Client Onboarding: a New Differentiator

By
Russell Graham
Head of Global Transaction Banking's Implementation and Service team
russell.graham@db.com

The past several years have seen Deutsche Bank's Global Transaction Banking division develop a new approach to managing relationships with clients, looking at — from the client's perspective — what it is like to do business with the bank. One outcome of this has been a radical overhaul of the onboarding process, making it quicker and easier for both new clients to start working with Deutsche Bank and for existing clients to adjust or expand their relationship.

Client onboarding will generally involve the processing of a great deal of documentation and information before a relationship can begin in earnest. In this respect, we chose to take two broad perspectives on client onboarding, looking at both what was processed and how it was processed, seeking to streamline and enhance the entire onboarding life-cycle.

Documentation

With respect to *what* is being processed, this relates mainly to documentation, the scope of which is the corporate client and their relationship with Deutsche Bank as well as the specific accounts and cash management solutions. The goal was streamlining this documentation and creating a modular system in order to expedite the process of adding countries or solutions to an existing agreement. This was achieved by working with an external specialist and redoing all documentation from the ground up, rather than attempting to rework what was already in use.

This modular approach to documentation means that efficiencies are gained not just in the initial weeks of a client working with Deutsche Bank — the actual onboarding

— but throughout the entire relationship. For example, altering the provision of a product or expanding a certain product to cover a new market can now be undertaken much quicker and without documentation duplication.

In terms of how documentation is processed, a number of changes have been made. Processes that were previously different in different markets have been harmonised and the parallel processing of information and documentation has been maximised wherever possible, meaning that more tasks are undertaken simultaneously rather than sequentially. This comes alongside new procedures whereby action can be taken upon the receipt of electronic documentation, rather than having to wait for the arrival of paper copies — the delivery of which is still mandatory in many jurisdictions.

Of course, these changes are designed to benefit existing clients as well as new ones. For example, an existing client wishing to expand a solution to cover a new country will have three options. First, they could potentially carry on using legacy documentation for their existing solutions and any expansions of these. Second, they could opt to repaper all their solutions, moving entirely across to the new documentation. Or, third, certain customers, depending on customer segments, structures and set-up, could choose to remain on legacy documentation for existing solutions while adopting the new documentation going forward. However, the choice is entirely the client's and such flexibility is a hallmark of our new approach to client onboarding.

Complementing the rollout of new documentation and enhanced processes is the step-by-step deployment of a new IT tool globally that increases the efficiency of the onboarding process. This application will become accessible through Global Transaction Banking's online portal, which is being delivered by the Channel Management team. It has been designed to provide clients with a range of self-enablement features, increasing flexibility and giving a greater choice of channels for their interactions with Deutsche Bank.

Market Drivers

A key driver behind this new approach has been the desire to offer a new level of differentiation between Deutsche Bank and other providers, above and beyond that found at the level of products and solutions.

Transaction banking has traditionally been a "sticky" business, with provider-client relationships often lasting many years. However, thanks to a number of factors — including the fallout from the recent financial crisis and the growth of non-proprietary solutions such as SWIFT — this situation is gradually changing. Indeed, our new onboarding initiative is an acknowledgement of — and one contribution to — this lowering of the barriers to entry and exit in bank-client relationships.