pill for a perfectly seamless partner and platform conversion. But with the right dose of planning, thoughtful strategy, and smart execution, you can effectively make the necessary change for your banking business to get—and stay—healthy.

Here's the tested prescription, based on the experiences of Helix by Q2 BaaS and conversion experts.

1 START WITH A REALITY CHECK(UP)

Before you identify prospective new partners:

- Identify what isn't working now
- (Re)define business goals and timeline
- Communicate for alignment with internal stakeholders

Why it's important: You must get clear on where you are before you can get to where you want to be.

2 ASSESS PRODUCT ELEMENTS

Before you begin the partner evaluation process:

- Inventory the current features, settings, configurations, and other key data elements of your financial product

Why it's important: You'll need this data early in the evaluation process to address any functionality gaps or misalignment. Save time by gathering it before you meet with your short list of potential new platform partners.

NOTE: If your current platform uses middleware to connect to your sponsor bank's legacy core, this information may be managed by your sponsor bank, and you'll need to confirm it with them.

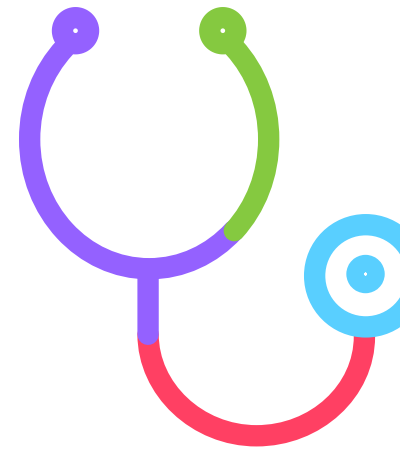
Document third-party vendors

Why it's important: Whether third-party vendors are direct relationships or part of a reseller strategy will affect how you evaluate the economics of potential new platform partners. Be in a position to accurately compare the numbers.

Confirm active users

Why it's important: Knowing your exact number of active accounts will help you make smart deployment decisions, such as whether to migrate existing accounts or set up only future accounts on the new platform for an easier transition. Experienced BaaS providers can make recommendations that will help optimize customer experience during rollout.

NOTE: This is the time to choose a full conversion or a less complex, gradual migration strategy. Consider your resources and customer experience.



3 EVALUATE & CHOOSE WISELY

Once you've chosen prospective partners for evaluation:

Prepare to ask the right questions

Why it's important: Whether you're using an RFP process or going straight to meetings, you must ask the right questions to get the answers you need to make the best partner decision. Spend sufficient time getting clear on what you want and need.

NOTE: The information you collect in the checkup and assessment phases will be the foundation of your evaluation questions. Getting clear now will save you time later.

Require a feature and configuration mapping exercise

Why it matters: RFPs, product overviews, and feature documentation are all valuable evaluation tools, but nothing can replace a side-by-side comparison of your minimum viable product (MVP) against claims.

Meet and get to know a partner's people, not just its technology

Why it's important: You know firsthand that the working relationships between your team and the people at your technology partner and sponsor bank will be the most important component of not only the conversion, but also the ongoing success of your BaaS business.

This is the time to ensure you will have access to the people you need and can work together efficiently—day-to-day and in the event of unexpected issues. Alignment of values and in matters such as risk, compliance, and customer service are all important to success.



4 PLAN FOR SUCCESS

Once you've selected your new partner:

Review the gap analysis and determine your MVP

Why it's important: A gap analysis, or feature matrix, is the critical starting point for your conversion action plan and will determine the scope of your initial launch. It also benchmarks performance against your goals. Include your sponsor bank in this process to establish regulatory and compliance requirements.

Document features and configurations

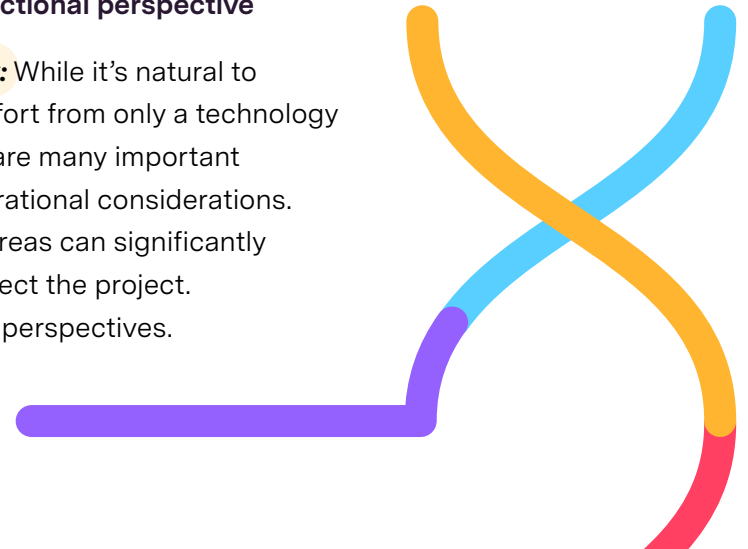
Why it's important: Documenting all agreed-upon features and configurations for initial and future phases of your implementation ensures all stakeholders are aligned and working toward the same roadmap milestones, deliverables, timelines, and goals.

