

## Optimizing Corporate On-boarding - a guide for banks and corporates

### The corporate on-boarding headache

The list of factors that banks must consider to successfully on-board corporate customer payment flows is acknowledged to be onerous and lengthy. There are always the time consuming tasks of due diligence and KYC to overcome, but hurdles associated with the technical tasks of physically on-boarding the customer's transactional data remain high. These are often executed with inflexible and outdated technology where the data integration procedures can cause excessive delays and bring with them additional costs to complete.

Inherently, on-boarding a corporate's payment flows is a complex, lengthy and challenging process for both bank and corporate, but in this new era of digital banking it is becoming ever more popular among corporate businesses. Consequently, introducing efficiencies into this process by addressing the key barriers is a high priority for banks that need to compete in the corporate banking market across the globe.

### Barriers to easy on-boarding include:

- Differing data standards originating from corporate ERP systems cause delays and additional costs and thus force banks to consider whether a corporate's potential revenue is worth the effort of on-boarding
- Expertise in formats, validations, transformations, and workflows are vital skills that financial institutions find hard to maintain and nurture, especially in a competitive market
- Continuous change in regulation means banks must have flexible systems in place in order to comply quickly and easily.
- Outdated, legacy technology can mean the overall integration of the new corporate into the bank's payment processing systems can be time-consuming.

### Relationship, risk, reputation

The relationship between the bank and the corporate enterprise should ideally be based on a business and commercial footing. However this desired style of relationship and interaction is often stifled by being dominated by an IT Project driven relationship due to the complexities of the current IT and procedural mechanics of the corporate on-boarding process. In the end, pressure to on-board in a timely manner can lead to quality problems and consequently reputational damage can ensue.

The media continues to relay accounts about how the digital age is forcing financial institutions to think smarter. However, banks and corporates continue to struggle with drawn out on-boarding processes. Not only do such delays create a risk of reputational damage to the bank, but also crucially as important, is the undesired effect of prolonged time to revenue for the bank and the unhappiness of a new customer due to delays in service provision.

What is needed is a layer of technology between the corporate and the bank's internal systems that enables flexible and rapid on-boarding so that this process becomes a 'non-interfering' commoditized service and the focus can remain on the business relationship.

### The new world

Banks that have traditionally focused on on-boarding larger corporates as major revenue generating opportunities are now increasingly realizing that there is an equally important, albeit smaller in individual size but huge in number, SME corporate market segment to be pursued as customers. However, to ensure this is

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a profitable business the process of on-boarding needs to be rapid, reliable, systematic and easily and economically maintained.

It is clear that as the world of processing is going through a revolution, banking systems and processes should also follow suit. Banks must elevate and prioritize the concept of accelerated on-boarding processes in order to maintain and grow their market share and In cases where an SME does not have strong technical expertise, the bank needs to effectively act as an IT partner for them.

To maintain their competitive position, banks should encourage their heads of business to source solutions that handle multiple formats quickly; that allow a modular implementation approach to avoid lengthy test cycles, and ones that accommodate industry and regulatory changes at country and international level quickly and easily and finally, guided and streamlined on-boarding process flows with automation of documentation and any necessary code. All this will enable the entire corporate to bank on-boarding process to be business-led rather than IT project-led.

To safeguard against on-boarding headaches and get to revenue faster, banks must optimize their on-boarding processes. Attaining a high level of automation and efficiency will not only result in a significantly shortened time to revenue but also present new business opportunities in corporate payment processing - and be they large or small, they will be profitable as a result. Volante has been focused on creating a solution to make this a reality.

### The optimal solution for corporate payment flow on-boarding for the digital payment age

Volante’s **VolPay Channel** is a configurable processing engine that enables banks and corporates to rapidly define the on-boarding of new file based sources of customer initiated transactions. The complexity of the on-boarding process is simplified through a managed workflow with easy definition of business rules, data transformations, validations, enrichments, and orchestrations. The solution optimizes the entire on-boarding process through automated generation and deployment of code, desktop test harnesses and simulations, and automated generation of documentation.

