



Impact Financial Systems

AUTOMATION DELIVERED

Case Study at a Glance

INDUSTRY

Financial Services

FIRM SIZE

Over 5,000 Investment Advisors

USE CASE

Replace existing New Account Opening application to improve operational efficiency and strengthen regulatory compliance automation

WHY IFS?

Mature NAO template, combined with highly configurable platform and vast subject matter expertise

HIGHLIGHTS

- Implemented a new NAO application for over 40 account types across the entire organization within 9 months of the project's start
- Leveraged IFS's NAO template to address 75% of the client's business rules
- Usability testing indicated that the new NAO application was more streamlined and user-friendly than the legacy system

Nationwide Financial Services Firm Improves Operational Efficiency, Strengthens Regulatory Compliance Automation and Simplifies New Account Opening Process with IFS

Business Situation

In 2014, a large nationwide financial services firm approached IFS with a lofty goal: to replace its existing New Account Opening (NAO) application. The existing NAO application, provided by another supplier, was outdated and provided little flexibility. In order to improve operational efficiencies and strengthen its regulatory compliance automation, the client needed a new NAO application with complex functionality:

- Anti-Money Laundering (AML)
- Know Your Customer (KYC)
- Ability to collect firm-specific risk questions and scoring
- Integration with the client's Customer Relationship Management (CRM)
- Custom document processing (generation and imaging/storage)



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In addition to improving efficiency and strengthening regulatory compliance automation, the client also had objectives to:

- Improve its NIGO (Not In Good Order) rates
- Drive straight-through processing
- Provide more visibility to front-office operations

Even though the client had a clear vision of what it wanted in the new NAO application, it did not have the time, resources or tools to create such a sophisticated application from the ground-up. The client also had limited documentation around its business rules, making the project even more challenging.

Solution

The client partnered with IFS to create a new NAO application within the company's tight timeframe. The two companies met in March 2014 for the initial Joint Application Design (JAD) session to compare the client's current NAO application to IFS's NAO template. During this JAD session, team members from both organizations agreed that the IFS NAO template was a good starting point for creating the new application for the client, given that it already addressed roughly 75% of their required business logic. To address the remaining 25%, IFS and the client took a collaborative approach, using JAD sessions to share subject matter expertise with each other and review the client's existing NAO application's input and output.

“ Both organizations agreed that IFS's NAO template would be a good starting point for creating the new application, given that it already addressed roughly 75% of the required business logic.”

Within a month of the initial JAD session, most of the cosmetic and page navigation changes were complete. In the next two months, the initial workflow was created and all of the business logic was reviewed. The project team began making modifications to the IFS NAO template to meet the client's specific requirements. All of the existing documents were mapped using the data fields available in the IFS NAO template, including preparations for future eSignature capabilities.

In June, the project team integrated the company's client data interfaces with the new NAO application. This integration allowed the application to pre-populate the primary and secondary owner information from both existing and prospective client information using internal data stores.



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IFS also worked with the client to incorporate modifications to the workflow, which included custom document and imaging integration. Additional functionality was added, such as an in-depth AML and KYC data collection module, where more complex business logic was implemented.

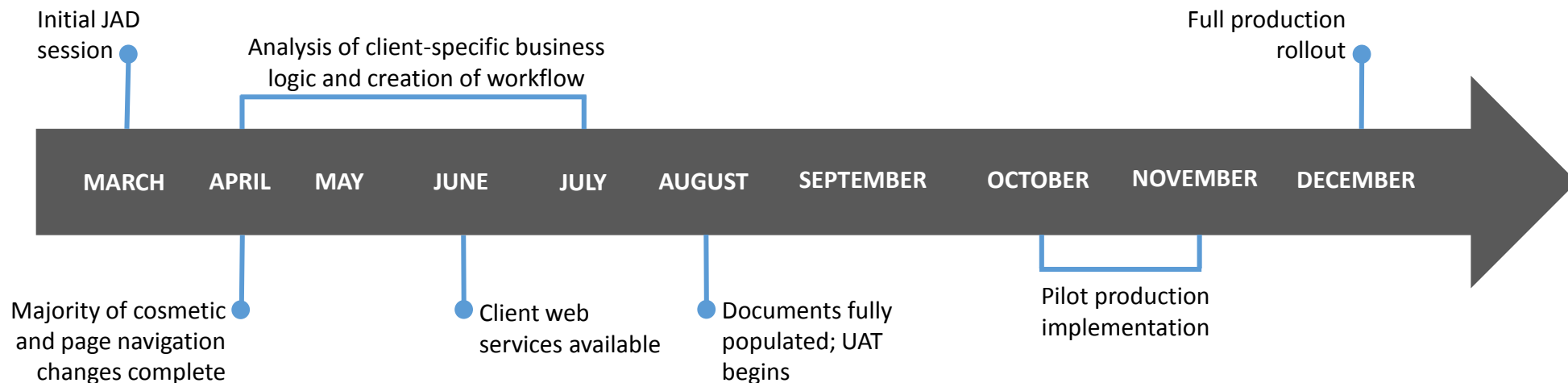
By the end of August, the client began full User Acceptance Testing (UAT). Throughout the UAT process, additional adjustments and enhancements were made to the new NAO application based on user feedback and interface requirements. Following a successful UAT process, the client implemented the application in pilot production and began using it to open live accounts in November 2014. A month later, after a successful pilot, the NAO application was moved into full production for all of the client's branches.

Application Metrics



* Project team size fluctuated throughout the project. Typical project team included 3+ IFS individuals and 8-12 individuals from the client.

Project Timeline (2014)





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Results

By leveraging IFS's template to create a customized New Account Opening application, the client was able to roll out the new application quickly and efficiently for more than 40 account types. Within 90 days of implementation, roughly 60% of all new accounts were opened using the new NAO application. Migration to the new platform continues and full adoption is expected within the next 12 months.

The client conducted usability testing following the rollout of the new NAO application and was able to confirm the success of the project. Based on these test results, the account opening process took approximately 5 minutes for various account types. Usability testing also indicated that the new application was more streamlined and user-friendly than the old one.

The finished product for the client was a fully-tested, customized, easy-to-use NAO application. The new application did more than give the client the new functionality it needed such as an in-depth AML/KYC data collection module—it made the process of opening new accounts more user-friendly and intuitive.

Results Highlights

- ✓ Leveraged the IFS NAO template to create, test and implement a new NAO application for over 40 account types within 9 months
- ✓ Opened new accounts in around 5 minutes using the new application
- ✓ Achieved 60% adoption within 90 days of implementation
- ✓ Created new functionality around AML and KYC
- ✓ Received end-user feedback that the new application was more user-friendly and streamlined than the legacy system

About IFS

Impact Financial Systems, Inc. (IFS) is the leading provider of business-led automation solutions for the financial services and brokerage industries. The company's automation platform offers a revolutionary approach for allowing business users to automate and maintain complex financial transactions in demanding business and regulatory environments. The IFS Automation Platform and IFS Advisor Advantage Suite are currently deployed in mission critical environments at some of the world's largest financial institutions. Transaction types include New Account Opening and Maintenance, Asset Movement and many other complex business processes. For more information, please visit www.ifsautomation.com.