



Addressing Time-Consuming and Repetitive Processes:
**Reaping the Rewards of Automated
Customer On-boarding**



Australian Bank Cuts Processing from 21 Days to 60 Seconds

A leading Australian bank was hampered by limited straight-through-processing for credit card applications. New accounts required intensive manual intervention across multiple systems, even for existing clients. Cycle times for some products were as high as 21 days.

The new, automated solution integrates with all enterprise systems to provide relevant data on a single screen, and interfaces with the decision engine and credit bureaus.

Today, applications require manual intervention or attention only when there is a discrepancy. This change has resulted in 80% of new applications being processed automatically, reducing cycle time for most of them from 21 days to just 60 seconds.

In the competitive world of private wealth management, the ability to attract and retain new customers is a greater challenge than ever before. The Internet gives clients easy access to competitive information and the ability to actively participate in managing their accounts. As a result, advisors are now charged with providing continuous updates and innovation to retain their clientele. At the same time, the immediate satisfaction offered by real-time online services has raised expectations about turnaround times for virtually any type of product. Every provider is in the same situation, so competition becomes more and more aggressive.

Add tighter government regulations and increased product commoditization, and the financial services sector really begins to feel the squeeze.

Smart financial services providers have turned to providing a superior customer experience as the best way to differentiate themselves. This differentiation is especially critical in the private wealth management business, where high-net-worth clients demand exceptional service for their high-value accounts.

The Final Frontier—On-boarding

The financial industry has been seeking ways to enhance client service for some time, and most have successful ongoing service programs in place. In many firms, optimization of the client on-boarding process has lagged behind other stages of the client-advisor relationship, even though the costs of inefficient on-boarding can be quite high.

It's no surprise that clients who are accustomed to exemplary service can be frustrated by many aspects of legacy on-boarding processes, including answering the same questions repeatedly, not knowing the status of their new accounts, and having their assets tied up in delays, rather than earning income. Putting a portfolio on hold while waiting for a provider's internal processes to be completed can be costly in missed trades and tax implications—especially given today's investors' need for hands-on wealth management. What's worse, there's always competition waiting in the wings, ready to leverage your new client's discontent by promising something better. Losing a client at this point is costly, not to mention agonizing.

For advisors, the on-boarding process can be time-consuming and repetitive, and they are spending time on data management roles rather than developing new opportunities.



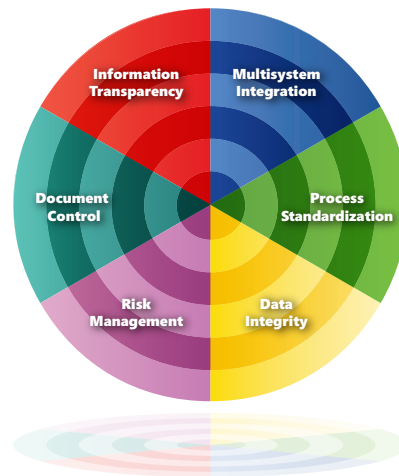
What On-boarding Can (and Should) Accomplish

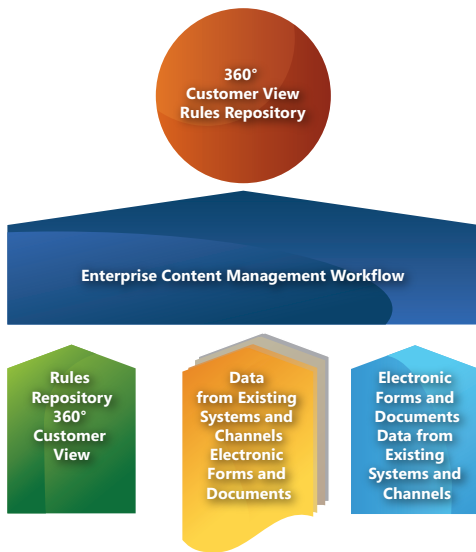
An effective on-boarding strategy should aim for best customer experience, rather than merely collecting necessary data and opening an account. After all, the on-boarding process defines the customer's first and most lasting impression of the firm.

