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Building Better Digital Document Workflows in Banking to Thrive in a Disrupted Environment

Banks have made great strides in implementing digital workflows, however the recent crisis has exposed critical opportunities for further improvement. According to a new Arizent Research/American Banker study—commissioned by Adobe—more than one-third of bank professionals express that their implementation of digital workflows for automating customer and employee processes are only poor or at most good as compared to very good or excellent.

As one banking leader who took the survey summarizes, “Digital workflow needs have always been a concern for us, but COVID-19 has made a lot of the top-level management here realize that we need to adapt faster to the changing environment and financial landscape.”

Even before COVID-19, banks were increasingly focusing on digital channels, migrating brick-and-mortar activities to web and mobile applications while downsizing branch networks. Recent events have accelerated these trends and pointed to process gaps where additional focus is needed. Adopting e-signatures and other digital document advancements helps streamline banking processes from account enrolling, onboarding and servicing to document management and certifications. This enables banks to better aid customers impacted by the pandemic while also empowering a mostly remote workforce—often in a matter of days.

This white paper summarizes the study findings and provides bank professionals with insights to help their digital workflow journey. Key findings include:

- Digital workflow implementation wins and challenges
- Digital application usage and planning
- Overcoming barriers to technology adoption

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Digital Workflow Implementation Wins and Challenges

While many bank professionals rate their institutions highly on overall digital workflow implementation, they are less confident when employee and customer experiences are parsed out. Only one-third of respondents indicate their institutions are excellent at implementing digital workflows on the employee side, which include administrative and human resources functions, as well as actions that are an extension of customer-focused activity, such as asset verification and loan origination. However, these same bank professionals rate their institutions' performance better when it comes to customer-facing digital workflows, which include such things as account applications, onboarding and credit/loan applications. In fact, nearly 50% rate efforts to implement customer-facing digital workflows as excellent. The takeaways from this are that: 1) implementation of digital workflows that enable employee experiences lag those of customer experiences, pointing to where banks may want focus some of their technology investments; and 2) both areas, employee and customer experiences, would benefit from the additional digitization of processes.

While bank professionals indicate a good start on digitization, with the onset of the pandemic an expanded list of challenges now faces banks across both the employee and customer experience spectrums. Nearly 60% of respondents cite meeting new and changing customer needs as a key challenge, followed by moving client-facing interactions to digital channels (55%) and addressing security vulnerabilities created by employee devices or networks (50%). These challenges are translating into difficulties acquiring and onboarding new customers at 74% and 60% of banks respectively according to another Arizent Research/American Banker study.¹

"Rapidly changing customer needs, which have to be addressed in fully digital channels, create an immediate need to revisit client-facing and internal processes," says Natalie Myshkina, Financial Services Strategy and Strategic Development Lead at Adobe. "Document management, asset verification and e-signature platforms are essential to have in place to serve clients, meeting the immediate challenges and laying a foundation for the future. We see many organizations with these systems in place going through major rethinking and redesigning processes to support clients. And almost half of companies expanding the use of their e-signature platform demonstrates the magnitude of this trend."

In terms of the functional areas that respondents believe have the highest level of maturity in the implementation of end-to-end digital workflows/processes, they say that IT (54%), customer service/experience (31%) and analytics/business intelligence (30%) are leading the way. On the flip side, legal (26%), procurement (25%) and marketing (21%) top the list of functional areas with the lowest level of maturity in the implementation of end-to-end digital workflows/processes. Banks may want to evaluate their own success in these areas as they continue to refine and enhance their plans moving forward.

¹<https://www.americanbanker.com/news/how-covid-19-cratered-customer-acquisition-profitability>

