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WEBINAR

Digital onboarding in the legal sector

How to improve the onboarding experience to meet expectations

with **Amy Bell**
Teal Compliance

About **Amy Bell**

Amy Bell is a Compliance Consultant and director of Teal Compliance, where she helps firms adapt to the changing legal landscape by supporting everyone in a firm to understand compliance and how to apply risk management principles to improve client service and deliver efficiency.

Amy is also a current member and former chair of The Law Society's Money Laundering Task Force, and the author of The Law Society's Elearning and Toolkit on the Bribery Act.

Agenda

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- What firms can do to improve the onboarding experience to ensure they meet expectations

- How firms' digital services have evolved since the start of the pandemic

- How the appetite for digital transformation initiatives in legal compares to other industries

Encompass research into Legal Onboarding

Encompass surveyed UK business decision makers on their experiences of onboarding in the legal sector, with questions covering areas including whether firms have met expectations, how their processes compare with other industries, and the impact on COVID-19.

https://www.encompasscorporation.com/blog/one-in-four-companies-have-lost-out-on-a-major-business-deal-due-to-law-firm-onboarding-delays/

Key report findings

- 35% - *"I have been frustrated by the amount of documentation I've had to provide my law firm with during the onboarding process"*

- 44% - said Law firms are behind the curve in terms of digital transformation and the delivery of online services

- 60% - didn't think Law firms' digital services have improved since the start of the Covid-19 pandemic

- 33% - reluctant to visit a law firm - *"I am unlikely to visit a law firm's branch in person during the pandemic"*

- 56% - felt their experience of the onboarding process in the legal sector didn't meet expectations

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Key report findings cont

- 25% said their company had lost a deal as a result of our law firm's slow onboarding process

- 56% - *"I would be more inclined to select a law firm that uses a digital onboarding process"*

Key themes from the research

- Too much documentation, use of paper

- Safety in Covid times

- Speed of the process

Requirements

Money Laundering Regulations requirements:

- (18) (a)

    "*verify*" means verify on the basis of documents or information in either case obtained from a reliable source which is independent of the person whose identity is being verified

Changing the way we do ID

- Purpose of ID

- AML, but also UK Finance and Fraud

- None face to face

- Electronic verification services

Changing the way we do ID cont

- R 28(19)(b):

  "that process is secure from fraud and misuse and capable of providing an appropriate level of assurance that the person claiming a particular identity is in fact the person with that identity."

- https://www.lawsociety.org.uk/support-services/advice/articles/lsag-advisory-note-covid-19-and-preventing-money-laundering/

Politically Exposed Persons

- Child & Child Case - https://www.lawgazette.co.uk/law/panama-papers-solicitor-fined-45000-/5068873.article

- Proof of process

- How do you establish whether they are or not?
  - Ask the client
  - Use of IT

- Different test for domestic PEPs?

- Ongoing monitoring

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Legal Sector Affinity Group Guidance

- Published 20th January 2021
https://www.lawsociety.org.uk/topics/anti-money-laundering/anti-money-laundering-guidance
- Should document

    - the role of the tool

    - data sources it uses (considering how accurate they are)

    - when it is appropriate to use it

- Training for those who are using it.

- Testing for accuracy

- Prevent tampering

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Lessons from other industries

1. Map your current processes

2. Consider the costs of each process (time and salary)

3. Review where savings (in time and salary) can be made, and whether the appropriate person conducts each activity

4. Think in terms of costs to the firm, and benefit to the client

any **questions?**

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thank **you**!

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