

# U.S. Based Bank Automates Online Account Opening, Commercial & Small Business Lending on a Single Unified Platform

## Overview

The bank has more than 100 years of experience in delivering premium account opening, small business and commercial lending services. The bank is recognized as one of the strongest banks in America and is committed to providing exceptional services.

The bank wanted to continue evolving with the dynamic market trends and offer a superior customer experience. However, its operational shortfalls were holding it back from delivering on its business strategy. This was creating a negative impact on its business goals.

**We wanted to enhance customer experiences by allowing our customers to interact with the platform as well as use the platform to leverage and become more efficient with our internal operations.**

Exec. VP , Chief Information & Administrative Officer

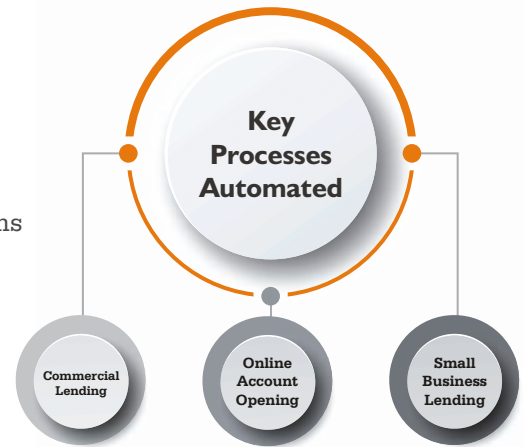
## Challenges

The bank wanted to unify its product offerings on a single platform and achieve a faster time to market through agile operations. It had a number of processes that depended on a number of systems. There was no unified platform for commercial loan origination, and no common front end application entry for small business applications.

Further, the processes were partly manual and partly automated. This meant that interfaces of third party vendors had to be referred to for requesting appraisals, generating legal documents and booking loans. It was leading to lengthy turnaround times and higher incidence of errors. Human resources of the organization were involved in trivial tasks and did not have access to critical process information. These issues were hampering the productivity of the employees and the efficiency of processes on the whole. It led to customer dissatisfaction and affected the delivery of quality services.

### Major challenges faced by the bank were -

- Inconsistent customer experience
- Incomplete and inconsistent information existing in multiple systems
- Broken information flow because of silos between front and back end systems
- Inefficient loan processing because of extensive manual work
- Increased risk of fraudulent activities



### Goals of the Project

- Develop a unified platform for commercial, small business and online account opening
- Engender a seamless flow of information across departments
- Reduce process turnaround time and introduce agility into processes
- Deliver enhanced customer experience

## The Bank Automates Commercial & Small Business Lending and Online Account Opening with Newgen Solutions

The bank wanted to identify and implement a single platform that could accommodate multiple processes. After multiple demos, hands on experience and months of thorough examination, the bank selected Newgen's solutions for Commercial & Small Business Lending and Online Account Opening.

### Commercial and Small Business Lending

The framework based approach of Newgen's solutions, based on BPM platform, helped the bank model-implement-deploy-execute. Newgen's solutions could cater to multiple products through the same underlying platform, which provides phenomenal competitive advantage. This helped support multiple processes on one platform & provide the scalability and flexibility that is much needed for a faster time to market. Further, consistent with its brand ethos, the bank became faster and more responsive to customers.

Using Newgen's solution, the client achieved end-to-end processing of its loans on a single unified platform. That is, from origination, underwriting, disbursement to servicing. Loans disbursement TAT reduced to an average of 2-3 days from 4-5 days. No touch meant that these loans could be approved instantaneously. There was an integration with the Bank's core system (JHA Silverlake) and Credit Profile Bureau (Experian). Based on the data, various rules were set up with the Bank's Underwriting team for auto-approval without the interference of bank users. Whereas, Low touch and High Touch loans were cases where the defined criteria was not satisfied and required bank users to work on the application. The rules detailed out with the bank were configured in the Newgen Business Rules Management System to allow the user the users flexibility to configure the same in future as per their requirements. This resulted in

higher customer satisfaction, and interest income for the bank could start earlier. Customers can now apply for the loans via the client's website. Customers can also open deposit accounts with the bank using the portal. Online Account Opening was also integrated with the Loan Origination system to provide a seamless experience to the customers for getting a loan disbursed into the bank account itself within the Loans Process.