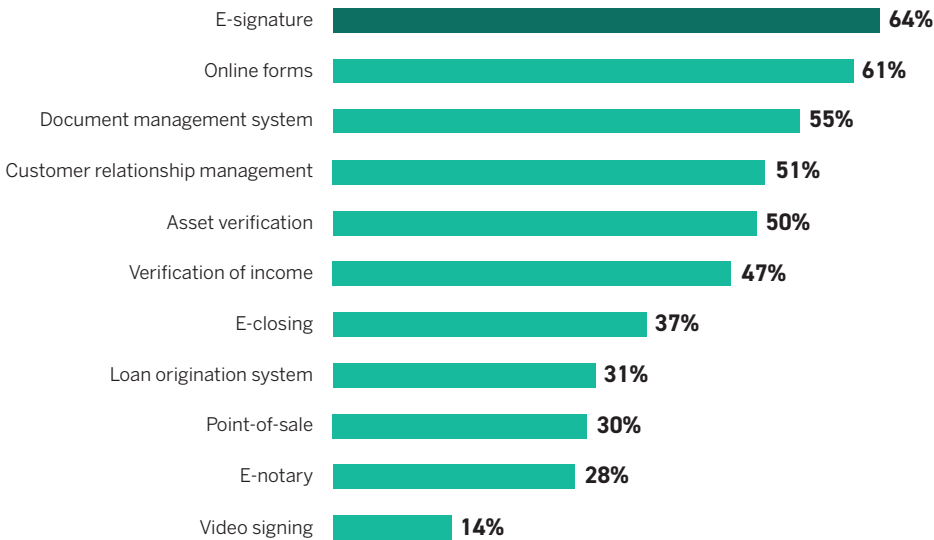
Adopting e-signatures and other digital document advancements helps streamline banking processes, enabling banks to better aid customers while also empowering a remote workforce.

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Drilling Down: Application Usage and Planning

E-signature is the most common digital application used by respondents (64%) followed by online forms (61%) and document management (55%). (See Figure 1.) This stands to reason, since the latter two build upon the benefits of e-signature to streamline and expedite critical processes for both customers and employees.

Figure 1: Digital Applications/Software Bank Respondents Are Using



Source: Arizent Research/American Banker, August 2020

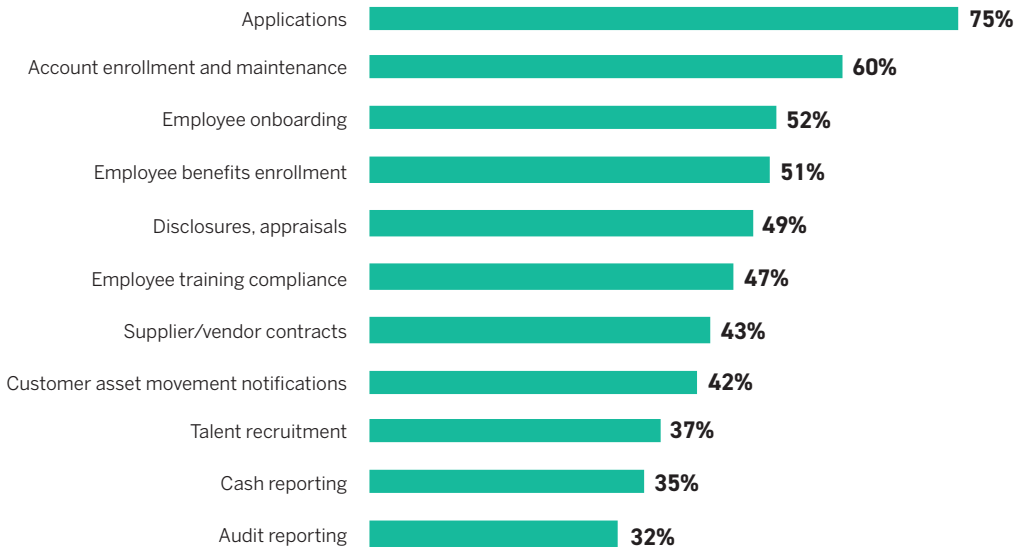
Use of e-signature is often a leading indicator of an organization's commitment to digital workflows across the board. In fact, bank professionals who use this technology rate their end-to-end digital workflow implementation as extremely or very good (88%) versus those at institutions who don't use the technology (68%). Banks have no doubt found e-signature to be particularly beneficial during a time when many employees are working remotely, and many customers are doing their banking online.

Applications, account enrollment/maintenance and employee onboarding are among the top e-signature use cases at banks today (see Figure 2), and usage is expected to grow as nearly half (45%) of the bank professionals surveyed plan to update or invest in new e-signature technology within the next 12 months. This increased investment presents opportunities to expand e-signature usage across different parts of the digital document workflow process, including functional areas that may be less mature in this capacity.

