

National Commercial Bank Jamaica Limited Digitally Transforms Enterprise-wide Processes

Overview

With more than a century of experience, National Commercial Bank Jamaica Limited has a pioneering legacy. Today, it stands as one of the largest financial groups in Jamaica. It offers services across deposit accounts, unsecured and secured loans, credit cards, overdraft lines, foreign exchange, personal and private banking.

We were looking to fulfil our objective to become more customer centric and deliver superior products & services. So we entered into a strategic partnership with Newgen. Newgen's robust BPM & ECM platform helped us in the deployment of Commercial Lending, Retail Lending, Mobility, FATCA & SWIFT Solutions, creating an automated environment at workplace.

Challenges

Processes at the bank were running on disparate systems. There was a high dependence on manual or paper-intensive operations, which lead to errors and inefficiencies. Customer communication was often delayed, leading to substandard customer experiences. Further, the bank faced challenges in adapting to the changing market, compliance and customer demands.

The bank sought to unify its offerings on a single platform to offer better services to its customers and to streamline operations for its employees.

Key Challenges

- Inability to adapt to changing market conditions
- Inconsistent customer experience
- High process turnaround time with multiple hand-over, approval & customer documents collection points
- Low visibility into the process & customer information
- High dependence on error-prone, manual & paper-intensive processes

Goals of the Project

- Unify diverse service offerings on a single platform
- Deliver enhanced customer experience
- Introduce flexibility and change adaptability in processes
- Engender a seamless flow of information across processes
- Enhance process efficiencies

The Bank Undertakes Enterprise-wide Digital Transformation

With well-defined objectives, the client searched for vendors for an enterprise-wide digital transformation of its processes. It wanted to unify its processes on a single platform to achieve business goals and improve customer experience. After a thorough exploration, they selected Newgen's technology solutions for this transformation.

Key Processes Automated

- Consumer Loans
- Corporate Loans
- FATCA Compliance
- Inward SWIFT Transfers
- Know Your Employee-Financial Disclosure for Employees
- Collections Management
- Newgen Enterprise Mobility Framework for Mobility Solutions

Consumer Loans

Prior to the implementation, the turnaround time of consumer loans was high. The process involved multiple document collection points and high operational costs. Whereas, consistent with its brand ethos, the bank wanted to deliver speedier and digital consumer lending services to its customers. It wanted to offer customers a hassle-free, convenient and seamless lending experience.

Challenges

- Long processing time
- Multiple re-starts and documents collection points
- High operational cost of each loan

To automate its consumer loan origination process, the bank implemented Newgen's ready-to-use Retail Loan Origination Solution (RLOS). The solution automated the lending cycle while offering customers the comfort of anytime-anywhere loan initiation.

Further, Newgen's RLOS optimized the process for enhanced customer experience. It automated the entire credit policy, streamlined approval cycles and reduced turnaround time.

Benefits

- Increased business value with omni-channel loan initiation (mobile/desktop/tablet)
- Faster turn-around-time for loan applications
- Comprehensive report generation for productivity and performance measurement
- Faster transactions with reduced error rates and policy exceptions
- Comprehensive regulatory compliance and process standardization
- Proficient risk management through integration with external credit bureaus

Solution Highlights

- End-to-end automation for loan processing
- Centralization of the loan underwriting services
- Automatic security document generation
- Dashboards for measurement and monitoring of the process
- Automation of the lending policy to reduce human intervention

We found it (Newgen's solutions) very easy and flexible to work with. That was one of the things that caught our attention

*Mr. Howard Gordon
Sr. GM-Group Operations & Technology*

Corporate Loans

The bank wanted to automate its corporate loans processes for a faster turnaround time, enhanced efficiency and better customer experience. Its corporate loans process was manual and document intensive. It was difficult to collect, manage and review large amounts of data. Credit checks were manual, risk prone and time consuming. Further, manual compliance to regulations proved to be a major challenge for the bank.

Challenges

- Collecting and managing large data for review
- Manual Processing and Human centric process
- Paper intensive
- Manual Credit and Risk Analysis
- Manual checks on adherence

The client used Newgen's Corporate Loan Origination Solution (CLOS) to automate its corporate lending process. The solution automated the lending cycle from end-to-end. Built on Newgen's Business Process Management framework, the solution enabled credit origination, approval and monitoring in a paperless and electronically driven workflow environment.

