



# Financial Services eBook about FinTech

A Digitech Systems, LLC eBook



# Executive Summary



## Financial Services



Welcome to the world of financial services. Financial services companies help organizations and individuals borrow funds, manage risk, manage funds, and increase the size of financial holdings in order to achieve targeted goals.

What organizations are involved?

- Banks & Credit Unions
- Insurance Companies
- Mortgage and Real Estate
- Investment Houses
- Loan Companies

Banks and other organizations in the financial services industry face many challenges as they try to move forward in the digital world. They are looking to update outdated technology, comply with federal regulations, and keep up with ever-growing consumer demands. Using technology such as Enterprise Content Management (ECM) software to help securely manage data is one way they are meeting this need. Let's take a look at some of this technology, known as FinTech.

“Investments for technology by financial services companies (FinTech) will increase from \$3.4 billion to \$4.7 billion in 2018.”

- Statista, 2018

# What is FinTech?



“Global IoT for Financial Services will grow from \$249.4 million in 2018 to \$2 billion by 2023 a CAGR of 52.1%.”

- Research & Markets 2018

The term FinTech or Financial Technology, represents the technologies that help financial services companies to manage money and secure customer data, and automate business processes. Organizations within the financial services world are subject to federal regulations that mandate how they store and secure private customer data.

Luckily FinTech provides these organizations with the ability to improve office efficiencies, maintain control of customer data, and save money. In addition, customers benefit from instant and secure access to their private data that is also safe from disaster or theft.



