Client Onboarding.

Minimise time-to-revenue: investing in the right technology.

Rupert Booth,
Business Development, Myriad Embus Limited

1st November 2016

We would all like to get rich quick; avoid all the pitfalls, not worry about losing capital, press a button, get a few updates and we're on our way to the millionaires' playground. It's just a dream – unless, of course, you win the lottery.

The same is true of on-boarding a client; it doesn't just happen because the prospect says "yes". There's a set of specific goals. You must gather correct client information, data and documentation, ensure continuous adherence to policy and comply with unending regulation, all the while providing transparency, accountability and communication throughout the process. Under-perform in any of these areas, then the process slows down, errors creep in, service will suffer and your client may fall by the wayside. Get it right and the client will have a good experience, the transitions will be smooth and trading will start that much earlier. Again, I'm talking an ideal world, but how can it be achieved? Read on.

Getting much of the regulatory compliance and legal obligations fulfilled once a relationship begins with a prospective client is the way to start. Really - this is preparation; call it 'pre-onboarding'. Embus coined the term and has forged the way in this practice. The tedious and time-consuming business of collecting data and documentation to support AML and KYC obligations (a need for anything up to 100 documents), as well as compliance with individual regulatory obligations such as FATCA, Dodd-Frank, EMIR and MiFID II can be prepared before on-boarding proper, in a semi-automated fashion, online and whilst accessing centralised documentation, storing prepared questionnaires in segregated repositories for later referral. An effective system like this completes much of the preparation for KYC and AML in readiness for on-boarding, which makes for a much swifter and hassle-free journey – particularly as the process is executed by several departments within the bank, along with the client, in tandem, on the same platform. All this while the relationship with the prospect is being monitored closely and all issues and contact tracked, resulting in a transparent process, formally organised and backed up by a comprehensive audit trail. So far, Embus provides a greatly improved scenario…but not, at this stage, a complete one.

Many institutions have moved beyond concentration upon client on-boarding as a concept in itself, moving towards a client lifecycle management approach, tracking, monitoring and ensuring compliance throughout the lifetime of the client by being capable of responding to new information and events. Embus recognises this. New data can be information- and event-triggered or gathered as part of a scheduled or ad-hoc compliance review, possibly generating a compliance response if materially significant. It can be used to enhance the existing client record, information which should be shared throughout the institution. Rapid, accurate and automated access to that data is essential in reducing the time it takes to achieve compliance with the overall regulatory framework and extends beyond faster on-boarding and improving overall time-

to-revenue. It also has, vitally, a positive impact on client experience. A client's on-boarding experience has a strong impact on the lifetime value of that client, with an inefficient process being the primary cause of lost deals for many banks. Expediting compliance and on-boarding times allows financial institutions to secure more satisfied clients and pave the foundations for future upsell and cross-sell opportunities.

All these things considered, a platform such as Embus, that encompasses everything, from prospect management to lifecycle management, is not just a sensible solution – it's also a very sensible investment.