The client can better handle all kinds of risks associated with commercial and small business loans through the smart risk calculators integrated in Newgen's solution. Thus, striking a perfect balance between risk management and process improvement.

## Key Highlights of Commercial and Small Business Lending Automation -

- A single platform for adding new capabilities and products
- Eliminated re-keying of same data multiple times, thereby eliminating errors and strengthening data integrity
- Integration with 15 third party systems for providing commercial equipment, flood & full commercial real estate appraisals, credit scores, customer OFAC, fraud, KYC, KBA & IDV checks, financial account standing, e-signatures, and more
- Reduced initial implementation time and long term benefit of flexibility and faster time-to-market
- The ability to create application online, at branch or from care centre or from bank website online through automated underwriting and e-signature
- Ability to operate multiple components independently through a configurable architecture
- A common front end application entry for small business and non-residential loans
- Automation of the loan processing after the application has been submitted
- No touch, low touch, and high touch underwriting environments depending on loan type, size, source, and collateral
- Effective portfolio management with scoring to manage annual renewals and mitigate credit risk during life of loan
- 2-way integration with core banking system to pull & push data, thus obviating the need to re-key

## Major Benefits Achieved

### Enhanced Operational Efficiency

- Reconciliation reports and data feeds to downstream systems /interfaces
- Comprehensive lead management from lead capture, assignment, tracking to conversion
- Effective reporting functionality for LOB management/oversight, CRA, HMDA
- Unified workflow around releasing, updating, valuing, and moving collaterals
- Efficient management of delinquent accounts
- Effective checks and balances for audit

### Superior Customer Experience

- Ensure periodic updates and transparency to the customer, during different stages
- Automatic notifications to employees and customers across processes
- Automated Risk Based Pricing
- Omni-channel Application submission

## Online Account Opening

The client wanted to offer enhanced customer services and improve operational efficiency of its Online Account Opening processes for both consumer and business accounts. The bank wanted the OAO solution to support omni-channel initiation. That essentially means, a customer could initiate an application on one channel and complete it on another. The bank also wanted a single interface that could support applications for multiple products. Further, it wanted an interface for its Customer Care Center team to take applications over the phone, and another interface for its back-office team to support both the online and Care Center portal.

The Bank also wanted to open deposit account for the borrowers to disburse the loan amount. For this purpose the loan origination system was integrated with the Online Account Opening system. This ensured seamless loan disbursement and enhanced customer experience by getting a loan disbursed into the bank account itself within the loans process.