# How does it work?

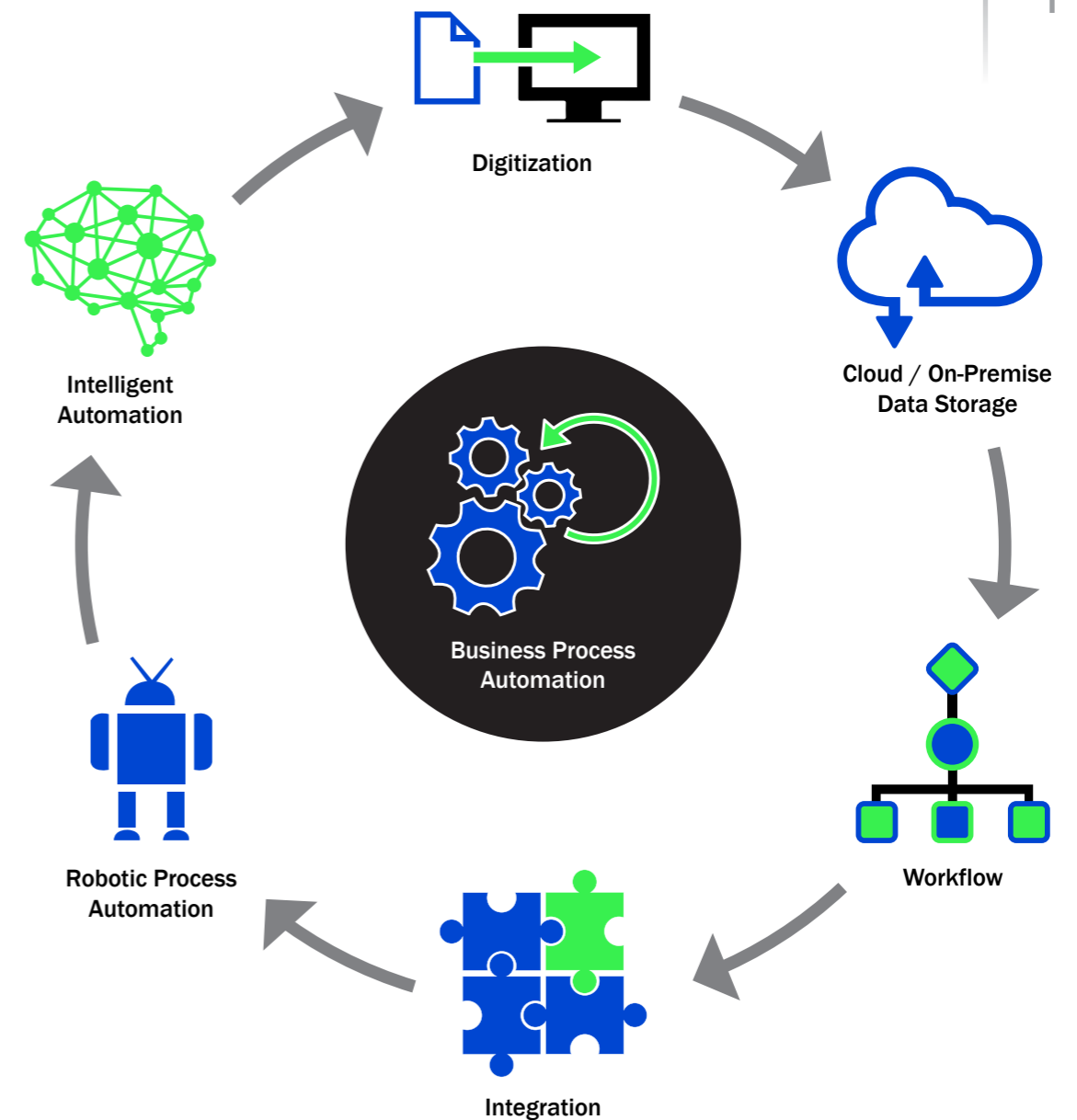


How do organizations leverage FinTech in the everyday world? Let's explore the technology.

Common components used to automate business processes are known as Business Process Automation (BPA) solutions. This covers the process of automation, digitization, robot-controlled user accounts, workflow, rules-based process flow, and structured data. It includes the routing of information from step-to-step and automatic processing of tasks like sharing information between applications.

A common BPA implementation might include all the elements listed in this diagram. Such as digitization of paper-based records, some type of cloud or on-premise repository for data storage, workflow to automatically route information through the steps of business processes, integration between two or more line-of-business (LOB) applications, and robotic process automation (RPA) to use electronic user accounts to perform tasks such as data entry or correlating information between systems.

Let's take a look at how this technology works:



**Investments for technology by financial services companies (FinTech) will increase from \$3.4 billion to \$4.7 billion in 2018.**

- Statista, 2018

# Digitization



How are you managing the flow of data in your organization? Financial institutions traditionally are heavily paper-based and reliant on manual processes. The first step on the road to BPA is to digitize and organize all paper files, emails, faxes and other digital information.

## PaperFlow™

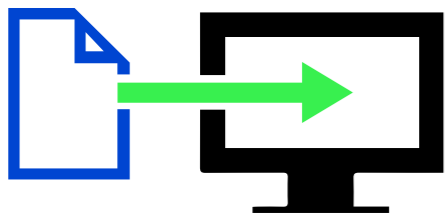
PaperFlow is used to convert paper files into digital images from a desktop scanner. This is a great solution for smaller organizations, or within a department of a large organization that doesn't need scanning from multiple locations.

## PaperVision® Capture

If you need to centralize processes, PaperVision Capture is the way to go. This is a great solution for high volume organizations with multiple locations or those needing more advanced features.

Once the files are scanned, they move on to further processing.

Let's take a look at an example.



# How does digitization help?



In many financial institutions, loan officers collect information manually. For instance, a customer applies for a car or mortgage loan. After they submit the application—either on paper or via an electronic form—the loan officer manually processes the application. If the application is ready to move on for approval, the officer would have to walk the documents across the office for signatures before being able to further process the application.

Now, thanks to the transition to digital files, much information arrives electronically. Organizations may still use paper loan applications, but the capture software, such as PaperVision Capture or PaperFlow, can be used to convert those files into digital images so they can move onto the next step, data storage. Converting to electronic files streamlines tasks, boosts data accuracy, and saves on document storage.



“ 44% of organizations surveyed said they were implementing capture solutions to allow anytime, anywhere content access. ”

- AIIM, 2018

# Data Storage

“Cloud will support more than half of transactional systems of record by 2020.”

- Gartner, 2017

Once the files are scanned, they are then sorted by type and uploaded to a cloud or on-premise ECM system for secure storage. We offer both solutions, depending on the needs of your organization.

