

CASE STUDY | Reduce Time to Open New Accounts

How the Singapore and Hong Kong booking centers of a global bank were experiencing long account-opening cycles

The Problem

The Singapore and Hong Kong booking centers of a global bank were experiencing long account-opening cycles. Called new customer account openings, some of these were taking more than two weeks; 81 percent of the new accounts were taking longer than five days to open (time between account opening and document submission to the compliance department).

Given this, the team's mission was clear: reduce new-account-opening cycle time and increase in capacity. The expected performance of this process was to process new accounts in just two days, a considerably shorter time frame within what the Singapore and Hong Kong centers were currently achieving.

The Solution

The ambitious nature of the project required detailed analysis and a re-structuring of the entire process. After "walking through the process," having interviewed Client Associates, and after analyzing the process, the following solutions were implemented:

- ▶ Streamlined all process requirements across Hong Kong and Singapore
- ▶ Simplified automated forms with well defined requirements, improving the data quality and reducing the rework efforts in the process
- ▶ Developed performance dashboards displaying the Input, Productivity, Backlogs and Waiting time, to manage the compliance process
- ▶ Conducted account-opening training to remove differences in process understanding
- ▶ Introduced a risk-based review procedure based on the account characteristics. This was aided by segregation of roles and responsibilities between Private Banking and Compliance
- ▶ Empowered the people and reduced the number of approvals in the account-opening process
- ▶ Created a knowledge management intranet site dedicated to policies, procedures and documentation on the account-opening process
- ▶ Created a quick reference list (A laminated process card) for every person in the process to use

Problem

- ▶ Time-consuming new account openings

Solution

- ▶ Streamlined process requirements across locations
- ▶ Developed performance dashboards
- ▶ Conducted account-opening training and empowered staff
- ▶ Create procedural website and quick-reference card

Result

- ▶ Reduced opening time from 11 days to less than 2 days
- ▶ Improved capacity by 140%

The Results

Following these changes, it now takes less than two days to open an account (before it was 11 days). As well, the process can now handle 600 accounts per minute without any increase in resources – representing a 140-percent increase in capacity since the project started.

In terms of learning, the team figured out that establishing governance before starting a project can and will avoid unnecessary frictions. Also, quantifying process performance gaps with data greatly enables changing people's mindset in a challenging environment. Finally, continuous data collection during the project allows visibility on how the process is responding to changes. This in turn informs any subsequent corrective actions, if required.