With highly optimized decision workflows, automated covenant and collateral tracking and comprehensive reporting, it provided the perfect balance between risk management and operational swiftness.

Benefits

- Improved risk management with methodical portfolio monitoring & automated tracking of collaterals & covenants
- Enhanced profitability and cross-sell opportunities with better insights into high profile accounts
- Reduced duplicate data entry, policy exceptions and error rates
- Faster transactions with streamlined approval cycles
- Enhanced compliance and process standardization with close monitoring of service levels across lending

Solution Highlights

- Proactive, analytical and predictive risk management
- Compliance with regulations for process security, transparency, and audits
- Electronic archival of loan documents with extensive search capabilities
- Real-time process monitoring capabilities, controlling risks and preventing loan defaults
- Quick disbursement ensures assets begin acquiring revenue quickly

FATCA Compliance

The bank found itself in a difficult situation to become FATCA compliant starting 2014. FATCA compliance is complex and challenging. It posed some unique challenges that required changes in operational processes. The bank needed to make provisions for additional steps in their customer on-boarding as well as KYC processes. This resulted in challenges of handling high net-worth relationships.

Challenges

- Additional onboarding requirements
- Identification of FATCA eligible customers with multiple account relationships
- Dependence on isolated systems and manual processes that were not uniform
- Managing complex customer relationships while maintaining compliance
- Adapting to a dynamic market and meeting IT Infrastructure and personnel requirements

The bank used Newgen's market ready to deploy FATCA compliance solution to automate its compliance. The Pre-configured solution accelerator reduced implementation timelines significantly. The solution offered a simple way of complying with the complex requirements of this act. It significantly streamlined procedures and reduced resource requirements, turnaround times and operational costs.

Benefits

- Uniform customer on boarding & KYC processes across all branches
- Completely centralized FATCA compliance, control & audit
- Reduced turnaround time of on-boarding by 80%
- Reduced turn-around-time of new process from months to week
- Increased first-time-right to 70%
- Enhanced compliance and quality by 99%
- Reduced document handling cost by 50%

Our partnership has enabled us to blend our short term goals with our long term aspirations and to bridge that gap

Mr. Bob Blake
Chief Operations Officer

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SWIFT

The bank wanted to digitally transform its SWIFT processes. The processes were highly dependent on manual operations and physical documents. The operational costs and turnaround times were high. Further, manual operations were leading to erroneous operations and substandard customer experiences. The bank also faced challenges in ensuring compliance to regulations.

Challenges

- Extensive dependence on human resources
- High operational cost and turnaround time (Scrutinizing, posting and verifying each message consumed 44 EFT hours per day)
- High volume of SWIFT messages (on a monthly basis, approximately 7,000 inward SWIFT messages are received and processed by the unit)

The client used Newgen's solution for SWIFT. It automated the processes from end-to-end and enhanced their operational efficiency. The BPM based solutions, ensured auto-archival of electronic messages and reduced dependence on paper documents, leading to reduced costs and TAT. Further, adherence to compliance also improved with fast aggregation of data and in-built rules and validations.

Benefits

- Reduced stationery cost
- Enhanced customer satisfaction
- Increased operational efficiency
- Improved output volumes
- 20% reduction in turn-around-time for credits
- Effective adherence to compliance

Solution Highlights

- End-to-end automation of incoming and outgoing SWIFT messages
- Straight through processing
- BPM based solution for automated processing and electronic archival of messages
- Centralization of payment processes
- Real-time exception handling
- Scalable architecture for multi country rollout, seamless integration with core banking solutions

Collections Management

The bank had to manually follow up with its customers for collections with high dependency on paper documents and manual data entry. The bank wanted a solution that could provide a platform for complete automation and integration between processes.

Challenges

- Inefficient manual process
- Limited control and monitoring of KPIs for employees
- Lack of reporting capabilities
- Substandard customer experience
- No means of tracking and monitoring the process

The bank used Newgen's solution to automate its collections process from end-to-end automation. This enabled the bank to capture customer information from core system, track and monitor the status of delinquent accounts more efficiently.