## **ImageSilo®**

ImageSilo is our cloud storage solution that does not require IT support and can help you improve office efficiencies and maintain complex security requirements while lowering the overall cost of information management.

## **PaperVision® Enterprise**

PaperVision Enterprise is our on-premise solution that offers the same great features as ImageSilo, but is hosted on your own corporate network, even if that network is in the cloud or something similar.

Let's take a look at how these solutions make sure your data is secure.



# Is your data secure?



Now that the loan application is in the ECM system, such as ImageSilo or PaperVision Enterprise, it is secure and safe from theft, loss or natural disaster. In addition to being safe, the documents are also securely protected, helping financial institutions comply with federal regulations. Document encryption ensures these files are safe while in transmission and at rest. Files are also instantly searchable and available to anyone with the proper security access for viewing.

Once the files are securely protected they are ready for the next step, workflow.



“45% of SMBs will move to cloud within the next 3 years.”

- Gartner, 2017



# Workflow

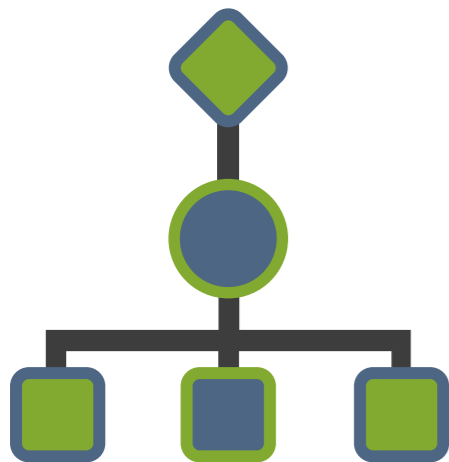


Now your digitized, electronic documents can be integrated into your standard business processes. This is where workflow applications come into the process that allows you to enable automatic document routing.

## **PaperVision® Enterprise WorkFlow**

PaperVision Enterprise WorkFlow automatically routes and sends information through any set of business processes you specify, no matter how complex. This reduces the amount of time and therefore expenses required to process documents, improving organizational efficiencies.

Let's take a look at how document routing can help.



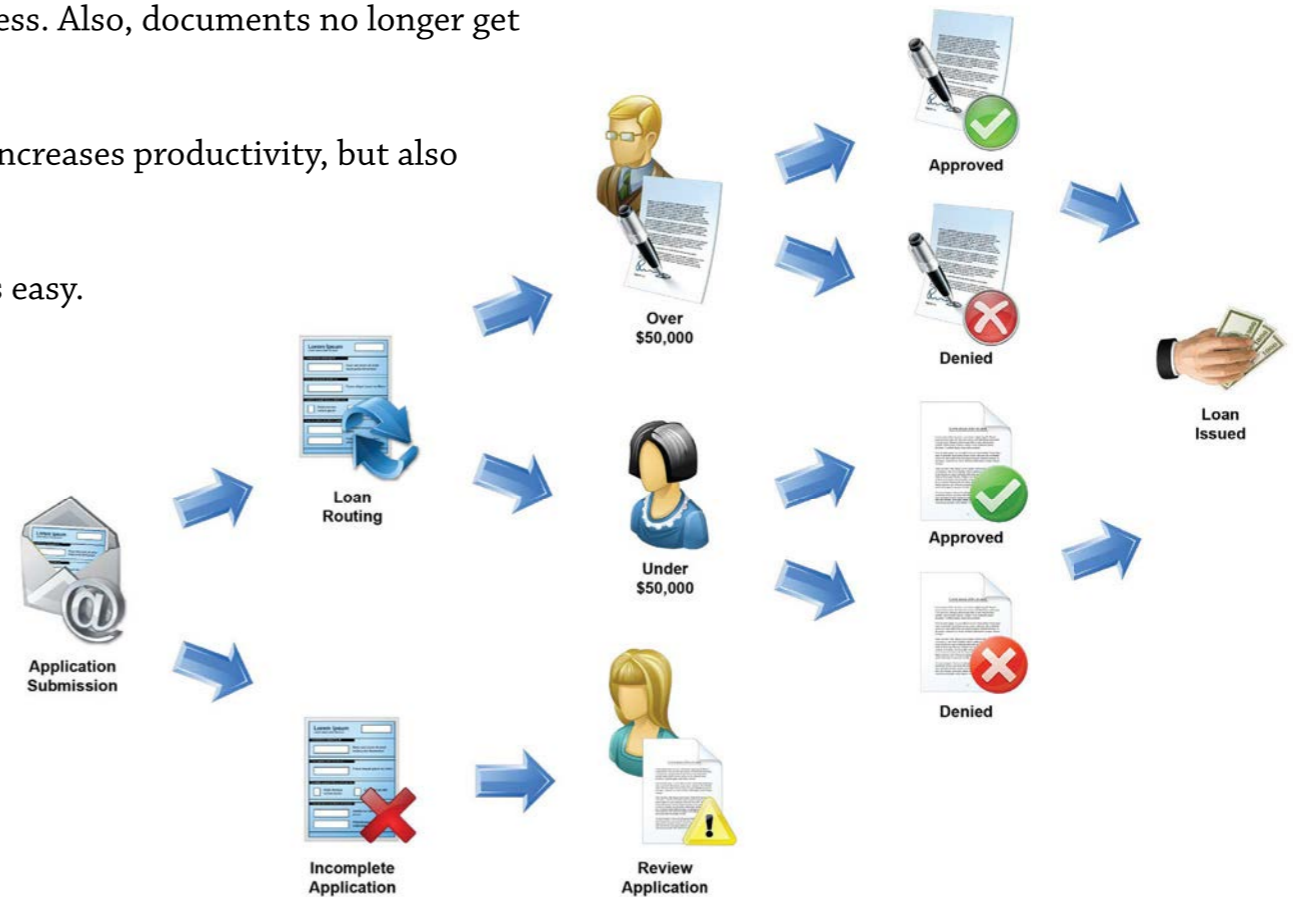
# How does workflow help?