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**–Natalie Myshkina,
Adobe**

Figure 2: E-signature Use Cases Among E-signature Users

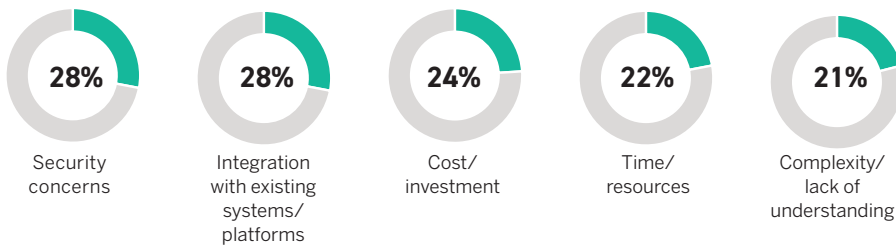


Source: Arizent Research/American Banker, August 2020

Overcoming Barriers to Technology Adoption

While banks continue to make gains on implementing technology to advance their digital workflow processes, they still face barriers that need to be addressed when selecting a vendor. Bank professionals cite security and integrating with existing systems or platforms as their top barriers to investing in a major technology or software solution at their institutions (28%) (see Figure 3).

Figure 3: Barriers to New Technology Investments for Bank Respondents



Source: Arizent Research/American Banker, August 2020

Two areas in particular—seamless systems integration (39%) and the highest level of security (36%)—are top considerations for banks when choosing a vendor to help implement and support digital workflow solutions. As Myshkina says, “Given ever-changing client needs, target solutions have to be deployed and integrated in very short timeframes, so integrations with existing platforms are becoming more critical. As changing business conditions drive the need for more digital interaction and compressed timelines for technology implementation, using agile API solutions, as well as out-of-the box integrations is becoming even more critical.”

While many banks are already using an e-signature application in some workflows, a number of opportunities exist to expand adoption across different parts of the digital document workflow process.

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Fortunately, e-signatures and digital dashboards can integrate seamlessly with existing enterprise platforms to provide transparency and visibility into documents in the systems that are already used every day. Consider, for example, a mortgage application with multiple forms or a document that needs to be reviewed and signed off on by people in four different departments before being sent externally. “You can see on the dashboard where that document is routed, how long it takes, who has not responded, when they viewed it and other types of information,” Myshkina says.

Building on Progress

As banks continue to investigate and implement tools and solutions to streamline and enhance their digital document workflow processes, they should look to the experiences of other banks and lean on vendors for ideas and support. For example, to improve their customer experience, banks are investing in technologies such as video signing or remote online notarization (RON) to maintain human contact while keeping the business flowing. To help their employees, banks are investing in technologies to support them with data analytics or to extract valuable data out of thousands if not millions of documents and files. They are also investing in tools that enable digital workflows while improving their security and compliance by replacing outdated processes.

Now is the time for banks to accelerate their digital workflow implementation efforts given the unique challenges and constraints of ongoing business conditions. To that end, a high-performing e-signature solution and end-to-end digital document workflows are critical elements that empower remote teams to get work done and provide exceptional experiences for both customers and employees in varied circumstances.

As one C-level survey respondent says, “COVID-19 has accelerated the digital revolution or workflow in my institution. We previously didn’t focus on investing in communication tools. But as the global pandemic was on and remote working was implemented, we had to make technological innovations to keep up with the workflow and meet our customers’ demands for better service.”

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Adobe

Methodology

In August 2020, Arizent Research/American Banker conducted an online survey among its subscriber base. A total of 201 bank respondents with digital workflow technology decision-making involvement completed the survey. Qualified respondents were employed at commercial/retail banks with \$1B+ in assets. In the survey, digital workflow was defined as a series of sequential tasks to execute a business process using digital/automated applications/software.



About Adobe

Adobe Sign helps financial services institutions thrive in times of change by delivering exceptional customer and employee experiences and driving efficiencies—across any surface, at any scale. By digitizing processes complete with e-signatures and forms, institutions are able to transform existing processes into uninterrupted, 100% digital document workflows that are legally binding and globally secure.

Adobe's market-leading security and compliance standards help ensure everything is in place to protect institutions and their customers, while freeing staff to focus on delivering the best possible customer experience. Already trusted by many of the world's leading financial institutions, your path to digital document advancement is just a call or click away.

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