How Can Banks Improve
the Onboarding Process?

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How Important is Client Onboarding for a Bank?

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Do Banks Do a Good Job Onboarding Clients?

I still think banks do not do a good job by onboarding clients. It's taking too long. It makes it very troublesome for the clients. Then afterwards, the whole journey of onboarding within the bank is very broken and not smooth. So, it starts when the RM needs to get the documents and all the data from the client, putting it into a system with the banks, and then it flows through compliance, operations until the account is opened. The whole document management that banks need to do through this whole journey, the whole data management, is very complex and it's often not streamlined.

Banks work in silos from compliance to operations to front office, and often they blame each other on why the client onboarding process is not moving forward. I think banks need to see the whole onboarding process as holistic, end-to-end approach, work together, solve it together and not in silos, and there they also can bring in technology to support the process end-to-end. This will help to be very transparent to the client on where the onboarding status is, and then at the end it will help to smoothen out the process, be more efficient and start a good client relationship within a few weeks, not months.

What Can Banks Do To Improve Client Onboarding?

I think they need to see client onboarding as a key journey in the bank. It's not where they make their profit, but it's where they bring in clients when they start the relationship. It needs to come from management. They need to support the importance of client onboarding. Then the banks need to look at it end-to-end. Again, it needs to be broken down from the silo thinking, from front office, compliance, and operations into a working together, really see it as an end-to-end process to help each other and make the client experience smooth.

This can be supported with technology, but technology is not the silver bullet to the solution. So, I think where we then can help, as Finalix, we can help banks look at the process across departments, break down the silos, bring people together, and really look at it to be efficient from start to the end. I think overall, clients will be happy, the internal staff, the bank will be happy, and management will be happy because they can onboard clients faster than any other banks. Every bank should look at this process as it's an important process.

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