

Growing Compliance Regulations are Driving the Need for Automation in the Back Office

Growing electronic transactions and identity theft is making banks rethink back office automation for dispute tracking. Regulation E rules require banks to be consistent in dispute management, which is hard to do with systems that require manual steps to stay compliant.



Regulatory compliance creates significant overhead for Banks and Credit Unions. Regulation E is a CFPB rule around Electronic Funds Transfer dispute resolution between financial institutions and consumers. Similarly, Regulation Z provides consumer certain protections. Financial Institutions rely on multiple systems and manual processes to maintain compliance with regulations.

These systems and processes are not integrated and staying compliant requires rekeying data multiple times to create customer notices, track deadlines and post adjustments to customer accounts.

For customers, regulations and manual processes create stress and a bad customer experience. Banks require customers to sign statements or affidavits, forcing customers to come to a branch. Missed timelines create delays and the possibility of a complaint to regulatory authorities.

“From taking up to an hour to do manual paperwork, I finish everything in a minute or two and send it to my customer. With everything being online, we now have more success in getting customers to sign online, and in a timely manner.”

– Jessica Quick, Security First

With growing regulatory requirements, Financial Institutions need to automate their back offices to avoid regulatory deficiencies, increased customer frustration, and time consuming and expensive oversight. Below are three direct impacts the increasing regulations are taking on financial institutions and driving the need to automate.

Manual processes are impacting Financial Institutions credit rating, increasing cost of funds and the institution’s Efficiency KPI. Regulatory deficiencies are a direct result of mistakes and missing deadlines due to delays in processing customer requests.

A shortage of trained compliance managers is driving up the cost to administer successful programs. As the number of disputes subject to compliance rises, compliance officers spend more time to ensure compliance due to inconsistencies in processing. This increases the banks risk when these individuals are away or not available.

Customer satisfaction loyalty and retention is adversely affected. Customers complain about delays. Customers also complain about having to go to a branch to sign documents.

FINBOA is delivered via a Cloud offering that reduces time to value to 30 days and TCO by 40%. Time saved allows bank to focus on revenue generation activities.

With integrated Digital Signatures, customers get a completely digital experience on the device of their choice and the financial institutions can end the paper chase.

FINBOA acts as a central repository for documents. Auditors can quickly verify rules were followed, thereby reducing the time to prepare for an audit by 80%.

HOW CAN FINBOA HELP

FINBOA's end-to-end process automation is optimized for Reg E. Eliminate the need to use multiple systems requiring manual steps that cause regulatory deficiencies. Banks using our automation tools, report they can do in minutes what used to take them hours making compliance easy.

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