Loan processing becomes a breeze thanks to PaperVision Enterprise WorkFlow. If the loan application needs additional information, such as signatures or additional approval, the application is automatically routed to the next person for processing, reducing the amount of time it takes to process loans. The employees involved no longer have to walk paperwork across the office and wait for it to be returned to advance the process. Also, documents no longer get misplaced or lost.

Route documents anywhere, anytime, from any location. Workflow not only increases productivity, but also increases data accuracy.

But what if you work in multiple systems? No problem! We make integrations easy.



“ 30% of all retail banking jobs can be automated by 2025 and automation will reduce the cost of work by 40-80%. ”

- Accenture, 2017

# Integration



Many financial institutions work with multiple line-of-business (LOB) applications, such as Microsoft® Office, SAP, Oracle and Microsoft Dynamics™ GP, commonly known as Great Plains. ECM systems can easily be integrated to work with virtually any LOB application. We offer integration tools that enable the sharing of information between applications and less expensively than ever before.

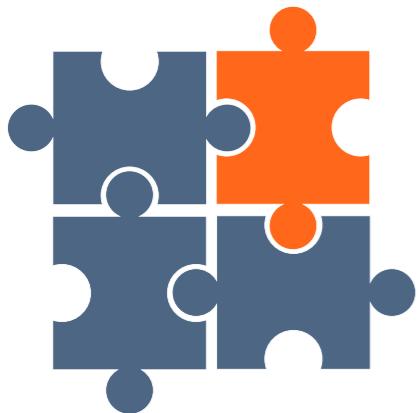
## **PaperVision® Integration Manager**

PaperVision Integration Manager is the tool that allows you to easily share information back and forth between applications alleviating the need to manually hand key information into multiple systems.

## **PaperVision® Integration Definitions**

PaperVision Integration Definitions allows you to retrieve and display a document associated with a particular record in a LOB application. For example, you can pull a copy of a scanned invoice while looking at the transaction record in an accounting application. No need to switch systems!

Let's take a look at a common example.



# What does an integration look like?



Let's say the organization processing the loan uses Great Plains for its accounting system. If the loan application needs additional documents, that are stored in Great Plains, such as payment receipts on a previously held loan, the system will automatically pull the receipts from Great Plains and add them to the loan packet. No human intervention is required and the loan application moves on for additional processing. Many times this additional processing is performed by "software robots" in a process known as Robotic Process Automation or RPA.

