Five Operational Imperatives to Fuel FI Growth

Banks and credit unions face multiple challenges to operational efficiency: tightening budgets, limited headcount, a challenging regulatory climate, ongoing security concerns and others. Efficiency and process enhancements can limit the impact these challenges could have on your institution.

The following five questions—and your responses—may help your financial institution (FI) as you look to drive operational efficiencies, improve compliance and security, keep account holders happy and attract new ones.

Q2

> The right technology can do wonders in meeting [staff] needs, and improve their productivity and happiness at work.

Do your operational processes enable you to compete and grow?

Processes that are agile, scalable and seamless have shown better results in attaining and maintaining customers. Institutions that have relied on long-established processes for day-to-day operations often find they are slower to meet the needs of account holders who want to bank anywhere at any time—and on any device.

As mobile banking continues to increase (43 percent of respondents to a recent U.S. Federal Reserve survey use mobile banking*) and smartphone usage continues trending upwards, agile, scalable and seamless processes are extremely important. This is especially true in meeting the needs of millennials and today's businesses which expect quick mobile banking access, rapid transactions and fast customer service.

Find out if your vendors and systems support the ability to **provide online and mobile banking 24/7 from any device**. Determine if they can have speedy payments and transaction capabilities such as person to person (P2P), Same Day ACH, or collections. In other words, your vendors and systems must be capable of future-proofing your institution.

Is your staff fully engaged in meeting account holders' needs?

Frequently, staff can lose sight of building the institution's business, as attrition rates leave staff with more to do and less time to do it. The right technology can do wonders in meeting their needs, and improve their productivity and happiness at work.

If you've never considered using a **browser-based admin console**, you should. It simplifies multitasking, freeing up time to focus on growth activities. Also, consider **automation tools** for even better efficiency. There are tools to send account holders push notifications and other alerts to let them know they may overdraw on their checking accounts or need to replenish debit cards. Or to alert a business manager on his or her mobile phone to approve an important payment.

Automation, in many cases, is extremely useful in dispute and account resolution management. This type of automation can streamline administration of disputed electronic transactions from debit cards, ATMs, ACH and remittance transfers. You may want to consider a secure, web-based transaction management system that encompasses check positive pay, payee match, ACH positive pay and account reconciliation.

Is your online presence aligned with your operational goals?

Account holders, without a doubt, want to engage with their bank or credit union online and on the go. For example, 126 million adult consumers will make a mobile person-to-person payment by 2020.** Think about the potential fee income.

Unfortunately, many institutions don't see their sites as the gold mines they can be. If you want to make the most of today's digital banking, a site focused on an optimal user experience, high functionality, nimble adaptation of new products, and adherence to changing guidelines and regulations will drive engagement, result in less breakage and downtime and cost far less to maintain.

Test your website visitors' experience on your site. Find out if it's easy for people to find what they need. Make sure the site provides the right information to make their online experience useful.

Furthermore, **is your website conforming with the American with Disabilities Act (ADA)** through the accepted guidelines for websites and internet applications set forth by Web Content Accessibility Guidelines (WCAG)? If not, make sure you are, as you open your institution to possible litigation.

Do you have a comprehensive view of your data, along with the right data tools?

Data, both in-branch and digital, is extremely useful if properly put to work. Given the amount of data at any institution, a 360° view of account holder activity, including how they are interacting with all channels,

will be important to building a true data benchmark for management direction and planning, as well as tailoring your messaging and services to meet the needs of account holders.

With the right data tools—including those utilizing machine learning—your institution can begin more accurately predicting whether an account holder will need a car loan, refinance their home, or set up a debit card. The right data tools also can simplify and improve your security efforts against fraudsters, stopping them before funds leave your institution.

Make sure the data tools you consider can be applied to account owners with smartphones and other similar devices.

Does your development and IT personnel have the right skills and expertise?

Technical staff must have the best-practices knowledge to facilitate operational improvements for your institution. Depth of experience is needed to navigate the complexities of systems, operations, and customers.

They must fully understand today's security threats and how to prevent them. They also need to be on top of regulatory changes and conformance requirements (like ADA). Do you know how deeply they know CIP/KYC, OFAC, and BSA requirements, especially as they relate to online banking?

When it comes to account holders' online experiences, do you have savvy designers and web masters to provide the best ones possible? Ask if they take part in training seminars and design conferences to keep on top of—and incorporate— new "experience" best practices.

Takeaways for improved efficiency

- Align your operational processes to meet the needs of the online and mobile-first world. Your processes should be agile, scalable and seamless.

- Determine if your vendors and systems support the ability to provide online and mobile banking from anywhere at any time on any device.

- Find out if your vendors and systems support real-time or near-real-time payments and transaction capabilities.

- Use a browser-based administration console and automation to improve your staff efficiencies and increase their happiness at work. Automated dispute and account resolution are options to seriously consider.

- Ensure you have accessible data to gain a 360° view of your account holders to determine their needs as well as keep them safe. Investigate data tools that use machine learning to further your revenue possibilities and prevent fraud.

- Make sure the data tools you consider can be applied to account owners with smartphones and other similar devices.

- Test your website visitors' experience on your site, and make sure your site meets their needs.

- Learn whether your web developers are staying on top of best practices.

- Make sure your website is conforming with the American with Disabilities Act (ADA) by meeting the guidelines for websites and internet applications set forth by Web Content Accessibility Guidelines (WCAG).

- Discuss compliance with development and IT staff, and see if they fully understand the latest compliance regulations that effect your institution.

Q2 helps banks and credit unions succeed in changing times. Use the questions and information provided in this guide to frame your operational planning and gain efficiencies. Then, when you're ready to move forward, contact us. Our products and services will allow your institution to become more agile, scale smart and grow revenue.

STAND **APART**   SCALE **SMART**   GROW **BEYOND**

Q2ebanking.com