

Enterprise Content Management: The Foundation for Continued Success in Banking and Financial Markets

IBM ECM Customers in Banking and Financial Markets

Alliance & Leicester

Banca Alpi Marittime

Britannia

Centea

Citigroup

Fiducia IT AG

HypoVereinsbank

Norisbank AG

Standard Life Investments

TaunusSparkasse

VR Kreditwerk AG

Wachovia

Zurich Deutschland



From traditional banking and investment services to relationship lending and new credit vehicles, success in banking and financial markets demands continuous evolution and innovation. In prior years, great emphasis was placed on back office automation and the Internet as the future of financial services. Today, customers are demanding more personalized service, and financial institutions must find ways to reconnect with customers and improve their experience to deepen relationships and drive organic growth.

With increased global competition, financial institutions are looking for ways to gain greater wallet share, increase barriers to switching providers and reward loyalty. But, with existing siloed infrastructure, many companies are finding cross-selling and up-selling efforts challenging as any inconsistencies in the service experience across channels and lines of business contribute to customer dissatisfaction and defection.

If improving the customer relationship and competitive market pressures were not enough, financial institutions around the globe continue to struggle to keep up with state, national and international regulatory requirements. From Basel II to anti-money laundering, MIFID and SEPA, not to mention ongoing compliance tasks related to Sarbanes Oxley, the Patriot and Secrecy Acts, banks and other financial services companies can expect no respite. They will continue to face ever-evolving risk and regulatory compliance requirements. Establishing an information infrastructure that can adjust to these changes is critical.

“IBM FileNet P8 provides advanced technology and long-term support, enhanced scalability to support mission critical applications, and greater flexibility. The open architecture also facilitates integration.”

– Marco Diehl, 1st VP
Cititech

With more than 60 percent of CEOs agreeing that businesses need to do a better job of leveraging their information, IBM Information On Demand can help:

- *Deliver the right information in context to optimize business processes, applications and productivity*
- *Address the need to horizontally integrate information*
- *Integrate, analyze and optimize heterogeneous types and sources of business information throughout its lifecycle to manage risk and create new business insight*

An enterprise-wide approach

For financial services companies, improving organizational performance includes a range of considerations. However, these considerations can be generally grouped into three categories:

- Improve the customer experience
- Increase efficiencies
- Ensure compliance and effectively manage risk

To address these challenges across the enterprise, institutions must take customer relationships to a higher, cross line of business (LOB) level and use enterprise-wide perspective to make better decisions, faster. IBM Enterprise Content Management (ECM) provides a platform that makes this possible.

Understanding Enterprise Content Management

IBM ECM helps our customers make better decisions faster by managing all forms of digital content, optimizing associated business processes and enabling your regulatory compliance and risk management programs with an integrated information infrastructure. Our ECM platform offers the broadest and richest set of ECM capabilities integrated “out of the box” with our award winning Business Process Management (BPM) offering. Supporting unsurpassed deployment ease and flexibility, the result helps you optimize your information assets to power processes and empower staff to become a more customer focused institution. All while providing a secure and scalable information infrastructure to help you meet existing and evolving regulatory requirements and mitigate risk exposure.

Our ECM platform offers maximum flexibility and reusability across your enterprise to extend and enrich your ECM investment with best practices, shared services and service-oriented architecture (SOA) to drive the lowest cost of ownership and deliver the highest return on investment.

IBM ECM enables organizations to:

- Power and Transform business processes with content
- Store, manage and secure all forms of digital content
- Deliver information life-cycle management for compliance
- Deliver information in the form of business content in context anywhere, anytime.

By automating and streamlining content rich and human centric business processes, IBM ECM improves workforce effectiveness and enables customer self-service while lowering the cost of compliance adherence. At the same time, ECM optimizes the customer experience by ensuring that your staff has a complete view of the customer at every touch point, enabling greater consistency and enhanced decision-making.

Following are just some of the line of business focused applications where proven value and savings has been delivered across highly repeatable, clearly defined processes and work activities.

- Account or relationship origination
- Mortgage loan processing
- Consumer and commercial lending
- Credit card processing
- Trust administration
- Anti-money laundering
- Records management
- Student loan processing
- Treasury management
- Derivatives trade confirmations
- Online banking customer self-service

“At the onset we focused mainly on the automation of manual tasks to improve efficiency and cut costs. The IBM FileNet solution has certainly been very successful in this respect, but we are even more impressed by its ability to support improved customer service.”