To that end, an effective on-boarding strategy can help:

- **Improve the customer activation process.** When a client is quickly on-boarded and has activated and funded the accounts, the advisor can immediately initiate the investment process, reducing the instance of idle funds.
- **Enhance the customer experience and increase engagement with the firm.** Through increased efficiency, transparent processes, and effective communication, the on-boarding process can help lay the foundation for a strong and lasting relationship. This improvement can eliminate the need for clients to answer the same questions multiple times, further enhancing the client's impression of the firm's professionalism. This view can be critical when a new client also has existing relationships with competitors.
- **Better understand the client.** While the on-boarding process must ensure that the firm complies with all legal and regulatory needs, it is important that the client's goals, risk tolerance, and personal preferences don't take a back seat. Making the client always feel at the center of the experience builds confidence in the firm and, ultimately, grows your potential share of the client's assets. Cross-selling becomes easier when your client knows that the process will be easy.

Automated On-boarding Business Drivers





ECM solutions unify data and processes and apply appropriate business and compliance rules. The result is a single, real-time view of the customer that is immediately available throughout the organization.

Misaligned Technology and Slow-to-Adapt Processes Get in the Way

There's no doubt that streamlining on-boarding can be complicated. Responsibility for bringing new clients up to speed spans multiple business lines and divisions, each with its own processes, data needs, legacy systems, and business goals. It can be hard enough to get the people to connect, let alone the systems.

By one estimate, a large financial institution can have 100 different products controlled by 30 different back-office systems¹. In this economy, a rip-and-replace solution of such magnitude is unthinkable, so many firms simply continue making do with what they have.

In recent years, this complexity has been amplified by the sheer number of channels and touch points that must be managed. Information is collected over the web, by email, through the call center, on mobile sites, in marketing promotions, in CRM systems, and on paper. Needless to say, the quality of data collected manually from this multitude of sources is questionable. It can be out-of-date the minute it's aggregated.

In addition, the need to manually, sequentially process know your customer (KYC), anti-money laundering (AML), and other regulatory data can add days or weeks to the on-boarding process and require repeated requests to the client for additional information.

While most of these obstacles to more efficient, effective on-boarding can be addressed by processes and technology, as mentioned previously, lack of IT and marketing budgets keep many firms tied to existing flawed approaches.

Automating On-boarding by Unifying—Not Abandoning—Legacy Systems

Today, enterprise content management (ECM) offers recognized solutions to the on-boarding challenges facing financial services firms. ECM solutions have been leveraged in customer on-boarding frameworks that orchestrate data and processes for an end-to-end solution. This solution has raised the bar for best practices, allowing firms to on-board new customers quickly, improve their customer experience, and remain current with regulatory and market needs.

Global Investment Bank Achieves Ask-Once Experience

With more than two million accounts for 35,700 clients around the world, this bank required an efficient, end-to-end on-boarding application. Reliance on sequential processes, a splintered workflow, and inconsistent regional programs were costly and time-consuming, and required employees to contact clients multiple times for documentation.

The HCL on-boarding solution encompasses an end-to-end workflow that is standardized across the company. A single-envelope solution, combined with parallel processing, reduces the time it takes to open an account.

Customers appreciate the new solution, too, as intelligent web forms capture all necessary data based on enhanced business rules logic, and information is reused for new products and accounts. The customer needs to provide details only once.

Perhaps the most important advantage of some ECM solutions is the ability to collect and standardize data from disparate legacy systems and channels, making the most of existing technology investments. The data captured is complete, accurate, and up-to-date, and is available for review throughout the organization.

As processes, forms, and data are standardized, clients enjoy a streamlined experience. They are not continually contacted for information. Instead, rich web-based applications, prepopulated e-forms, and e-signatures save time and effort. Data can be accessed and reused for multiple products, eliminating redundancy for the client and advisor. What's more, the process is transparent. A new client can call at any time and get detailed account information from their wealth manager or any customer service representative.

