



# THE BENEFITS OF TREASURY MANAGEMENT ONBOARDING



## EXECUTIVE SUMMARY

Bankers can be excused for feeling like their revenues are caught in a vice grip. Recent federal regulations are throttling credit card fees and overdraft charges—two mainstays of bank profitability. Meantime, historically low interest rates have taken the financial incentive away from attracting new deposits.

All of this has left bankers scrambling to maintain—much less grow—their non-interest income.

Doing it on the backs of consumers can be a dicey proposition, as illustrated by one bank's publicly lambasted plan to institute debit card fees. The public backlash forced the bank to abandon the idea.

Now banks are wisely focusing their attention on growing revenues from treasury clients. This is a win-win proposition for banks and their treasury clients: clients benefit from value-added service and banks deepen their relationships with their commercial customers.

To be sure, the breadth of treasury products now available at most banks—including remote deposit capture, integrated receivables processing, and electronic invoice presentment and payment, just to name a few—appeal greatly to businesses desperate to find ways to “do more with less.” And the market is surprisingly untapped. For instance, mid-tier banks have sold Internet cash management into less than 7 percent of their commercial checking accounts, according to a report by Cornerstone.



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But if banks want to maximize income from their treasury clients, they not only should consider what they sell to these clients, but also how they sell it. And that starts with a paperless environment.

Paperless Treasury Management Onboarding removes much of the complexity and cost from the traditional on-boarding process, speeds service delivery (and, in turn, time-to-revenue), and frees sales teams to focus less on paper-work and more on improving the customer experience and generating revenue.

**PAPER, PAPER EVERYWHERE**

Treasury management is one of the most complex operations in any bank, requiring several approval layers, lots of documentation, and detailed on-boarding procedures involving multiple stakeholders.

**THERE ARE 5 KEY CHALLENGES TO THE TREASURY FULFILLMENT PROCESS AT MOST BANKS:**

- 1. Treasury fulfillment tasks remain paper-driven.** Salespeople must manually create service agreements for each treasury product that they sell. If a prospect requests a minor change to the agreement, the salesperson typically has to create a new document and schedule another trip for the contract signing—delaying time-to-revenue, squandering “face time” with the customer, and opening the door for the customer to have second-thoughts. Sometimes, red-lined agreements are faxed back and forth between the bank and the prospect.
- 2. With individual agreements for each product, it’s not uncommon for clients to have to sign dozens of pages in order to buy multiple services.** One company had to sign 107 documents to buy its bank’s suite of treasury services.
- 3. Having individual agreements for each service requires salespeople to manually enter the same data multiple times, rather than automatically populating the fields with stored information.** This introduces more opportunities for error. Similarly, bank underwriting processes often require document validation that generates duplicate effort across treasury services.
- 4. It’s hard to control and track paper documents.** Typically, salespeople make multiple photocopies (so-called “shadow copies”) of the same document for routing to various stakeholders. And treasury departments rely heavily on faxing, departmental transfers, and e-mail to get paperwork to implementation teams, legal, and other key personnel. Most banks require an extensive checklist for routing paperwork; some have such complex approval processes that it’s still difficult determine where documents should be routed.



Deploying a paperless solution doesn't require banks to turn their business upside down. They can keep their existing processes and forms, while becoming more productive and efficient.

- 5. Paper processes make it hard for stakeholders to collaborate on agreements.** And since many implementation processes are linear, any delays in routing and approval can jeopardize a start-date. What's more, paper-driven processes make it difficult to track the status of an implementation, meaning sales officers typically get little warning that the bank won't meet an agreed-upon start-date.

The bottom line: paper-driven on-boarding processes for treasury services are too costly, too time-consuming, too error-prone and far too dependent on manual approval and tracking methods.

#### **Simplifying a Complex Process**

To maximize their revenues from treasury clients, banks should consider a paperless treasury environment. Combining electronic document origination, document imaging and automated workflow technology, a paperless treasury process is proven to help banks reduce costs, increase customer satisfaction, and free sales teams to spend more time improving the customer experience.

Best of all, deploying a paperless solution doesn't require banks to turn their business upside down. They can keep their existing processes and forms, while becoming more productive and efficient.

#### **HERE'S HOW IMPROVING THE TREASURY MANAGEMENT ONBOARDING PROCESS HELPS BANKS SOLVE THE KEY TREASURY FULFILLMENT CHALLENGES:**

- **It enables sales teams to focus less on mundane tasks such as completing paperwork and tracking an implementation and more on improving the customer experience.** A paperless treasury solution allows salespeople to easily create master agreements using an intuitive forms tool that eliminates the need to enter the same information multiple times or to cut-and-paste verbiage from Word documents. Multiple service agreements can dynamically be combined into one agreement, including any legalese associated with a service.
- **Salespeople can bring the agreements with them to customer meetings on an iPad or a laptop.** Clients can review documents using the iPad gestures to zoom or flip through pages. If a customer requests edits to an agreement, salespeople can use a stylus to quickly initiate the changes, without ever leaving the client's office. Similarly, service agreements can be initiated "on the fly" for spur-of-the-moment sales. While documents reside on the iPad, they are encrypted to secure sensitive data. And the camera on the iPad may be used to capture photos or digital images of related documents and attach them to the agreement so that client documents always stay together. All of this creates a "wow" factor.