Prioritize data cleanup and quality with your new and existing partner

Why it's important: Data migration directly influences conversion success. Dedicate a significant portion of your project plan to managing data migration—collaborating with internal teams, your existing vendor, new partner, and sponsor bank for a complete, accurate picture—now and going forward.

Ensure a cross-functional perspective

Why it's important: While it's natural to view a migration effort from only a technology perspective, there are many important regulatory and operational considerations. Missteps in these areas can significantly (and negatively) affect the project. Cast a wide net for perspectives.



4. PLAN FOR SUCCESS (cont'd)

Identify all third-party dependencies and timelines

Why it's important: Whether you're keeping or replacing third-party vendors post-migration, there will be project dependencies on these relationships. You'll develop a more realistic plan and timeline when you integrate project plans, implementation structures, and timelines across all partners.

Set a responsibility assignment matrix

Why it's important: A responsibility assignment matrix, or RACI chart, outlines roles and responsibilities for completing tasks and deliverables for the project. Timelines get missed when teams aren't aligned on milestones, deadlines, and responsibilities. A RACI chart keeps you on track and ensures you are aware of—and can communicate—necessary changes along the way.

Determine impact and build a communication plan

Why it's important: Even the smallest changes can result in customer friction or frustration. You'll avoid the negative fallout of this by involving internal teams and external partners in identifying the *how* and *when* of expected and potential disruptions in customer experience, and clearly communicating these changes—in detail and at the right time.



How Helix Expertise Helps Reduce the Pain of Conversion:

Clear: With or without a formal RFP, Helix will provide the detail and context necessary for a thorough BaaS platform and partnership evaluation, including a side-by-side comparison of your MVP to our offering.

Prepared: Prior to conversion, we create a solutions blueprint to avoid functionality gaps and ensure complete alignment on scope. The blueprint is approved by all partners, including your bank sponsor, to begin with a shared confidence in deliverables, timelines, and development enhancements.

Aligned: We believe deep collaboration and shared values among the client, bank sponsor, and BaaS partners are essential to building a sustainable, profitable embedded banking business. That means understanding your bank partner's compliance and risk philosophy and approach. We offer multiple bank options for the best banking, technology, and cultural fit.

Detailed: We work with you and all partners to create a holistic project plan, including milestones and responsibilities. Our obsession with the details helps us stay aligned and reach our shared goals.

Accountable: We're committed to keeping the process moving from start to finish. Subject matter experts and executives are involved early in the process and stay engaged to ensure efficient information sharing and accountability. Your executive sponsor is not just a name on a contract, and will be informed, accountable, and involved in your success throughout our partnership.

Engaged: Your Helix project team will monitor the health of the project throughout the process, including regular communication with third-party vendors outside the core project planning team, to identify any potential risk of not achieving milestones.

Experienced: We apply our data conversion expertise to provide recommendations for managing your existing customer data to minimize friction and prioritize customer experience during and post-conversion.

Knowledgeable: Leveraging Q2's proven experience from hundreds of conversions over the last decade, we'll offer advice on best practices for customer communication, including content, channels, and frequency.

5 EXECUTE WITH PRECISION

During implementation:

Keep all critical stakeholders engaged

Why it's important: Waning engagement by critical stakeholders post-kickoff is a common contributor to painful project delays. Continuity and ongoing engagement of team members—from project start to finish—is critical. Communicate well and often to keep everyone involved, internally and externally, and dedicated to shared goals.

Request regular check-ins with your partner's executive sponsor

Why it's important: When you choose a partner, you're investing in not only the technology, but the people and processes. Hold them accountable. Ensure your new partner's executive sponsor is aware of progress toward goals, understands challenges, and can provide the leadership to quickly address unplanned hurdles.

Conduct a project health checkup with your new partner at all critical milestones

Why it's important: The planning and alignment on scope, responsibilities, deliverables, and timelines is good preventative medicine. Regular checkups, though, are equally important. Include all-hands project check-ups, including detailed status updates, in your conversion plan.

Plan for a post-launch review with your new partner

Why it's important: Achieving the milestone of going live with your new platform and partner is certainly time for celebration. But now, regular health monitoring should begin. Taking the time to monitor and analyze in the first two weeks of rollout will allow for important, early identification of issues and necessary adjustments. Within a month, involve all partners in an initial review. You'll determine areas for adapting and improving the technology, as well as the ways in which you work with your partners long-term.



ABOUT HELIX

Headquartered in Austin, Texas, and part of the Q2 family, Helix makes it easy for innovative companies to embed personalized financial experiences that scale. Our proprietary platform currently supports 15M+ users and \$51B+ in annual transaction volume.

For more information, go to helix.Q2.com or email info@helix.Q2.com.