The transparency that comes with a single, enterprise-wide view of a client and their accounts builds trust. At a time when trust in financial industries is less than optimal, this transparency can provide clients with greater confidence in an advisor and a firm.

On-boarding as a Route to Strategic Goals

A well-planned on-boarding solution can reach beyond efficiency, becoming a strategic tool in reducing operational risk and building stronger, more profitable client relationships.

As a robust on-boarding framework collects account, credit, and personal data, it can also collect complete compliance data. By automatically interfacing with external resources, the system can perform risk management and regulatory functions without further burdening the client. Many due-diligence tasks can be performed in parallel, reducing processing time from weeks to minutes. Applications are automatically checked against rules-based risk profiles, and exceptions are flagged for further review.

On the customer relationship side, intelligently auto-triggered communications can keep new clients in the loop regarding the status of their accounts, encourage use of the website, or simply provide a friendly note of appreciation. Selective marketing messages, based on clearly defined business rules, can help ensure that only appropriate products are offered. Clients won't feel as though they've been tossed into a direct mail workflow without regard for their preferences and needs.



Tangible and Intangible Returns

Automating the customer on-boarding process benefits clients, private wealth managers, and the firms they represent in a wide range of measurable and immeasurable ways.

High-net-worth clients gain access to their assets faster, are asked to complete minimal paperwork, and know where they stand throughout the process. They feel that they're the focus—enjoying the white-glove treatment they expect. This professionalism and transparency builds trust, making them more likely to be active and remain loyal customers.

Wealth managers and advisors are relieved of time-consuming, manual processes. Accounts are opened more quickly, so fees can start coming in, and there is less risk of account abandonment. At the same time, financial professionals can devote greater attention to new business development and cross-selling.

Financial services firms reduce the number of hours employees spend performing repetitive tasks, enabling greater productivity, as well as accuracy. The more a company currently relies on paper, the greater the return on investing in automation is likely to be². In addition, more detailed insight into client needs allows more effective cross-selling of products for even larger gains.

Perhaps most compelling, built-in compliance checks reduce operational risk, even as regulatory rules change. A flexible solution allows business rules to be tailored by geography, line of business, product, and more and can be easily updated in response to rapidly changing market requirements.

Operational Advantages	Strategic Advantages
<ul style="list-style-type: none">• Faster realization of revenues• Reduced operational and IT maintenance costs• Decreased paper management and employee expenses• Lower incremental costs for new products and services• Fewer call center calls	<ul style="list-style-type: none">• Greater data integrity• Enhanced compliance and risk management• Increased productivity• Improved cross-selling opportunities• Elevated customer satisfaction, trust, and loyalty



MbarkWealth: Putting Automation to Work for You and Your Clients

Powered by IBM Case Manager, the MbarkWealth Customer On-boarding Solution offers a highly configurable and flexible solution.

A technology- and tool-independent framework, MbarkWealth streamlines customer on-boarding, reduces manual processes, enhances the customer experience, and reuses and optimizes the organization's existing systems and business processes. The solution quickly adapts to changes in the business environment and scales as volume grows with little or no customization.

MbarkWealth supports private wealth managers' business goals through

- Integration with existing business processes and applications. MbarkWealth is a mediation layer that integrates with existing systems and tools with minimal changes to existing processes.
- A complete, real-time client view. Transparent and comprehensive dashboards provide real-time status of all applications without repeated status requests.
- Easy adaptation to compliance and business rules. KYC, AML, and service level agreement (SLA) issues are automatically flagged based on your business rules. Regulatory changes can be easily accommodated.
- Triggered, relevant communications. Predefined forms and correspondence encourage proactive communication at critical touch points based on specific business conditions.

A Forrester analyst recently likened the ideal on-boarding experience to that of taking a new Apple product out of the box³. The experience should be quick, intuitive, and pleasant.

Designed in response to private wealth management needs and business drivers, the HCL Technologies MbarkWealth Customer On-boarding Solution is designed to do just that.