– Julie Hughes
Programme Manager
Alliance & Leicester Commercial Bank

Building A Platform for Success

IBM ECM helps financial services organizations address industry drivers for future competitiveness such as efficiency, customer service and compliance. There are a number of traditional business applications of ECM that have resulted in significant benefits to the bottom line that support these key industry drivers.

ECM delivers substantial work force efficiencies by streamlining and automating manual processes thereby reducing costs and compressing process cycle time. Integration with existing LOB and core systems also extends and enriches legacy system investments and unlocks the value of information assets across your silos.

The ability to apply advanced search, discovery and analytics for smart data analysis also enables more personalized customer service and product offerings. By creating an environment where financial institutions can truly know their customers beyond the surface level dictated by regulatory requirements, financial institutions can build an environment where cross-selling can succeed and improvements in service are driven by actual customer needs rather than educated guesses or blind solicitations.

This same information infrastructure also serves as the foundation for supporting improved risk management and enabling regulatory compliance more cost-effectively. With ECM, institutions can leverage and enforce information security best practices to ensure content is managed and protected as a corporate information asset, standardized process controls are adhered to and exceptions garner specialized attention quickly and automatically.

With more than 40 proven business solutions for the banking and financial markets available from IBM and our partners, the IBM ECM platform has proven to be a powerful and strategic information infrastructure for solutions that enhance operations, customer experiences and compliance. IBM ECM enables organizations large and small to deliver information in context to support a wide range of business processes and use cases. The results speak for themselves. According to a 2007 AIIM study ^[1] public companies that have deployed ECM consider themselves more than twice as effective as their peers. In a highly competitive market, this kind of confidence has great value.

Optimizing Your Silos to Achieve Innovation

A recent study by the IBM Institute for Business Value found that in banking in particular, innovation will be instrumental to continued future viability. The study concluded that by focusing on core strengths, institutions and their lines of business can essentially achieve more by doing less. Implementing a service-oriented architecture – an innovation infrastructure – is at the heart of this.

Today's siloed IT environment in financial services is unlikely to change anytime soon. But an opportunity exists to optimize the information sharing across silos so

that LOB operations can focus more on the business at hand – serving customers – and leverage the value of information to deliver an enhanced customer experience at every interaction. In many organizations, non-value added tasks demand significant staff attention and create barriers to innovation. By strategically using IBM ECM to deliver on the promise of information on demand, LOB staff can focus their time on the things that win and retain clients. To that end, there are common functional processes that span your products and channels that can leverage ECM as a best practice and shared information service. These include:

- New Client Enrollment (banking or credit card)
- Credit approval (lending or credit card)
- Case management
- Exception processing
- Compliance
- eDiscovery

By approaching these as SOA-architected shared services, organizations can take advantage of flexible, reusable business services that lower the total cost of ownership. More importantly, the customer will see a unified and integrated institution across all channels that will build confidence and loyalty.

IBM Leading the Way

IBM is a leader in ECM solutions. As the developer of the first unified platform for ECM, IBM has enabled nearly 1,400 financial institutions around the world to increase operational flexibility, better serve customers, lower total cost of ownership and optimize reuse of existing systems and automation. With over 1,200 developers working to provide continuous improvements to the IBM ECM software suite and an extensive network of partner solutions from independent software vendors, system integrators, and value-added resellers, our customers will continue to benefit from proven solutions that deliver measurable results.

23 of the top 25 global banks, 25 of the top insurance companies and 30 of the top 50 U.S. lenders count on IBM ECM to help them make better decisions, faster.

For more information, partner solutions, collateral, events and success stories on IBM ECM for Banking and Financial Markets visit www.ibm.com/software/ecm (industry solutions). Or call us at 1-800-345-3638 to determine how IBM ECM can positively impact your business.



© Copyright IBM Corporation 2007

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

Printed in the USA

03-08

All Rights Reserved.

IBM and the IBM logo are trademarks of IBM Corporation in the United States, other countries or both. All other company or product names are registered trademarks or trademarks of their respective companies.

For more information, visit
ibm.com/software/data/ecm

[1] 2007 State of the ECM Industry, Put the ECM Multiplier to Work for You, AIIM - The ECM Association
4/17/2007