

Top Financial Services Provider Deploys Image Enablement and Loan Process Automation, Saving \$4.7 Million

Improved Customer Responsiveness, Compliance, and Process Standardization also Realized

The Client

The client is a Top 20 U.S. bank with more than 1,500 branches in more than a dozen states. It is a full-service provider of consumer and commercial banking, trust, securities brokerage, mortgage and insurance products and services.

The Problem

While the bank had already adopted a centralized scanning and archival capability for post-close processing of their consumer, commercial and business banking loan documents, its primary operational workflows and lending processes remained largely manual and paper-intensive. Bank management knew that operational costs, service levels, and compliance could be significantly improved through better deployment of image capture and workflow tools, and this became their mission. Imagine Solutions was invited to play a central role in building a solution that would address the following objectives:

- Improve overall efficiencies in loan operations through paper elimination and workflow automation
- Reduce costly operational re-work activities that arose from errors and lost documents
- Streamline the post-close audit process and reduce paper-related costs in this function

The Solution

Imagine delivered the solution in two phases – Image Enablement/Process Automation and Exception Management/Advanced Process Optimization.

In the first phase of the project, Imagine Solution's ECM consultants designed and implemented a comprehensive streamlining of the bank's loan operations workflow, using **Imagine's Encapture®** platform to digitize paper at the first point of touch and **IBM's FileNet P8** to automate workflow and document storage.

Like many organizations, the bank used a number of third-party vendors for various discrete steps in post-close loan processing such as appraisals and titles. Imagine created workflow-driven routing between all parties, with provisions to ensure each step in

“Not only did we garner large savings at a time of economic uncertainty, but now the quality of our loan operations will be a decided competitive advantage as lending recovers across the sector. And in today's environment of far-reaching regulators, we have compliance peace-of-mind from the solution.”

*Encapture user,
Top 20 financial services
company*

the process was performed in timely fashion, and that the documents were prepared properly, verified, and uploaded back to the bank's loan processing systems.

Another key concern of the bank was the number of calls made to loan processing associates regarding the status of loans. This situation resulted in poor customer service and a burden on loan processing staff that had to perform the time consuming research. To address this concern, Imagine created a self-service "where is my loan" feature that allowed loan officers immediate access to the status of their loans.

Imagine's solution enabled multiple parties in the loan processing department to access the digital document simultaneously. This capability meant that each group in the process no longer had to make their own copies of various documents and store them. This solution not only eliminated considerable expense but it also reduced the bank's exposure to customer privacy concerns occasioned by multiple copies of sensitive documents.

The second phase of the project addressed streamlining the exception management process across the life-cycle of the loan and integrated it into the workflows developed in Phase 1, making the overall post-close processing even more efficient. The primary challenge was to make sure that all documents were properly filled out and filed, all necessary compliance steps taken, and all necessary approvals received. Imagine automated this entire process by creating a unique interview-based decision tree, where certain answers to questions automatically trigger additional follow-up work or require additional documents to be provided. This solution tracks progress against completion, and it notifies the appropriate parties when a step has been completed or when it is late.

The Benefits

The early benefits of the project were identified and rapidly realized. They include:

- Reduced recurring annual labor costs by over \$4 million.
- Reduced systems-related costs by \$750,000 and improved operational efficiencies as a result of the consolidation of two separate loan systems.
- Improved service including better responsiveness to loan customers and better communications with loan officers.
- Reduced compliance exposure by automating the post-close processes.
- Increased visibility and standardization of the post-close process. This was especially important to the bank, given the risk exposure of incomplete files.

Achieved ROI:

- ✓ \$4 million plus in headcount savings
- ✓ \$750,000 in reduced systems costs

To see how your organization can experience similar benefits, contact Imagine Solutions today at:

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