Let's take a closer look.



**“ 32% of organizations surveyed said they were implementing FinTech solutions to improve searchability and shareability across multiple systems. ”**

- AIIM, 2018

# Robotic Process Automation

“We’re starting to see how powerful intelligent automation can be in the financial services industry, RPA is just the start.”

- Kevin Kroen, US Financial Services Digital Labor/RPA Leader



RPA is technology that leverages “software robots” to log in to LOB applications and perform routine tasks, replacing the human effort previously required. RPA can be used to help speed up the loan application process, reducing the amount of time that is spent researching missing documents. Our software robot is known as the PaperVision® Automation Manager.

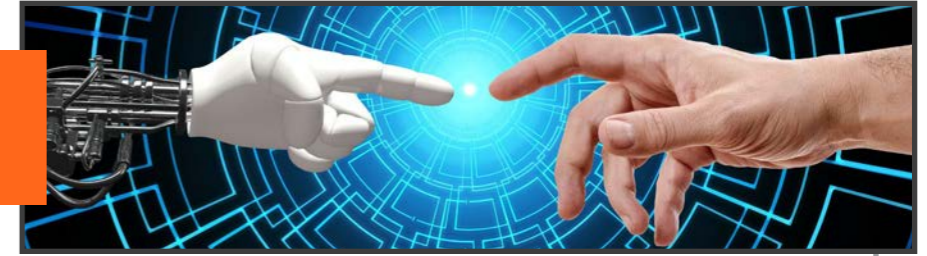
## PaperVision® Automation Manager

PaperVision Automation Manager frees staff from manual, repetitive tasks. For example, your “bot” can: perform data entry, complete research, and compare information between two systems to flag irregularities. We can assist you in setting up custom tasks; the possibilities are endless.

Next, we will examine the robots at work.



## How does RPA help?



If the loan packet has been flagged for missing documents, the RPA technology kicks in and the software robots get to work. Instead of a human manually searching for the missing documents, the software robots simply check other internal systems and external sources and automatically adds any missing documents it can find to the loan file. This reduces the time it takes to process loan applications, saving the loan officer and the business valuable time and money while improving customer service.

If the loan packet requires additional processing that isn't as routine as just searching for missing documents, Artificial Intelligence (AI) applications can be leveraged.

Let's take a closer look at this exciting technology.

To learn more about RPA visit: <https://www.digitechsystems.com/landing-pages/rpa.html>

**“ RPA is expected to reduce costs by 75% for financial services companies. ”**  
- KPMG, 2017



# Intelligent Automation

“No fewer than 4 out of five (80%) believe automation driven by AI will be seamlessly embedded into every aspect of their business by 2021.”

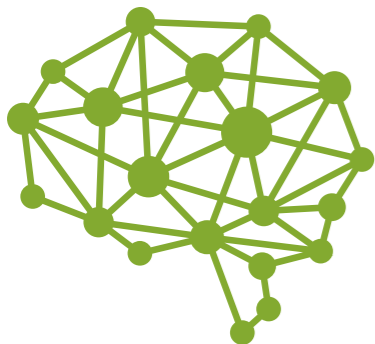
- Accenture, 2017

Intelligent Automation (IA) is simply RPA that is designed to handle much more complicated tasks. It makes use of AI to enable the automation of non-standard business processes that may include structured, semi-structured, and even unstructured information. IA can be leveraged to “read” contracts, reduce manual data entry, and much more.

## **PaperVision® Forms Magic Technology**

PaperVision Forms Magic Technology is our award-winning, patented AI technology that will automatically classify and extract key information from contracts, deeds, and other financial documents ensuring your data is correct without human involvement.

Let's look at a common example.