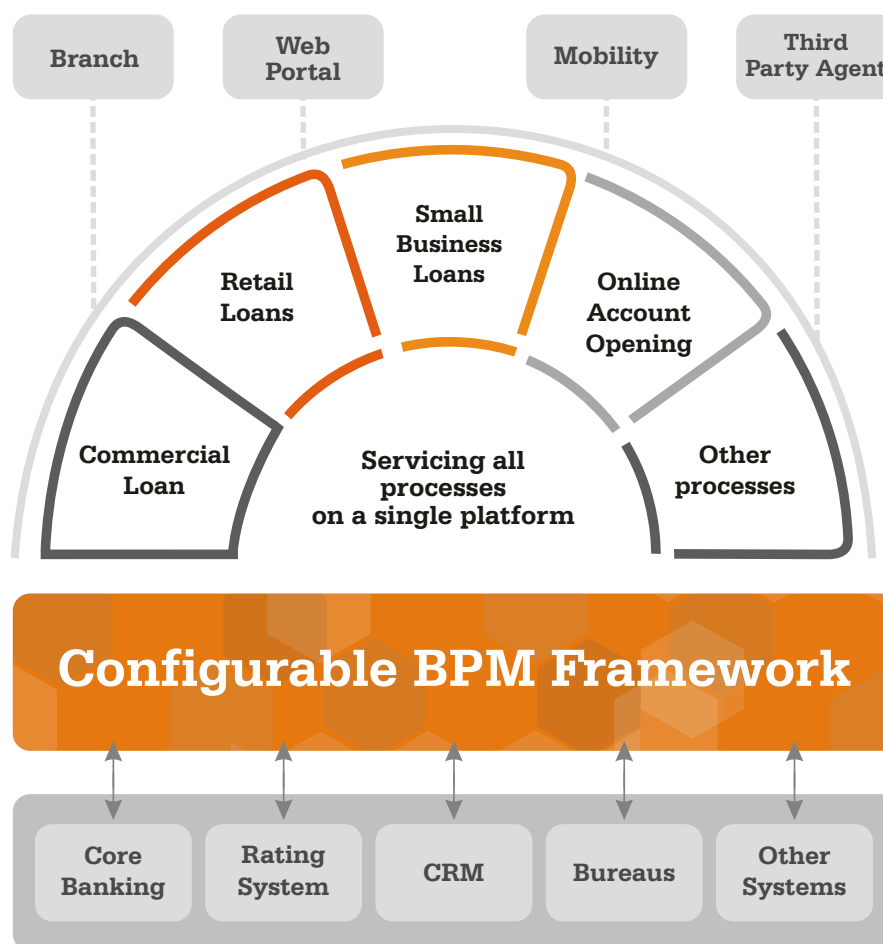
Some of the major challenges faced by the bank were-

- Lack of consistent, multi-channel account opening services across processes
- Siloed information because of dependence on multiple systems for different products
- Inconsistent data quality
- No standard process for non-straightforward and complex processes, such as Health Savings Account and business accounts
- Broken information flow between front and back offices

The client wanted to overcome these challenges and offer premium digital services and a refined customer experience. For this purpose, it implemented Newgen's Online Account Opening solution. Not only did the solution streamline the account opening process across product offerings, it also offered an enhanced digital customer experience.

Some of the major benefits of the implementation were-

- **Omni-channel Support** - The solution offered omni-channel initiation. That essentially means, a customer could initiate an application on one channel and complete it on another. Consistent and intuitive online account opening application, which customers could access from their PC/Laptop, Tablets and Mobile at their convenience
- **Minimized Data Entry** - Personal information from uploaded identification documents like driving license could be auto-extracted and pre-filled in the application form; thereby, reducing the need for additional typing. Social media integration could also be harnessed for filling in basic details
- **Simplified Account Opening for Complex Offerings** - Online account opening is typically seen for straight forward products, catering to individuals, like savings and checking. The client could now offer the capability to open Health Savings Account along with some offerings for small and large businesses
- **Enhanced Customer Engagement** - As the applicants fill the application on mobile/online, their activities are tracked to give them intelligent assistance. Also, applicants have the option to save their application and continue from where they left the next time they resume
- **Easy Document Upload** - Applicants could now be notified of the required documentation based on the accounts selected, customer profile etc. Documents could be directly uploaded online, or document pictures can be captured using mobile camera. Applicant signatures are also captured using mobile/tablets



## Implementation Impact

The client successfully transferred its online account opening, commercial and small business processes to a single interface, while enhancing user experience. It could now deliver on its business strategy and look forward to exceeding customer expectation; rather than merely meeting them. Using Newgen's solutions the client successfully optimized its operations and overcame its growth bottlenecks. The major benefits of the implementation were:

- Increased efficiencies with unified loan processing
- Enhanced customer experience
- Comprehensive risk management
- Enhanced transparencies and control over data from loan servicers and business partners
- Reduced errors and minimised risk of miscalculations and revenue loss
- Ensured comprehensive compliance and process standardisation

**Newgen's solutions helped us streamline our processes by bringing them on a single unified platform. Not only did it help enhance process efficiency, it also helped us deliver a better customer experience.**



## 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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