About IBM ECM

Enterprise content management solutions from IBM help companies realize the strategic value of content for better insight and outcomes. IBM ECM delivers high-value solutions that can help companies transform the way they do business by enabling them to put content in motion: capturing, activating, socializing, analyzing and governing it throughout the lifecycle. IBM can help organizations identify critical content within large information volumes and prioritize it to gain insight to inform business decisions. We help businesses put the right content in the hands of the right people at the right time while effectively managing the cost and risk of enterprise content from capture to disposal. IBM has provided ECM solutions to more than 13,000 companies, organizations and governments around the world, helping them remain competitive through new intelligent innovation.



About HCL

HCL, a \$6.2 billion global company, brings IT and engineering services expertise under one roof to solve complex business problems. Leveraging an extensive global offshore infrastructure and network of offices in 31 countries, HCL provides holistic, multi-service delivery in financial services, manufacturing, consumer services, public services, healthcare and other industries.

HCL's business strategy, built on strong domain expertise, ensures that, no matter how complex a company's business problem is, they can benefit from an HCL solution that is sustainable and innovation driven.



Resources

We hope you find these resources helpful as you seek more information about IBM ECM and HCL Solutions.

Solution Profile

Download a quick overview of the MbarkWealth Customer On-boarding Solution.



For more information, contact:

HCL

North America
Bob Lansinger
rlansinger@hcl.com
Office: +1.408.328.7890
Mobile: +1.610.574.2574

EMEA

Ian Peter Morris
imorris@hcl.com
Office: +44 20 7105 8641
Mobile: +44 7917 733104

Asia Pacific / Global Alternate Number
Geetha Apathocharanan
geetha.a@hcl.com
Office: +91 80 4190 6596
Mobile: +91 98800 46890

Engage with IBM ECM

Online Communities

ECM Blog



IBM ECM @ Facebook



IBM ECM @ Twitter



IBM ECM @ LinkedIn



IBM ECM @ YouTube

Additional Information

HCL Technologies: <http://hclte.ch/UnSVmP>

IBM ECM: ibm.com/software/ecm

© Copyright IBM Corporation 2012

IBM Corporation
3565 Harbor Boulevard
Costa Mesa, CA 92626-1420
USA

Produced in the United States of America

October 2012

All Rights Reserved.

IBM and the IBM logo are trademarks or registered trademarks of International Business Machines Corporation in the United States, other countries, or both. If these and other IBM trademarked terms are marked on their first occurrence in this information with a trademark symbol (® or ™), these symbols indicate U.S. registered or common law trademarks owned by IBM at the time this information was published. Such trademarks may also be registered or common law trademarks in other countries. A current list of IBM trademarks is available on the Web at "Copyright and trademark information" at ibm.com/legal/copytrade.shtml.

Other company, product, or service names may be trademarks or service marks of others.

References in this publication to IBM products or services do not imply that IBM intends to make them available in all countries in which IBM operates.

While efforts were made to verify the completeness and accuracy of the information contained in this document, it is provided "as is" without warranty of any kind, express or implied. IBM is not responsible for any damages arising out of the use of, or otherwise related to, this information. Nothing contained in this document is intended to, nor will have the effect of, creating any warranties or representations from IBM (or its suppliers or licensors), or altering the terms and conditions of the applicable license agreement governing the use of IBM software or receipt of IBM services.

Each IBM customer is responsible for ensuring its own compliance with legal requirements. It is the customer's sole responsibility to obtain advice of competent legal counsel as to the identification and interpretation of any relevant laws and regulatory requirements that may affect the customer's business and any actions the customer may need to take to comply with such laws. IBM does not provide legal advice or represent or warrant that its services or products will ensure that the customer is in compliance with any law.

¹ Forrester Research, "Best Practices: Consumer On-boarding," April 27, 2009.

² Forrester Research, 2009.

³ Forrester Research, "A Strategic Approach to On-boarding Financial Services Consumers," February 6, 2012.