Banking Customer Onboarding Process

Overview:

The Banking Customer Onboarding Process is designed to facilitate the seamless enrolment of new customers into banking services. It encompasses various stages, including gathering customer information, verifying addresses, capturing personal details, assessing creditworthiness through credit score generation, and making decisions based on the obtained credit score. Additionally, the process incorporates a team collaboration feature to ensure timely approval by sending reminders to designated approvers within specified timeframes. Non-interpreting timer events are utilized to trigger these reminders, enhancing process efficiency and adherence to approval timelines.

Objective:

The primary objective of the Banking Customer Onboarding Process is to establish a structured and efficient workflow for welcoming new customers to banking services. This includes accurately collecting and verifying customer information, assessing their creditworthiness, and making informed decisions regarding their applications. By implementing team collaboration functionalities and non-interpreting timer events, the objective is to expedite the approval process by reminding approvers of pending tasks within predetermined intervals. Ultimately, the goal is to enhance customer satisfaction, streamline onboarding procedures, and maintain compliance with regulatory requirements while minimizing delays in the approval process.

Client: One of the Leading Financial Services Firm (US Based)

Industry: Banking

Describe the Problems the client is facing in detail:

* Lengthy Verification Procedures: Address verification, a critical step in the onboarding process, is often time-consuming and cumbersome. The current procedures for verifying customer addresses may involve manual checks or outdated methods, resulting in delays and inefficiencies.
* Creditworthiness Assessment Challenges: Assessing the creditworthiness of new customers relies on manual evaluation and may lack standardized criteria. Inconsistent credit assessments can lead to discrepancies in decision-making and may result in either overly cautious or lenient approvals.
* Approval Process Bottlenecks: The approval process for new customer applications may suffer from bottlenecks and delays, particularly when multiple approvers are involved. Lack of streamlined communication and clear accountability can prolong decision-making, causing frustration for both customers and internal stakeholders.

Describe the tools the client is using currently:

NA

Describe the tools/automation suggested by surge team:

* Real-time monitoring and reporting capabilities – CAMUNDA OPERATE, OPTIMIZER
* Orchestrate HUMAN TASK – CAMUNDA TASKLIST
* Scalable architecture to accommodate growing business needs.

Describe the Solutions provided in detail:

* Advanced Address Verification: Utilizing modern address verification solutions, such as address validation APIs, accelerates the verification process. Real-time validation checks against authoritative databases ensure the accuracy of customer addresses while minimizing manual intervention and expediting onboarding procedures.
* Credit Score Automation: Introducing automated credit scoring algorithms facilitates swift and standardized creditworthiness assessments. By analysing factors such as income, debt-to-income ratio, and credit history, the system generates credit scores with greater precision, enabling consistent decision-making and reducing the risk of subjective biases.
* MS-Teams Connector Integration: To improve communication and collaboration among team members involved in the onboarding process, the solution integrates with Microsoft Teams through a dedicated connector. This integration enables automatic notifications, alerts, and task assignments within Teams channels, ensuring timely updates and facilitating seamless coordination among stakeholders. Team members can receive notifications about pending tasks, upcoming deadlines, and escalations directly within their preferred collaboration platform, enhancing visibility and fostering collaboration.

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* Non-Interrupting Timer Event: The solution utilizes non-interrupting timer events within the workflow orchestration to implement time-based triggers without interrupting the flow of the process. Non-interrupting timer events allow for the scheduling of reminders, escalations, and follow-up actions based on predefined time intervals or conditions. For example, if an approver fails to act on a task within a specified timeframe, a non-interrupting timer event triggers an automatic reminder notification to the approver and initiates an escalation process to ensure timely resolution. This proactive approach helps prevent delays, minimize bottlenecks, and maintain the efficiency of the onboarding process without disrupting ongoing tasks or activities.
* Workflow Orchestration: Implementing workflow orchestration tools enables the automation and optimization of approval processes. Predefined workflows define the sequence of tasks, assign responsibilities to approvers, and incorporate decision criteria based on credit scores and risk profiles. Automated notifications and escalations ensure timely action and mitigate bottlenecks.
* Task Tracking and Monitoring: Centralized task tracking and monitoring dashboards provide real-time visibility into the status of customer onboarding tasks. Stakeholders can track the progress of applications, monitor pending approvals, and identify areas requiring intervention or follow-up. Performance metrics and KPIs enable continuous improvement and optimization.

Implementation Process:

The below steps explain the implementation done for this case study:

1. Customer Registration:

* The customer signs up by providing a username, email address, and password.
* An OTP (One-Time Password) is sent to the provided email address.
* The customer verifies their identity by entering the correct OTP.

2. Address Verification:

* After successful OTP verification, the customer is directed to the address verification page.
* The customer enters their address details, including landmarks, state, and city.
* The provided address is validated using a government-provided Address Verification API.
* If the address is valid, the process proceeds to the next step.

3. Personal Details Collection:

* The customer provides personal details such as first name, last name, age, date of birth, annual income, and gender.
* The age and annual income are used to calculate the customer's credit score.

4. Credit Score Generation:

* Based on the customer's age and annual income, a credit score is generated. We can customize the score generation for complex business rules
* Credit scores are categorized into three levels: high, medium, and low.

5. Decision Branching:

* If the credit score is \*\*high\*\*, the application is automatically accepted by the bank.
* The bank sends a congratulatory email to the customer.
* If the credit score is \*\*low\*\*, the application is automatically rejected.
* The bank sends a rejection email to the customer.
* Customer details are added to the Customer Relationship Management (CRM) system.
* After 6 or 12 months, a reengagement reminder is scheduled to encourage the customer to reapply.
* If the credit score is \*\*medium\*\*, the application is sent to an approver.
* The approver reviews the application.
* The approver can choose to approve, reject, or request additional documents from the customer.
* If additional documents are required, the approver sends a query to the customer via email.

6. Customer Response:

* The customer receives the query and responds with the requested information or clarifications.

7. Approver Notifications:

* If the first approver does not act on the task within a specified time, the task is automatically assigned to the next-level approver.
* The first approver is notified before reassignment.

Results:

After successfully implementing the solution, the team conducted a demonstration to the sales team, showcasing the functionality and benefits of the integrated system. The sales team provided positive feedback on the solution's usability, functionality, and potential impact on their daily workflows.

Conclusion:

The Banking Customer Onboarding Process efficiently manages customer sign-ups while ensuring accurate address verification, personal details collection, and automated credit score-based decision-making. It enhances customer experience, and facilitates seamless communication between customers and approvers. Additionally, it incorporates mechanisms for task escalation and reengagement for rejected applications.