

## Financial Services: Document Productivity and the Digital Experience

Unifying the Employee and Customer Experience in Highly  
Regulated and Relationship-Focused Environments

Ed Simnett

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# Summary

Documents have always been part of the financial services industry. The ability to represent agreements or processes with documents is key for any financial transaction. Interestingly, some of the earliest examples of historical writings, Babylonian clay tablets, were in effect accounting ledgers. Even as document creation has moved from clay to paper to digital, many parts of the industry are still playing catch up. Often times, organizations and processes still rely on hard copies for most or all documentation.

There are reasons for this. Regulation and compliance are as important as ever. Security and Personally Identifiable Information (PII) requirements are growing more stringent. Product complexity is increasing. At the same time, customers are expecting more from their banks, insurance, and investment companies, while online competition is growing. Financial services companies are seeing both competitive advantages and requirements in digital transformation. Each customer touchpoint is an opportunity to delight customers and deliver more value, but only if processes, workflow, and employees are set up for success.

In this paper we will explore some of the challenges of taking documents into the purely digital realm, and how doing that effectively can make the right digital document productivity solution a key first step to digital transformation.

Such a solution can materially impact financial businesses by improving operations and the quality of in-branch and in-person customer touchpoints. Organizations now have the tools to empower employees in a connected world, rather than leaving those employees, and the customers they are serving, feeling they are technologically twenty years behind.



Credit: Metamorworks

## Key Benefits of Document Management for Digital Transformation:

- ✓ **Hard cost savings** from the reduction of printing supplies.
- ✓ **Per employee software licensing cost reduction.**
- ✓ **Business gains** with more time spent building relationships and cross-selling products rather than administrative time printing, scanning, and signing documents.
- ✓ **Employee and agent retention.** In financial services, employee engagement is key; they are your assets. The right digital tools go a long way to ensuring engaged representatives and a better return on training and onboarding dollars.



## The Challenges of Document Productivity in Financial Services

The wrong document solution hinders workflows, especially if the chosen solution cannot be economically deployed to everyone in an organization. A software deployment, limited for cost or complexity reasons, invites bottlenecks- as people wait for the employee who has the software to be available, or leads to unnecessary human error as forms are filled in by hand and submitted electronically later (if at all).

The problems arising from not digitizing documents properly are not just a slower pace of business. We have seen examples of the wrong customer information shared by email, the wrong interest rate quoted, missing components of insurance policies, and even worse, payments not made accurately by employees relying on “checking that piece of paper.”

### Challenge: A Fast-Moving and Highly Regulated Environment

There is clear tension between security, compliance, and speed of execution. As business moves faster, are processes speeding up to respond? Can you be sure that your employees are working according to clear, predictable, and auditable workflows? If you are relying on by-hand processes with mistakes caught after the fact, how does that look to your clients? Mistakes happen; do you want to explain how your cobbled-together legacy system almost worked, or have a clear strategy where an expert is delivering the capability and a believable Service Level Agreement (SLA)?

In the consumer sphere, PII is a key issue across all areas of financial services. GDPR in the EU has raised the stakes. In most cases, this should already be part of the working mode, even in the predigital transformation era. Digital document solutions need to be built to support the same standards, and should be able to do much better than “paper kept in locked cabinets.”

## **Challenge: Customer Relationships are Key**

Every minute employees spend on manual processes is a minute that they are not working with customers. Many parts of the financial services space hinge on personal relationships. Businesses are looking to ensure they maximize those relationships by cross-selling products to existing customers. When a representative has a customer in front of them, they should be spending time with the customer, not with the printer.

In larger institutions and fund management businesses, regulation is driving more client interaction. One example we have seen is monitoring anti-money laundering (AML) requirements for an international investment fund. These requirements mean increased engagement with clients to ensure that ownership information is up to date. This is painstaking, detailed compliance work and can be frustrating for all involved. We have seen this kind of work substantially improved with an elegant digital-driven workflow, rather than a clumsy, intrusive, manual set of checks.

## **Challenge: Employees Need the Right Tools, that Fit Into Business Processes**

Many solutions today are overkill, both from a functionality and a cost point of view. They deliver end to end document creation capabilities, rather than focusing on the role of the document in a process. Most employees do not need to create entire documents or work with solutions that facilitate that. Typically what is needed is limited customization (client name and details, with the loan amount, term, and payment schedule, or insurance premium and coverages), within a very standard document. This functionality naturally comes at a cost, so often relatively expensive software is only licensed for a small number of employees in a given branch or department.

