

CUSTOMER SUCCESS STORY



AT A GLANCE

Founded in 1890, Banner Bank has 58 branches and 12 loan offices in 24 counties in Washington, Oregon and Idaho. Since there is about a 400-mile distance from its Walla Walla, WA home office to the most distant of its locations and 750 miles between its farthest reaching branches, Banner needed to make document information accessible throughout the enterprise as well as provide disaster recovery protection.

Banner Bank

Banner Bank Archives and Shares Digitally With Integrated Document Management Solution

Banner Bank, a \$3.4 billion commercial bank that provides a full range of deposit services and business, commercial real estate, construction, residential, agricultural and consumer lending is quite a success story. However, when it expanded its reach across three states throughout the Pacific Northwest, an information-access challenge arose. In order to stay competitive and provide its customary service, the financial institution needed to find a way to archive and share its loan documents electronically. Banner found its solution – and a strong ally – in PROFORMANCE, a full-service integrated document-management solutions provider.

“Because of our diverse geography, getting documents from point A to point B is expensive in terms of both time and courier or postage costs,” explains Bev Miller, Vice President of Loan Systems Operations. “We needed to make information available in a timely manner regardless of where staff was located.” About four years ago, Banner decided the solution was to overhaul the way the bank stored and distributed its documents.

SEARCHING FOR HELP

The organization began looking for providers to help in their information-sharing dilemma. That’s when they became familiar with PROFORMANCE and observed a demonstration of OnBase, an enterprise content-management system (ECM) developed by Hyland Software, Inc. OnBase offers a modular suite of ECM applications including Document Imaging, Document Management, COLD/ERM, Business Process Management, and Records Management.

Although imaging documents was still somewhat new to Miller at the time, she could see its potential. “I got my socks blown off,” recalls Miller, when she first saw OnBase in action. Not only did PROFORMANCE help the Banner Bank Vice President find her socks, they laid out a strategic plan to digitally connect all locations with the documents they needed.

More importantly, PROFORMANCE, an authorized OnBase solution provider, made sure to deliver what Banner Bank envisioned – an integrated system that could automate business processes, improve efficiency, support compliance, cut time and costs, and facilitate the sharing of digital content.

The process involved the conversion from an existing COLD system and an inadequate document imaging system into OnBase. Banner deployed several OnBase modules including COLD/ERM, Disconnected Document Imaging, Application Enabler, Web Server, Export and Publishing; as well as four PROFORMANCE applications: INFO-ACCESS, Host Synchronization, Reports



BENEFITS

- Image retrieval alleviates the need to move physical documents and files
- Users alerted to missing or expiring loan documentation
- Loan documents and pertinent customer data are managed and shared with a single application
- Timely access to imaged documents from Jack Henry Silverlake® screens
- Host data synchronized with INFO-ACCESS and OnBase
- Barcode separator sheets eliminate manual document indexing

and Barcodes. The PROFORMANCE Host Sync module plays an important role by keeping the OnBase and INFO-ACCESS systems in harmony with the Silverlake® core processing system from Jack Henry and Associates.

PUTTING THE PIECES TOGETHER

With the combination of OnBase and PROFORMANCE applications, the planning and execution of the project turned out to be valuable elements in the Banner Bank strategy. What also helps is OnBase's modular design, which allows organizations to add functionality gradually.

Implementation at Banner was "staged", points out Miller, with mortgage loan servicing brought on line first, followed by the consumer loan department and then Banner's commercial loan unit.

Banner Bank started moving to an imaged environment by installing centralized scanning workstations in its three loan servicing departments. In its consumer lending department, paper documents are now permanently stored following creation of their digital equivalents. "Those [paper] files are never used again. We strictly use the image files," says Miller.

In a typical financial institution there are many documents associated with commercial collateral files and Banner now stores 30 percent of these files in digital format. "We no longer allow [the original] collateral files to be removed from the central storage center," explains Miller, who adds that she is hopeful that within a year all commercial files will be scanned and their internal collateral file reviews and credit examinations "will be done from images."

Since implementing imaging, Banner makes loan files accessible in two ways. Users can utilize the OnBase retrieval dialogue screen to search by keywords, such as loan number or customer name. Images can also be accessed directly from a Silverlake® inquiry screen using the OnBase Application Enabler module, which is connected to the OnBase warehouse.

To ensure stability in the Banner thin client environment, OnBase scan workstations use a "disconnected scan," explains Miller, meaning image uploads are "delivered in a manner that does not clog up network pipelines."

OnBase Disconnected Scanning is a standalone application that allows users to scan documents without maintaining a connection to the database or disk groups. Paper documents are scanned, and then converted to digital images on the scanning workstation using a Kofax®, ISIS®, or TWAIN-compatible scanner. Scanned batches are uploaded to OnBase through a connection to the OnBase Web Server. The upload can be manual or scheduled for non-peak hours.