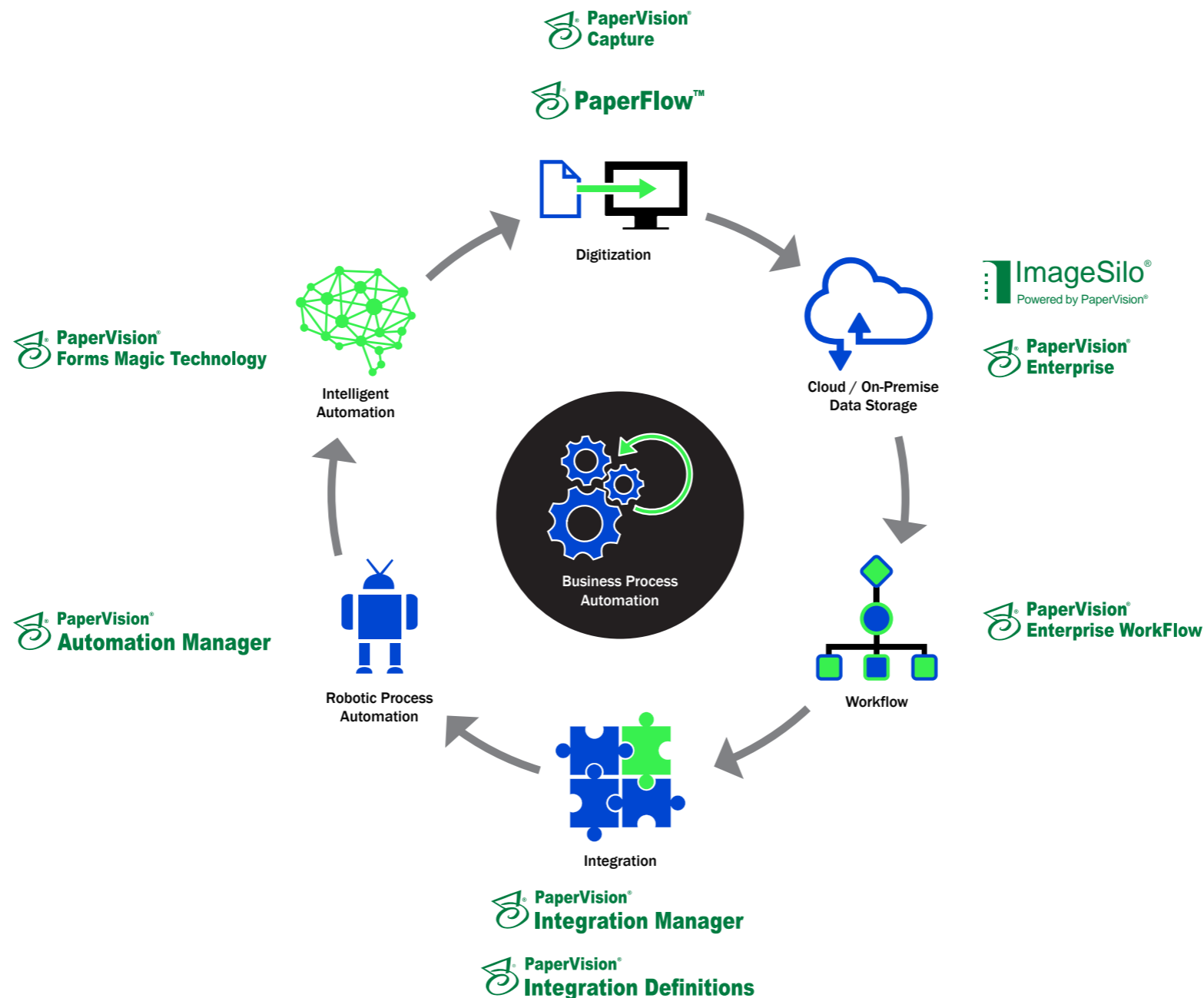


# How does IA help?



Whether the document is processed using either machine learning like RPA or with AI like PaperVision Forms Magic Technology, the loan officer no longer has to read the information and manually type it into the system. When we combine all of the technologies previously discussed, it can significantly reduce the amount of time it takes for financial institutions to process lease agreements, loan applications, and other common administrative documents. This solution dramatically simplifies information management and flow to support and improve office efficiencies.