There is another emerging dynamic here on the employee side. Our experience has shown repeatedly that providing the right tools is key to employee engagement. Today new employees want to make an impact quickly, rather than serving an apprenticeship, and they do not expect to waste time on a 20<sup>th</sup> century print, sign, and scan process.

## Improving the Digital Experience to Ensure Clients Get the Most Out of Face-to-face Interactions

2016 Federal Reserve Survey of Consumer Finances (SCF)

### Customer satisfaction and revenue

**impact.** Professionals spending more time with customers, building relationships, and uncovering needs, are building value for the company; professionals who are busy managing wet ink signatures across multiple documents manually are freed up when a digital workflow and Electronic signature is permitted. Leveraging a digital document solution can ensure compliance while increasing time for cross-selling – a key to business success today.

Cross-selling requires time to focus on and identify customer needs. Is the customer who is running late getting cash for her employees every Friday a candidate for a better payroll solution? Is someone who has started to deposit checks on a consistent basis a candidate for a small business loan? Maximizing the return on face-to-face interactions can be a key driver here.

## DIGITAL DOCUMENT SOLUTION **IMPACT**

**500 THOUSAND**   
bank tellers in the US and

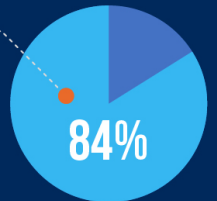
**1.1 MILLION INSURANCE AGENTS** 

For those bank tellers, two additional interactions a day is **200 million** more customer touches a year.

*How many more products could that represent?*

The 2016 Federal Reserve Survey of Consumer Finances (SCF) contained new questions asking whether respondents visited a local bank branch.

About **84 percent** of households with a checking or savings account **reported visiting the local branch** of the institution of their main savings or their main checking account within the last year, and almost all households who visited their local branch did so to use banking services other than just the ATM.



As the Federal Reserve concluded, *branch banking is alive and well for consumers- and for tasks beyond just getting cash.*

**MOST SMALL BUSINESSES**  
have **EVEN MORE** in-person requirements, and a wider range of financial needs.

Perhaps a little surprisingly, retail banking customers are not moving away from branch banking, and at the same time, banks are opening more branches. The introduction of ATMs means that tellers can move away from a security window to a more customer friendly desk, encouraging sit down engagement. The teller has a computer they are using for customer and product information, why is that not also helping to execute transactions?

Tellingly, some of Bank of America's marketing behind their new "What would you like the power to do" includes posters (see figure 2) in branch windows with the call to action "Let's talk inside" (rather than, for example, "download our mobile app").



Photo credit: Ed Simnett



**Figure 2: Example of Call to Action marketing**



**Impact on employee engagement.** Giving employees up-to-date technology will keep them engaged. This is especially important for today's digital natives. Employees leave firms that do not empower them. The costs of employee turnover tend to be hidden but very high. Recruiting and retaining staff, your most critical business asset, will certainly be a significant element of operating costs.

**Impact on standardization of tools and processes.** The right solution will come at a per-user price point that enables everyone in an organization to deal with digital documents, not just the lucky few.

Organizations gain flexibility by ensuring everyone in a branch can edit a mortgage application or print out a customized insurance quote while working within a trackable, standardized process. This is enabled by having the right solution, integrated with existing systems and processes, at the right price point.

**Impact on cost savings.** Reducing printing and scanning has a clear direct cost impact. There is less expense for paper and ink, savings on service and maintenance, and medium-term reduction in capital spending on printers and scanners.



## A Scalable Digital Experience Including Integrated Document Productivity

A great digital document solution will integrate into existing processes. It will be intuitive, easy to use, affordable, and made available to everyone in the organization as a standard. It will also meet the security, compliance, and operational requirements critical to financial services. Most importantly it needs to be used, so implementation and change management become key elements of success, and the right package will also track that new usage, with simple, usable analytics.

Working with experienced employees to understand existing processes, whether planned or ad hoc, is an essential first step to identify any operating problems. Has a recent change in location or personnel for a task created new issues? In a recent consulting engagement with a fund manager, it was discovered that fund reconciliations were moved between offices and a new process started without a complete review of the existing process nor with enough overlap of personnel. Are undocumented, manual processes being used that need to be automated?

In any project implementation, it is important to track progress with the right metrics. As organizations start to consider a new document solution it is critical to consider what success will look like and what KPIs need to be tracked. Typically this covers a balance of organizational efficiency combined with business results, which might include for a financial services company:

- What is the number of customer touchpoints?
- How effective is the product cross-selling?
- What is the staff attrition rate, especially among newly hired staff?