APPLICATION

- Consumer Lending
- Mortgage Lending
- Real Estate
- Commercial Lending / Credit Files

PROFORMANCE SOFTWARE

- INFO-ACCESS
- Host Synchronization
- INFO-REPORTS
- PF Barcode

ONBASE SOFTWARE

- Application Enabler™
- Archival API
- COLD/ERM
- Disconnected Scanning
- Export
- Publishing
- Web Server
- Monarch Integration
- DVD Authoring

COMPLIMENTARY PRODUCT INTEGRATIONS

- Böwe Bell & Howell 8080 DB document scanner
- Fujitsu Computer Products of America fi-5750C & 4340c document scanners
- Kofax Image Products, Inc. Virtual ReScan® (VRS) software

Other functionality facilitates and improves the bank's document management. For example, PROFORMANCE makes document indexing easier through its Barcode module, which indexes documents by producing barcode separator sheets. "Without the use of barcode sheets, every document would have to be manually indexed," voices Miller.

Another module, OnBase Publishing, allows a user-defined collection of document images with a viewing and search application to be written to a network folder (or CD/DVD media), allowing the images to be viewed and researched without having a connection to Banner's OnBase system.

INFO-ACCESS ENABLED

During the spring of 2006, Banner Bank added PROFORMANCE'S INFO-ACCESS system, a document tracking application that integrates with OnBase to produce a consolidated online folder of loan documentation and pertinent customer data. This allows Banner Bank to manage and share loan documentation in one application. It can follow archived document status and link it to any loan, borrower and collateral allocated to that loan. It can also alert users if documents are missing or when expirations are approaching.

INFO-ACCESS offers:

- Loan automation with integrated document imaging
- Collateral and document tracking
- Electronic checklist for tickler and exception handling
- Notice generation
- Configurable online work queues

Banner Bank installed INFO-ACCESS in its Commercial Loan Department and then rolled out a pilot of the system a few months later. Miller points out that the bank wanted to make sure it identified all the needs of the business units and then slowly added necessary functionality to the system.

"We use [INFO-ACCESS] a little differently," says Miller. Banner Bank wanted an improved method to track loan covenants, which might contain references to financial performance ratios, accounts receivable and payable agings and periodic inspections as well as financial information on borrowers and guarantors. New systems can pose initial difficulties for bank personnel. "Users are not enamored with change," points out Miller. Therefore, the ease at which staff adapts to change is a sign that the system is a winner. That has been the case with the PROFORMANCE / OnBase document solution at Banner Bank.

"We worked hard to make it the best it can be and got people excited about using it," proclaims Miller, who proudly says that acceptance by bank users "has been exceptional. The more people are introduced to imaging the more creative they are in how it's used." One Banner Bank department, for example, is adding notes



ABOUT PROFORMANCE

PROFORMANCE is a leader in the design and implementation of document automation solutions for the financial services industry. Using structured methodology, we develop proven document management strategies that significantly improve lending, deposit and other paper-intensive operations at the enterprise-level.

We know how to best integrate applications, such as the OnBase document management system with our INFO-ACCESS and INFO-CAPTURE products, to create industry-specific solutions that are highly functional and adaptable to changing needs. With 20 years of financial services experience, PROFORMANCE delivers industry leading solutions backed by a significant knowledgebase and exceptional technical support.

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to archived reports to document review as required by internal control procedures. This process has eliminated the need to save large volumes of paper reports that accumulate between audit periods.

MORE TO COME

The bank strategy continues to evolve. Having a versatile product and a reliable service provider makes a big difference to Banner as it prepares for the future.

Banner Bank has plans to begin scanning customer signature cards that will enable teller and frontline staff to have access to customer identifying information right at their workstation. "It will reduce transaction time," explains Miller, who adds that tellers and customer service reps "Won't have to ask that 10-year customer for identification because they will be able to retrieve an image of the signature card right on their screen."

"The potential to leverage the software is endless," adds Miller. Having one multifunctional product reduces the complexity typically associated with multiple vendors. "We want to leverage this investment for as many uses as possible. If we can provide multiple solutions with one product, we save time and money because we only have to maintain one piece of software," emphasizes Miller.

"It has been a very good solution," says Miller, who is also quick to tout the response of the PROFORMANCE team. "We've developed a real rapport," says Miller of the bank's relationship with PROFORMANCE management and staff. Our relationship with PROFORMANCE is one of the best vendor relationships we have...It's not just a relationship, it is a partnership...that vendor-client relationship is key to success."

As Banner Bank continues to write its success story, it is pleased with how its book reads so far, "We're reducing paper and adding efficiency," says Miller, "and information is readily available throughout our organization."