Keep reading to see how real organizations utilize this software every day:





# Real Customer. Real Results.



Homesteaders Life Company is the nation's leading pre-need insurance funding provider, offering funeral planning solutions to more than 3,000 funeral homes in 44 states. Managing millions of insurance policies on paper and microfilm was quickly getting out of hand as the policies became harder and harder to locate. They needed a solution that would free them from their paper problem.

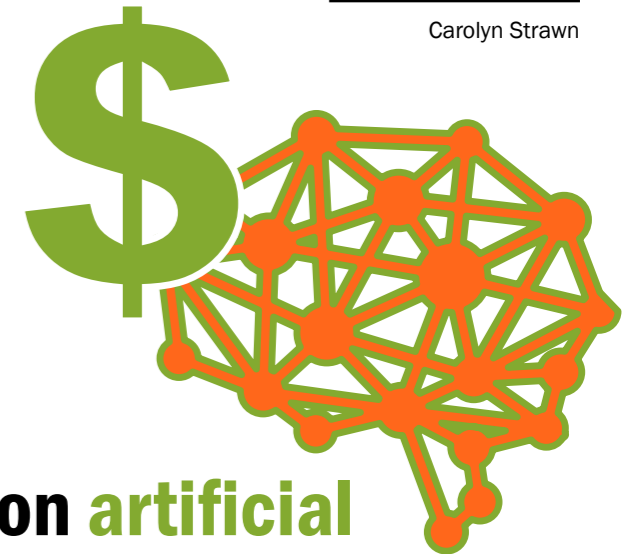
After implementing PaperVision Capture, PaperVision Enterprise and PaperVision Enterprise WorkFlow the company has digitized over 12 million policies, streamlined document processing times, has ensured all files are safe from theft, loss or natural disaster, and saves over \$62,000 a year.

*“Employees do minimal data entry because key index values are automatically populated from an external database. Thanks to PaperVision WorkFlow, document processing times have been decreased, saving 100 hours of productivity each year.”*

– Carolyn Strawn  
Manager of Imaging and New Business



Carolyn Strawn



**Insurer spending on artificial intelligence technologies is expected to rise 48% globally over five years, reaching \$1.4 billion by 2021.**

- IDC, 2017

# Real Customer. Real Results.



Two Rivers Financial Group, Inc. (TRFG) is the parent company to Two Rivers Bank & Trust and manages several bank branches filled to the brim with paper. The banks were running out of storage space and needed a solution that would help them digitize their files.

After implementing PaperVision Capture and ImageSilo they were able to spend 80% less time in the filing room, maintain Gramm-Leach-Bliley Act (GLBA) compliance and save over \$35,000 a year.

*“Thanks to the multiple layers of security in ImageSilo, we can make sure that only the individuals that need access to a file have it. We have greater control of our documents and know that they are being held in compliance with GLBA regulations.”*

– Aaron Baltisberger,  
VP of Commercial Lending



Aaron Baltisberger



**The global banking industry will spend \$519 billion on IT in 2018.**

- Gartner, 2017

# Real Customer. Real Results.



Community Business Lenders (CBLSC) is an Iowa-based credit union that offers loans, underwriting, documenting, and closing services to their members. Managing a loan business utilizes a tremendous amount of paper, can become expensive and is very time-consuming. On average, loan packets are thousands of pages long and need to be distributed to multiple people across multiple states. Rather than entangling their business in paper, CBLSC went looking for a solution that would allow them to run paper-free from the very beginning.

After implementing PaperVision Capture and ImageSilo **they now run a business in the cloud.** According to Ginger Heckman, Manager of Business Development, "I don't know that we could do the business we do without ImageSilo. The physical aspect of trying to deliver what our partners need on paper would be impossible."



Ginger Heckman

*"Even the money savings of running a business without paper is incredible. By not printing 1.29 million pages a year, at five cents per page, we are saving over \$64,000 in printing costs alone."*

– Ginger Heckman  
Manager of Business Development



**63%** of bankers see the rise of FinTech as an opportunity to expand products and services.

- PwC, 2017



**Contact us to learn more about how to automate your Financial Services processes.**

**[www.digitechsystems.com](http://www.digitechsystems.com) | [866.374.3569](tel:866.374.3569) | [info@digitechsystems.com](mailto:info@digitechsystems.com)**

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