

CUSTOMER SUCCESS STORY

How Falcon Bank Harnessed Efficiency to Save 40-50% Headcount



When the six-person internal audit team at Texas-based Falcon International Bank found their audit management and reporting needs were outstripping their current tool, they decided to seek out one centralized platform to streamline their operational audits and risk management activities. The internal audit team wanted to cut time spent on administrative activities to provide more value-add services for the \$1.6 billion community bank, which operates 17 branches in cities along the southern border of Texas.

“We needed to find a solution that would enable us to become more efficient as an audit department,” said Melissa Gonzalez, First Vice President & Senior Auditor at Falcon Bank. One key challenge they knew they wanted to solve was that, “we were tracking our exceptions manually — everybody knows what a hassle it is to remember to keep your exceptions in Excel and set yourself reminders on paper to follow up on those exceptions.”

When Gonzalez and her team sought support from executive management to invest in a risk and audit management platform to boost the department’s efficiency, “they were behind us 100%” said Gonzalez. “They knew where our efforts and time should be spent — not sitting at a desk writing a report. They knew our manpower should be spent researching and testing, looking for fraud.”

SEARCHING FOR AN INTEGRATED RISK AND AUDIT PLATFORM

When the Falcon team started researching potential software solutions, one requirement was top of mind.

“Our number one goal was to have our risk management and operational audits all together in one platform,” said Gonzalez.

Falcon Bank invited a number of vendors to Laredo for product demonstrations, but AuditBoard’s user friendly, integrated platform was a perfect fit for the bank’s audit team. “AuditBoard gave us exactly what we were looking for. First, they presented the way the issue tracking is maintained — for us that was a plus,” recalled Gonzalez. “Second, they showed us reports that could be run electronically, with templates that we could seamlessly transfer to what we already had. Third, what really stood out to us was the fact that we could combine all our work in one place. We were very excited when we heard what AuditBoard offered.”



MELISSA GONZALEZ
First Vice President &
Senior Auditor,
Falcon International Bank

FALCON BANK

Industry: Financial Services

Headquarters Location: Laredo, TX

Employees: 360

Business Impact: 7% ROI from implementation, saved 40-50% headcount, rapid reporting capabilities, communication with internal stakeholders, redeployed time spent on manual administrative tasks to value-add activities.

SOLUTIONS USED

✓ **WorkStream**

✓ **OpsAudit**

✓ **RiskOversight**

✓ **CrossComply**

FALCON BANK’S AUDIT PROGRAM: A SNAPSHOT

- Internal audit team of six people.
- Responsible for operational, investment, trust, and insurance audits for a \$1.6 billion community bank.
- Previous audit software hindered rapid reporting, forced manual entry and tracking of audit results and issues. Information was maintained in multiple locations (Word, Excel, existing audit software) limiting the ability to see everything in one place.

The promises made during the sales process have proven true for Falcon. “Once we got the product, we were worried that they were just telling us ‘yes, yes, yes,’ and then it would turn out that it wouldn’t really happen,” said Gonzalez. “As of today, everything we’ve asked for, AuditBoard has done for us.”

ACHIEVING 7% ROI WITH AUDITBOARD

With AuditBoard up and running for more than a year, the audit team at Falcon Bank has been able to look back to evaluate results and return on investment.

“We’ve seen about a 7% increase on our ROI just based on the time that we used to take to create certain projects, to generate certain reports, to fulfill certain issue tracking items — that’s time that we’ve saved versus the amount that we would spend on AuditBoard,” said Gonzalez. “We’ve had a very good percentage as a return on investment, and we’ve achieved what we set out to do by making our team more efficient.”

Efficiency has extended to communication with managers throughout the bank. “AuditBoard has given us the opportunity to send requests for anything we need from them in an automated fashion,” said Gonzalez.

“In the past, we used to send out a huge list of items that we were pending. Chances were, if we asked for 10 items, they’re going to send us five. With AuditBoard, if we have an item requested, we send it through the messaging system and they’re able to receive it, reply to it, and easily attach the work paper that we’re asking for. That’s one benefit where our managers have said, ‘You guys are doing great.’ It’s awesome.”

One item on the Falcon Bank wishlist was an easier way to produce reports. “In the past, our reports were generated manually. We pretty much had to go in and type all the information again and again and again,” shared Gonzalez. “With AuditBoard’s hashtag functionality, our reports are easily generated and we’re able to create everything within an instant. We’re not reinventing the wheel, we’re not having to type everything over and over again for reports. With AuditBoard, we are able to generate those reports within minutes, all through use of hashtags.”

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COLLABORATION DURING CHANGING PANDEMIC CONDITIONS

The Falcon Bank Team, centrally located at the Laredo headquarters, leveraged the AuditBoard platform’s communication and collaboration functionality to not miss a beat during the COVID-19 pandemic. “Before the pandemic, we would visit all 17 of our branches at least yearly, but because of COVID we had to stop traveling. Nevertheless, our communication is key when it comes to audit projects.

“Had we not had AuditBoard to communicate and perform our projects, I think it would have been a lot harder — especially with a pandemic going on,” said Gonzalez. “Every project is worked by at least two or three auditors at a time. We have been blessed to have this software as we go about our work.”

SMALL TEAM SAVES 40-50% HEADCOUNT WITH TECHNOLOGY INVESTMENT

Potential investment in a new software or service can be viewed with healthy skepticism, and is often more difficult to have approved for a small audit department. “Being part of a small community bank, any auditor might ask how we can justify the expense of the software, especially when you’re already used to doing everything manually,” said Gonzalez. “The way we see it, you’ve got to think of what you’re going to get in return. A lot of manual labor requires more manpower. Our billion-dollar bank has a team of six auditors — without the use of a platform like AuditBoard, we might need 10 or 12 auditors.”

“At the end of the day, you want to consider your manpower and where it should be spent. Should we be spending time figuring out how to document, how to write reports, how to keep track of our issues? Or should we spend more manpower in investigating our processes or going further in our procedure coverage in our test work?” asked Gonzalez. “When we thought about what’s important, we decided that we need our manpower for testing and adding more value to our business.”

By leveraging AuditBoard, Falcon Bank is now positioned to gain greater efficiencies year-over-year as they conduct their SOX program, risk management, and operational audits using the platform. To learn how you can join hundreds of AuditBoard customers like Falcon Bank in saving time and increasing efficiency, [visit www.auditboard.com](http://www.auditboard.com).

ABOUT FALCON BANK INTERNATIONAL:

Member FDIC. Ranked in 2018 among the 100 highest performing community banks in the 21st century, by one of the premier bank rating companies, Sheshunoff Information Services, Falcon International Bank is proud to have over 350 dedicated team members, in addition to assets of \$1.6 Billion and 17 branches located in Laredo, San Antonio, McAllen, Brownsville, Eagle Pass, Del Rio and Buda, as well as a loan production office in Austin, and representative offices in Monterrey and Guadalajara, Mexico. Falcon is the 50th largest bank in Texas ranked by one of the leading Investment banking firms in the US, Banks Street Partners and ranked five stars by BauerFinancial, Inc., an independent financial rating agency.

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FALCON BANK

— MEMBER FDIC

Member
FDIC

— RANKED 100 HIGHEST PERFORMING COMMUNITY BANKS BY

Sheshunoff
CONSULTING + SOLUTIONS

— RANKED FIVE STARS BY

★★★★★

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FINANCIAL**



AUDITBOARD transforms how audit, risk, and compliance professionals manage today's dynamic risk landscape with a modern, connected platform that engages the front lines, surfaces the risks that matter, and drives better strategic decision-making.

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