Benefits

- Enhanced customer relationships with 360° view of all customer interactions
- Reduced delinquency rate with informed loans treatments
- Improved productivity with auto dialler integration resulted in transferring of only the connected calls
- Better compliance with regulatory norms
- Enhanced visibility with unified view of data from different core systems
- Automated portfolio prioritization based on business rules

Solution Highlights

- End-to-end process automation including integration with core application & dialler
- Extensive customer information to facilitate effective interaction
- Ability to run multiple campaigns simultaneously
- Letter generation
- Dashboards for monitoring of the process

Newgen Enterprise Mobility Framework for Mobility Solutions

The bank embarked on their digital transformation journey with Newgen by automating their Credit Card Onboarding, Merchant Onboarding and Quisk Onboarding processes.

Lately, the bank's Capital Markets, the wealth and asset management arm of the bank aimed at empowering their mobile workforce. They wanted to enable their business users initiate onboarding at the customer's meeting point via Mobile Banking Platform and increase the number of registrations by a significant margin. Customer onboarding was never restricted to account opening and was mostly accompanied with Purchase of Bonds, Unit Trusts or securities for new and existing customers. Thus, the bank realized the need to transform their overall process and maximize their business reach. The bank approached Newgen to address the gaps between their service delivery and customer expectations.

Challenges

- Extensive manual intervention
- Inappropriate distribution of work allocation
- Difficulty in compliance management
- Delay in tracking and managing customer communication
- Lack of process standardization
- No easy and secure access to information on-the-go
- High Turn-around-time
- Inefficient data capture
- High risk of document misplacement
- Lack of process visibility

Newgen Solution

The bank used Newgen's robust NEMF for rapid development of process centric, contextually accurate, and device independent applications. By leveraging Newgen Enterprise Mobility Framework, the client can interact, share information, collaborate across departments and customers in a multi-channel, secure and unified working environment and power strong customer relationships. By leveraging Newgen Enterprise Mobility Framework, the bank transformed their 4 critical processes - Credit Cards Customer Onboarding, Merchants Onboarding, Quisk onboarding, and Remote Sales for Capital Markets, encompassing sub-processes, namely Unit Trust, Payments, Equity, Bonds, Loans, Account Opening, and Repos.

Leveraging NEMF, the bank catered to their customers' distinct needs and witnessed concrete business benefits.

Business Benefits:

- Informed decision-making
- Better visibility across processes
- Faster time-to-market
- Better privacy and security
- Reduced operational costs
- Higher field-force productivity
- Real-time customer engagement

Solution Highlights

- Simple & user-friendly framework to integrate mobile apps with back-end systems
- Extend default support for all the major mobile operating systems including IOS, Android, and Windows
- Comprehensive imaging features to build content-centric apps. Users can capture documents on-the-go & initiate processing at back-office in real-time
- Extensive configurability options. Easily manageable user-interface elements, such as look & feel, batch sizes, enabling and disabling of options without any addition or alteration in the pre-defined codes
- Enterprise grade security features for apps to be built and deployed in accordance with the bank's security and management

Implementation Impact

The client seamlessly unified its processes on Newgen's solutions. Using Newgen's platform, the bank could ensure keeping up with dynamic market changes as it could run most changes independently without much dependence on us. Not only did it help introduce enhanced efficiencies into the processes, it also empowered employees of the bank by eliminating mundane manual tasks. It enhanced customer experience by reducing document collection and automating customer communication.

Benefits:

- Enhanced efficiency and employee productivity
- Unification of data and various processes on a single platform
- Enhanced process standardization with alerts to identify breaches
- Delivery of superior customer experience
- Making processes flexible and change friendly
- Introducing a seamless flow of information across processes

Delinquent Ratio Reduction for Collections

43% for Loans
55% for Cards

FTE Reduction

50% reduction in Centralized Collections Unit staff

Loan Volume Increase

531% increase for consumer loans

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Newgen's robust BPM & ECM platform helped us automate Commercial Lending, Loan Origination, Mobility, FATCA & Collections processes on a single platform, creating an automated environment at workplace. The implementation has facilitated us to achieve our endeavour of delivering "Excellent Service" to both our employees and customers

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*Mr. Howard Gordon
Sr. GM-Group Operations & Technology*

About Newgen

Newgen is the leading provider of a unified digital transformation platform with native process automation, content services, and communication management capabilities. Globally, successful enterprises rely on Newgen's industry-recognized low code application platform to develop and deploy complex, content-driven, and customer-engaging business applications on the cloud. From onboarding to service requests, lending to underwriting, and for many more use cases across industries. Newgen unlocks simple with speed and agility.

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