

TOMORROW'S WORLD TODAY

Online banking is the way of the future, says Samir Sahu, and treasurers are reaping the benefits of perpetual innovation in technology

> The dynamism and flexibility of the internet has opened up exciting new avenues in the banking and financial services sector. Not only has the internet emerged as a reliable distribution channel for banking products and services across the globe, but banks have also become more creative in offering these services.

While retail banking has been quick to adopt online banking solutions, it has been more challenging to build business banking solutions. This is because banks recognise that they must balance technological innovation and a user-friendly experience with solutions that are customised to the needs of the business.

It seems relevant at this stage to ask: "What do corporates really want in terms of online business banking solutions?" The obvious answer, of course, is that corporates are looking for online services that are fast and accurate to speed up turnaround times and increase the efficiency of their day-to-day operations. As a corollary to this, real-time information is crucial to help treasurers and cash managers make informed business decisions.

With more businesses moving online and investing in the latest technologies, such as enterprise resource planning systems, supply chain management solutions and e-commerce, companies increasingly need to have 24/7 access and uninterrupted workflow processes. Banks that offer integrated services that help businesses to make better decisions and become more efficient will emerge as winners.

Clearly then, there is a significant opportunity for online services that will enable approvals, release scheduled payments, transfer funds, improve cash flows, assist in viewing account balances and transactions, and reduce errors, resulting in greater speed, convenience and flexibility.

The success or failure of any solution depends upon how a company's systems interface with the systems of its banking partner. System interfacing is important because it enables banks to deliver straight-through processing capabilities. Often, corporate banking online solutions need to have interfaces with multiple internal back office systems to provide efficiencies for both the customer and the bank. Banks that have invested in this area have seen significant benefits,

which in turn have enabled them to provide customers with superior service proposition.

Besides providing straight-through processing, corporate online banking solutions should also incorporate the concept of multi-users, with various levels of access, authority and usability. In retail banking, a bank could get away with providing access to just one or two users for a profile, but this is not true in the corporate online banking space.

During the early years of corporate online banking, most banks provided the customer with rigid choices on authorisation. These met the customer's requirements to a certain degree, but did not truly replicate the levels of authority existing in the company.

The challenge for banks was being able to replicate the authorisation

set-up in the customer's environment. It required banks to provide selective and comprehensive access to an account or group of accounts. Flexibility is another key factor that banks need to build into online business banking platforms, so that treasurers are able to view the exchange rates offered, transaction charges recovered upfront during the initiation and approval stages itself.

> Invariably, success in the online space is also linked to the level of detail that can be accommodated within the system design, while at the same time including options for customised solutions.

Another challenge that banks often face is the management of authorisers. The customer needs a simple set-up, while the bank seeks to incorporate the capability to address complex

authorisation set-ups for a broad base of customers.

Other factors that determine the success of online corporate banking systems include the customer's preferred mode of data input into the system, the navigation of pages and, most importantly, ensuring the security of the system, while keeping the customer experience simple and efficient.



Samir Sahu is deputy general manager and head of transaction banking services at Emirates NBD



ABOUT smartBUSINESS

◆ Emirates NBD, a leading bank in the Gulf Cooperation Council region, has invested consistently in technology to establish robust and stable banking systems. The bank has focused on empowering the customer, and processes and technologies are deployed with the view to providing customers with a superior banking experience. The bank offers innovative technology-based solutions targeted at retail and corporate segments.

◆ As part of its preparation to launch a dedicated online corporate banking solution, the bank carried out a comprehensive study of its corporate banking customers' requirements. While the study examined many aspects of the online delivery channel, the premise of overall customer experience on the channel was central to the entire exercise. And the initial design underwent multiple iterations to fine-tune features and functionality, enabling customers to use the platform to facilitate their business.

◆ Due to the level of interfacing achieved with the bank's core and other systems, the majority of the transactions on Emirates NBD's online banking service, smartBUSINESS, are straight-through. This provides customers with better turnaround time and transparency on transaction processing, enabling the bank to improve the customer experience. All information pertaining to the transaction is available online for the customer to access at their convenience, and is delivered through a single-page view.

◆ Emphasis has been placed on 'user comfort' and 'ease of use', while the look and feel has been kept consistent. All screens have 'Tips' that briefly explain the user functionality and there is a user-friendly 'search option' on the transaction screens that gives the user the flexibility to query records based on different search criteria.

◆ Today, smartBUSINESS is a stable platform that meets the needs of Emirates NBD's business,

corporate and institutional customers. The platform is being continuously improved with the addition of new products and services. Emirates NBD has been successful in acquiring a large base of clients who actively use the online service.

◆ The platform offers a full suite of payment products and supports initiation of transactions through multiple input options – single input, basket input, file upload and templates. Group company accounts can be linked on the platform, thereby providing group treasurers with the convenience of processing payments centrally or at individual company level with reports for easy reconciliation.

◆ Some of the services offered are email advice for beneficiary, transmitted SWIFT copy download, warehousing of future dated transactions, ability to recall the transaction, account balances in real time and an ability to display indicative exchange rates for cross-currency transactions.