

Smart Communications

**SMARTIQ™**

# The Bancorp Delivers a Fast, Easy Digital Client Experience for the Loan Origination Process



## About the Customer

Based in Delaware, The Bancorp is a payment services provider and specialized lender to nonbank companies. Its Institutional Banking business provides financial professionals with lending and deposit solutions that can seamlessly integrate with their wealth management strategies.

## Business Challenge: Reworking the Loan Origination Process

In the institutional banking space, The Bancorp provides securities-backed lines of credit, insurance-backed lines of credit and advisor financing to the independent wealth management channel. With increased competition from banks in that space, the executive leadership team decided to be aggressive and set ambitious goals: double market share, quadruple assets and revenue, and increase profits tenfold in this area.

To achieve these objectives, the team knew it needed to focus on creating the best client experience for the loan origination process in the industry, making it fast, easy and adaptable for clients to borrow from their portfolios, all while driving operational efficiencies and reducing risk.

To do this, the business needed to modernize and automate legacy and manual workflow processes within the independent channel. Before starting the project, the team mapped out the “before” or current process and identified opportunities where digital technologies could provide improvement:

- › Each borrower (or their advisor) had to fill out a single paper application and mail it to the bank
- › The bank’s back-office team would then rekey the data and use several expert systems to underwrite the loan
- › Upon approval, the bank’s staff would manually build a customized loan closing package that was tailored to meet the needs of the wealth management partner and that loan
- › It was then mailed to the customer for signature. The customer then had to mail it back to the bank via USPS or expensive courier services like FedEx
- › The results: expensive to maintain; not scalable; required paper chasing; lack of collaboration or internal insights; and lack of data interoperability so incoming information had to be rekeyed. All of this created a potential risk of errors and added friction and time to the loan origination process
- › This legacy loan approval process took often 20 to 30 days to complete

Ultimately the team knew this process was expensive to maintain and would not scale to meet its growth goals.

## The Solution: SmartIQ Integrated with Salesforce, DocuSign, and Other Platforms



Package Loan Documents  
in **5-7 Minutes**



100 Documentary  
Artifacts Can Be Arranged  
in **350 Combinations**



NIGO Rates  
Close to **Zero**

### Business Outcomes: Loan Origination Process Transformation

After reviewing the entire customer lifecycle and evaluating 12 different systems, Jeffrey Hazelwood, Managing Director of Institutional Banking Solutions, led the effort to develop The Bancorp's own banking automation platform to assist in the loan origination process, and in other business areas. Under the guidance of Hazelwood, the team set to tackle the following objectives:

- › What manual loan processes could technology automate so that employees could focus on exceptions where their subject matter expertise was required?
- › How could they streamline and simplify the documentation system so that it was easy and fast for borrowers and their advisors to know how much they could borrow against their collateral?
- › How could Bancorp accelerate loan decisioning and speed up turnaround time?
- › Where could these automation efforts serve to reduce operational risk and control costs?

To overcome these challenges, The Bancorp used cloud technology and open APIs to build their own platform, Talea™, by working with leading technology providers. It was important to The Bancorp to use technology that was customizable to be compatible with its core system. This would enable the team to create frictionless and seamless experiences throughout their "B2B2B2C" value chain that included custodian partners, independent client advisors and their customers. Along with affordable implementation and ongoing support, the technology partners needed to be a cultural fit with the various departments and business users at The Bancorp.



**"We're very pleased so far...most important for us, our independent financial advisors are telling us that we're winning their business based upon a great customer experience and a great client experience for their customers."**

**– Jeff Hazelwood, Managing Director of Institutional Banking Solutions, The Bancorp**

To support these monumental challenges, The Bancorp chose Smart Communications to modernize in three areas: document management, workflow automation and loan documentation. The result was described by Jeffrey Hazelwood as, “revolutionary within their industry.” The new model for the independent channel changed the legacy processes in the following ways:

- › Smart Communications’ SmartIQ platform transforms the way customers and advisors collect application information. The intuitive, data-driven digital interview functionality of SmartIQ guides advisors and admins to complete or simply confirm a few simple questions and then add data or attachments, rather than having to complete a paper form. Then incoming information can be used to automatically trigger downstream work processes.
- › SmartIQ then automatically generates personalized documents and document packages. Approximately 100 documentary artifacts can be arranged in up to 350 combinations, which can then be assembled into personalized loan document packages automatically in about 5-7 minutes.
- › These document packages then automatically connect to DocuSign for esignature. This eliminates the prior need for in-person meetings to physically sign multiple packages of documents. Loan parties can review and digitally sign in just a few minutes. This also means no more waiting for documents to travel through the mail (or incur expensive carrier costs of sending documents overnight – they are available to everyone instantly.
- › NIGO (Not In Good Order) error rates have dropped to almost zero, eliminating the need for manual intervention and driving faster turnaround time for loan funding.
- › Employees are now focused on their expertise or on the “exceptions” rather than chasing paper and documents.
- › Time to funding has been reduced from weeks to between two and four days.

The new system is intuitive, clean and simple to use, so it was embraced by business users; making the change management of using technology and changing processes a breeze.

With SmartIQ integrated into Talea, The Bancorp transformed and improved the experience for customers and advisors by automating the loan origination process. As a scalable and adaptable initiative, it made it easier and faster to process loans; differentiating The Bancorp as a service leader in the market. The business is able to compete for clients based on service, rather than cost. Indeed, having this new solution in place was critical during the COVID-19 pandemic, when staff needed to work from home and process a higher volume of requests. In the first few years following go-live, the business has been able to manage a 400 percent increase in loan volumes, exceeding its strategic growth goals. Overall ROI on the project topped 750 percent, also exceeding projections.





“Our journey so far has been both challenging and rewarding, but it’s one we could only have made with the right partners. Smart Communications has been a wonderful partner, and it’s thanks to them that our journey continues.”

– Jeff Hazelwood, Managing Director of Institutional Banking Solutions, The Bancorp

## Future Plans

The Bancorp and Talea’s future roadmap builds on the success of their first three projects and they have big plans for it. The team will continue adding to new lending lines and products as well as making enhancements to the platform. The team further plans to deepen data integration and connect new systems, including their CRM, core systems and data lake applications, which will help them use business intelligence to make smarter decisions. Finally, they’d like to open direct access to Talea for client self-service capabilities.



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Smart Communications provides the platform that leading organizations trust to deliver personalized, consistent and compliant conversations across all touchpoints and channels. The Conversation Cloud™ consists of SmartCOMM™ for enterprise-scale customer communications, SmartIQ™ for digital forms transformation, and SmartDX™ for trade documentation. Over 650 enterprise organizations across the globe rely on Smart Communications to simplify and automate complex processes and deliver highly secure, frictionless experiences across the customer lifecycle.

Smart Communications solutions are powered by AWS services including Amazon EC2, Amazon S3, Amazon RDS, and AWS Lambda, to deliver its cloud-native customer communications management platform.