



DIGITAL INTELLIGENCE

FINANCIAL SERVICES EXPERTISE X AUTOMATION

AUTOMATING CREDIT CARD CUSTOMER ONBOARDING PROCESSES



In the extremely competitive financial services marketplace, acquiring new corporate credit card customers is never easy. Even once acquired, successfully onboarding these customers is often even tougher. Several documents relating to company credentials and financial statements need to be verified and vetted to meet complex regulatory requirements.

The complex nature of the documentation required for successfully onboarding a new client often leads to multiple handoffs and communications between the sales teams and the customer. The delay in getting the correct documents to complete onboarding leads to poor customer experience and a loss of revenue for the company. Moreover, a lack of digital automation in the process results in longer onboarding cycle times. The resulting delays negatively impact customer experience and lose revenue for the card company, as customers cannot be charged until they start using their cards.

EXL's client, a leading credit card company, faced this challenge. Their sales organization was responsible for both acquiring and onboarding customers.

As the sales team focused on making new sales and acquiring new clients, onboarding activities were often delayed. Document quality checks were missed, and incomplete or insufficient documents were being submitted, leading to multiple client follow-ups, significant rework, and delays.

EXL had an ongoing relationship with the firm for several years, having helped with developing analytics-driven insights and improvements for several of its other business processes. A consulting team from EXL noted that the credit card onboarding timelines hadn't improved despite many sales team trainings, workshops, and checklists. They then lead improvements by designing a document collection and verification process, and creating a CoE and a tracker for Digital Improvement initiatives to be deployed post process stabilization

Context

EXL's long partnership with the client and depth of financial services expertise helped the team to effectively analyze the root causes for the delays. Having identified loopholes in the mandated document quality checks, the team conducted structured workshops with subject matter experts, project leads, and functional experts to identify and plug these loopholes. They also properly defined the handoffs between the various teams involved in the process.

The key insight identified through these exercises was that the sales team needed to be unburdened of administrative tasks by setting up a dedicated onboarding Center of Excellence (CoE) that would directly interface with end customers. This would speed up the vetting and approval of the necessary documentation. Digital transformation opportunities including web crawling and automated data extraction from public and private sites, as well as robotic process automation, were identified while conducting client due diligence for delivering more efficiency to the process.

Orchestration

The rework rate was the opportunity that EXL Analytics team identified while working on one of the several business processes. EXL's consulting team conducted a BluePrint Diagnostics to look at the aspects of customer onboarding process. They recommended a framework which would improve the customer onboarding process, reduce rework rate, improve customer experience and increase revenue for the client. A team with the right mix of skilled resources and digital technologies was created with the primary responsibility of becoming an extension of the sales team and taking over all the onboarding responsibility including interfacing with the end customer and assisting in a seamless, successful onboarding.

EXL helped the client identify handoffs and the root causes of the delays, conducted structured workshops with downstream teams to identify the mandated checks on the supplied documents. Using EXL's financial services expertise in updating policies, the implementation teams worked in partnership with the business to reduce the overall processing time and make it seamless for the end customer.

EXL initially set up and staffed the CoE with limited personnel. This team developed training materials, a framework for best practice discovery and documentation, and a seamless reporting hierarchy between the CoE and the client. Once all onboarding related processes were completely transitioned to the new CoE and stabilized, the team moved on to drive process improvements using automation and digital technologies to reduce the manual efforts involved.

The EXL consultants interfaced with the client's Digital Solutions team in creating and deploying a Digital Onboarding Platform that was tightly integrated with the client's CRM platform.

The Digital Onboarding Platform provides flexibility to the Sales and Onboarding teams. Its automated web crawling and Know Your Customer (KYC) mechanisms cross-verify this data against various information sources public and private sources. Then, based on the verified data, business rules generate a risk profile of the customer, which is fed into automated underwriting programs for on-the-fly credit limit decisions. Only large credit limits above a specified value need to be manually validated by the Onboarding teams.

Outcomes

The intelligent solutions integrated by the EXL consultants into the redesigned workflow have greatly expedited the decision making and onboarding process for new clients.

The rework rate due to the earlier constant back-and-forth between the back office and the sales team has seen a drastic fall from over 52% to less than 5%. Further, the easy-to-manage policy changes and processes are seeing the benefits of a 15% increase in efficiency and a 30% increase in productivity.

The net result is that the digitally driven improvements have delivered an impressive 25% gain in turnaround time for processing of new applications. This has enabled speedy onboarding of customers, and the resulting early transactions and charge volumes have helped the client gain a quantified 3.2X return on the investment in the CoE.

But more importantly, the sales team is freed from the burden of administrative tasks, and is now able to completely focus on and drive the core task of new customer acquisition.

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SOLUTION SUMMARY

Client Challenge

- ▀ High customer onboarding time, leading to poor customer experience
- ▀ High rework rate leading to loss of revenue

Context

- ▀ Analyzing root causes and identifying process bottlenecks
- ▀ Recommended setting up a CoE with the right mix of skilled resources and digital technologies for substantially significant outcomes

Orchestration

- ▀ Transitioning and stabilizing all onboarding processes in the CoE
- ▀ Partnering with the client to help them create and deploy a digital onboarding platform with automated document verification and decision-making capabilities

Outcomes

- ▀ Reduced rework rates and faster onboarding
- ▀ 15% increase in efficiency and 30% increase in productivity
- ▀ 25% TAT gain in processing of new applications
- ▀ 20% year on year increase in new customers
- ▀ 3.2X return on investment

To find out more about how EXL uses Digital Intelligence to help banks and finance organizations transform, visit [this link](#).



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