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- **With a paperless treasury solution, multiple signatures can be applied to an agreement electronically using an iPad or a signature pad.** Signed documents and any related scanned paperwork can instantly be sent to a bank's central operations over a 3G connection or via a VPN connection using Wi-Fi (the documents will arrive at the bank's operations before the sales person gets back to the office).
- **Once documents are sent back to the bank, they automatically enter a workflow where they are electronically routed for approvals and implementation.** The bank can configure the workflow to its unique business rules and process standards, ensuring that documents are routed to the appropriate processing staff and that services are delivered on time. Since signed agreements and related documents are routed electronically, processors always have the required information at their fingertips. What's more, multiple products can be setup simultaneously, without the need to photocopy a single sheet of paper.
- **Replacing manual processes with the electronic routing of service agreements and related documents speeds order fulfillment, and, in turn, accelerates time-to-revenue.** A paperless treasury solution completes in four hours or less the tasks for which today's paper reliant processes require two to four days. Similarly, managing documents electronically does away with the need to make multiple trips between co-workers' desks and copiers, printers and fax machines. Staff will spend at least 10 to 15 percent less time on fulfillment processes.
- **Salespeople can receive updates via e-mail when client services are approved and implemented.** Reports and a real-time dashboard help identify potential bottlenecks. And the entire process is tracked (with an audit trail) to ensure that nothing falls through the cracks.
- **A paperless treasury environment virtually eliminates the chance of lost or mis-filed documents, abolishes the need for physical document storage, and improves access to archived documents.** A paperless solution indexes documents automatically, reducing data entry errors, expediting documentation tracking, and automating the audit process.
- **Digital documentation and electronic signature capture increases customer privacy and security, guarantees document authenticity, and increases compliance with government standards and audit practices.** With a paperless treasury solution, banks will be prepared if federal regulators require a record of the risk information disclosed to customers.



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- **A paperless treasury solution can be used to create an Internet-based, self-service enrollment platform for retail banking services, such as mobile remote deposit capture.**

Overall, the initiative has resulted in a 10 to 15 percent reduction in the time the bank's staff spends on the fulfillment process, and fulfillment turnaround time has improved by two business days, from signature to delivery.

**WASHINGTON TRUST BANK**

Through the deployment of a paperless treasury solution, Washington Trust Bank, the oldest and largest privately-owned commercial bank in the Pacific Northwest, has enabled its sales team to spend less time pushing paper and more time in front of their customers closing business.

In 2011, Spokane, WA-based Washington Trust Bank implemented the paperless treasury solution from Deluxe. The paperless solution is integrated with the Optima IMS enterprise archive platform deployed at the bank, also provided by Deluxe.

The paperless treasury solution has enabled Washington Trust Bank to automate its treasury order fulfillment process using technology for electronic document origination, document imaging and automated workflow. The initiative has eliminated the need for the bank's sales teams to manually prepare, print, carry, and mail the documents necessary when meeting with commercial customers.

The technology even allows use of a tablet or iPad to initiate orders and close the sale immediately with the signing right at the customer's office. Additionally, a complete audit record is created through the cycle and process standardization can be implemented across the business unit.

**RESULTS FROM PAPERLESS**

Overall, the initiative has resulted in a 10 to 15 percent reduction in the time the bank's staff spends on the fulfillment process, and fulfillment turnaround time has improved by two business days, from signature to delivery. Since moving to a paperless treasury environment, Washington Trust Bank also has seen fewer errors throughout the treasury order fulfillment process, a significant reduction in paper usage, and improved sales productivity and customer administration and management.



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“The promise of a paperless treasury solution offering financial institutions like us to enhance the business customer’s experience by improving operational efficiencies related to treasury order fulfillment and expediting response time to inquiries”

Jim Brockett, CIO

While Washington Trust Bank began this initiative in its treasury department, it plans to roll the technology out to its wire order fulfillment and small business and consumer lending groups.

### THE BOTTOM LINE

Treasury services offer banks a tantalizing opportunity to grow non-interest income.

But on-boarding treasury clients remains one of the most paper-intensive processes in any bank, making it costly, error-prone, hard to track and time-consuming for sales and support teams.

A paperless solution solves the key challenges with treasury fulfillment, all while providing additional value to commercial clients, and strengthening a bank’s relationship with its customers. At a time when banks are eager for ways to grow income, a paperless treasury solution is key.

### EXPANDING THE BENEFITS OF PAPERLESS

The Treasury Department is a great start to going paperless for any institution. Once you realize the benefits paperless solutions can provide, you can expand your paperless strategy across the bank:

- **Teller or Back Counter Imaging**
- **New Accounts**
- **Customer Service**
- **Lending**
- **ATM**
- **Safe Deposit Box Access**
- **Wealth Management**
- **Contracts**
- **Accounts Payable**
- **Human Resources**
- **And more!**



## ARRANGE FOR A PRIVATE CONSULTATION WITH DELUXE

Going paperless throughout the bank drives efficiency across the enterprise, improves workflow, enhances customer service and eases the audit process. Isn't it time you spent less time at the copier and more time with your customers? Think about going paperless and start in Treasury.

For more information or to arrange for a private consultation and overview of Deluxe's Treasury Management Onboarding solution, please visit [fi.deluxe.com](http://fi.deluxe.com) today or call 800-937-0017 to schedule a meeting or speak with one of our solution experts.



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### About Deluxe Financial Services

Deluxe Financial Services is a trusted partner to more than 5,600 financial institutions across North America, including 23 of the top 25 largest treasury management banks. We help our clients succeed in a competitive landscape through a diverse portfolio of best-in-class financial technology solutions. These solutions help clients target, acquire and retain customers; enhance the customer experience; improve efficiency; and optimize commercial and treasury operations.

Industry-leading companies rely on Deluxe Treasury Management Solutions to accelerate working capital, improve straight through processing, better serve their customers, control costs and drive profitable growth with in-house or outsourced offerings for receivables management, remote capture, treasury management onboarding and payment processing services.