

Sign Here

2 Credit Unions Opt for eSignatures to Modernize Business Processes

We are well into the digital age and yet the flood of paperwork persists. While information can be readily translated into an electronic format, speeding along engagement and distribution highways, the digital process will come to a grinding halt at its most critical juncture: the point at which signatures are required from involved parties to complete business documents and processes. For credit unions, this can be felt in a number of areas and in differing ways. The back office perhaps is the most significantly impacted area: weighed down by lagging processing times, costly manual tasks, and a higher risk of human error either while entering information or when portions of documents become damaged or illegible. The member is also inconvenienced by being restricted to a branch's business hours in order to physically sign a document in person. Any business function such as IRA's, Account Opening and/or Certificates of Deposit requiring a signature undoubtedly moves more slowly if electronic signatures are not in use.

Often the lifecycle of everyday banking processes is cumbersome and extensive. Moving paper documents through this lifecycle has time, cost and compliance implications that both SESLOC Federal Credit Union and Texas Dow Employees Credit Union find avoidable.

Obtaining physical signatures in today's digital and on-demand world creates an unnecessary roadblock; one that San Luis Obispo, Calif.-based SESLOC Federal Credit Union was determined to remove. With



50,000 members and \$800 million in assets, SESLOC FCU recognized that implementing an eSignature solution would be beneficial specifically with its IRA accounts – of which the credit union had more than 3,000.

Rachel Nielson, Vice President of Operations for SESLOC Federal Credit Union, said, “We complete our quality control and reporting aspects centrally. All documents from our five branch locations were first being physically transported to our headquarters to be audited, and then again to our imaging department. The long lead time before the frontline could review the completed documents and provide information to an inquiring member was draining.”

With eSignature technology specifically designed to establish and service IRAs, SESLOC FCU can provide a more seamless and frictionless experience for both internal staff and members. Nielson continued, “Our member service representatives are able to

instantly see if an IRA document has been submitted for auditing, which eliminates the delays of physical transportation. Other internal departments, such as

IT and accounting, now have instant access to reporting documentation when they need it in an easy to research format.”

Electronic signatures enable members to sign off on any pending documents immediately, right from whatever device is most convenient for them. Credit union members can complete document-signing transactions faster from any location, and at any time regardless of their credit union’s branch hours. Eliminating the need to rely on paper documents frees credit unions to streamline operations, drive down expenses and provide members with a more secure and convenient process for signing IRA, HSA and other important forms.

Nielson added, “The time savings has been the biggest impact. Not only do our members now engage in a more clearly defined, streamlined and higher quality process, the lifecycle itself is significantly reduced as well. Any time we can digitize a process, we find that the lifecycle of that process is greatly reduced. Initially, from the member visit to imaging, our document lifecycle was approximately five business days. That process has now been reduced to less than two business days.”

Texas Dow Employees Credit Union shared a similar experience. With 290,000 members and \$3 billion in assets, the credit union is laser-focused on providing an exceptional service experience for both members and staff. Implementing an eSignature solution enabled the credit union to cut down on frontline processing time and avoid potential member-impacting mistakes. One of the biggest benefits is that eSignature technology is intuitive and seamless. For the member, it is as simple as opening a link and clicking a button. The process is simplified, the member experience is enhanced, and

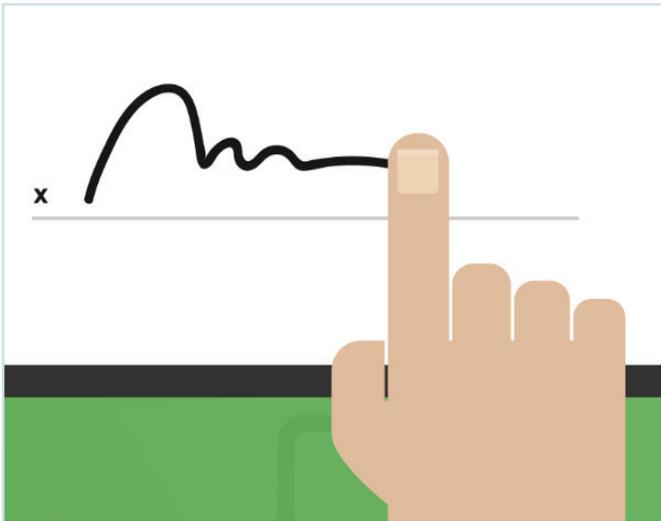
the credit union is assured that documents are signed correctly every time.

Lori B. Meinhardt, settlement services manager for Texas Dow Employees Credit Union, stated, “Any time we can take steps to improve and simplify the member experience and staff processes is a win all around. Easier and faster solutions make a big difference toward meeting service needs and have enabled our credit union to trim the time it takes to process important documents, resulting in a better outcome for the member.” Electronic signatures allow for remote authentication, which makes it a much more convenient and secure solution than the alternative of mailing and/or printing and scanning.

Texas Dow Employees CU has been able to eliminate document printing since information is now automatically input into the credit union’s electronic system. The need to print out and re-scan documents as part of routine banking functions slows down the process and frustrates the member, especially as organizations across every industry move to complete digital service formats. Process interruptions from manual review and physical signatures on documents does little more than create headaches for all parties involved. Misfiled or unsigned documents generate friction where it can easily be avoided when it’s a digital transaction.

Meinhardt continued, “There are no longer operational costs associated with shipping, tracking and managing paper documents. Simplified, end-to-end eSignature processing compliments the business systems we already use today and provides our credit union with the peace of mind that we have greater versatility in time-sensitive situations.”

Since eSignatures are safer and more secure than traditional paper documents, IRS compliance standards are more easily met. Not only do eSignatures contain a legally-accepted signature, but they also contain audit information on who signed the document, when they signed it, and where they signed it. This electronic



transaction information is much more reliable than a paper-based one and reduces the need to chase paper from back office to the frontline. A digital solution with data encryption and user verification is a much more secure way to handle sensitive information, and is a better fit with modern business systems and practices.

Today's credit union member is largely a digital one. Consumers expect the convenience and flexibility of digital transactions across all interactions with their financial institution, from end-to-end. With eSignatures, credit unions can begin the digital transformation journey and have a tool that can help solve the friction that consumers often encounter. It is important to remember that digital transformation isn't merely offering members access to a mobile app or online banking, but instead is a commitment to ensuring that the member experience regardless of the channel is secure, seamless and memorable.



Michael Ball is vice president of markets and strategy at Rahway, NJ-based IMM, the leader of eSignatures designed exclusively for financial institutions. Ball is responsible for company and product brand initiatives, demand generation, sales enablement and partner marketing. His leadership drives the strategic vision for IMM's innovative eSignature technology.



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