It may also be important to consider the impact on existing KPI measurements. For example, will your existing customer satisfaction workflow capture the improvements in

engagement and efficiency in execution that a digital document solution should deliver?

Your partner's Customer Success Management (CSM) team should play an equal role throughout the implementation. This team should be more than glorified support reps. They should understand the industry and engage with you early to help define processes and metrics. In addition, the CSM team should be able to help to analyze usage data from core analytics capabilities. It remains important to know how (and how many) users are engaging with the solution, both to identify strong and weak points in implementations and to optimize workflows.

## Strategies for Implementation

**Start with a pilot:** Use the metrics you are looking to track and then work with a set of branches, or a specific set of products, against those clear goals. Lots of small steps will usually work better than Financial Services: Document Productivity and the Digital Experience 9 single big leaps. So scope pilots appropriately, and ensure you have key decision-makers engaged from the start.

**Review and iterate:** After you have reviewed the key indicators to track with your implementation partner, are you collecting the data, and regularly reviewing it? This is where you can find that super elaborate plans break down. Simple and quick, or 80/20 solutions, should capture enough data to provide the required feedback. It is easier to dig into problem areas or go a level deeper in tracking over time than it is to simplify something that has already been rolled out.

**Build on success:** After a successful pilot, work on the right expansion strategy. This can be horizontal, across more branches, or vertical, across product lines. Also look hard, with the Customer Success Team of your vendor, at processes that you have been able to simplify. What lessons can be learned and applied more broadly? Remember also that digital transformation is a journey, not a destination. Smaller changes can reap outsized rewards over time and do not be afraid to revisit early wins to keep optimizing.

# Conclusion

Digital transformation is a great opportunity for financial services companies. As documents and agreements are core to every aspect of the business, implementing the right digital document solution is a key part of overall digital transformation, and a great place to start that transformation.

In a world of increasing velocity of business, combined with more and more complex compliance and security requirements, digital solutions allow for greater reliability and trackability. Manual processes often break down as unintended consequences of other operating changes.

Digital documents improve both customer and employee experience. Giving employees the right tools lets them focus on dealing with customers, not documents, building relationships and cross-selling, rather than fighting the printer.

As digital natives enter the workforce, providing the right tools to everyone in an organization is key to employee efficiency and can materially impact retention (thus lowering recruitment costs).

Executing on this is not easy. The right vendor will provide real support throughout the implementation cycle, not just at the time of sale. The most successful implementations start with pilots, with clear success metrics, and then build from those first successes. At the end of the day, digital transformation is a journey, and digital documents are a key part of that journey.

## About Nitro

Nitro is a document productivity company. They make it simple for business teams to convert, share, sign, and analyze documents on any device. Founded in 2005 in Melbourne, Australia, Nitro is used by more than 650,000 businesses, including over half of the Fortune 500. Nitro headquarters are in San Francisco, with offices around the world. Accomplish more with documents and make work more productive at [GoNitro.com](https://GoNitro.com).

## About Ed Simnett

Ed is an experienced technology executive and advisor. He works regularly with F500 companies, recently including Microsoft, Cisco, and Adobe, and start ups, on product, go to market and partner ecosystems, with an emphasis on how these critical strategy elements can work together. As an executive at Microsoft, he worked on enterprise communications, and at Nokia he focused on mobile software and services. His work at GigaOM focuses on communications, mobile and IOT, and the impact of technology on business processes.

Ed is regularly called on to speak at technology events around the world, from Silicon Valley to Hungary to Uganda. He has served as Chair for the Advisory Council of the Pacific Telecom Council, and is on the board of several early stage technology businesses.



# About GigaOm

GigaOm provides technical, operational, and business advice for IT's strategic digital enterprise and business initiatives. Enterprise business leaders, CIOs, and technology organizations partner with GigaOm for practical, actionable, strategic, and visionary advice for modernizing and transforming their business. GigaOm's advice empowers enterprises to successfully compete in an increasingly complicated business atmosphere that requires a solid understanding of constantly changing customer demands.

GigaOm works directly with enterprises both inside and outside of the IT organization to apply proven research and methodologies designed to avoid pitfalls and roadblocks while balancing risk and innovation. Research methodologies include but are not limited to adoption and benchmarking surveys, use cases, interviews, ROI/TCO, market landscapes, strategic trends, and technical benchmarks. Our analysts possess 20+ years of experience advising a spectrum of clients from early adopters to mainstream enterprises.

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