Findings Report: **Document Imaging Processes**

Document Imaging Processes Study of 103 Bankers

Alogent

Executive Summary Study Overview

Financial institutions continue to seek more efficient document management processes, particularly for managing credit and loan files. Although electronic document imaging software has helped many banks and credit unions become more efficient, some institutions still struggle with achieving streamlined document management. This study takes a closer look at how document imaging software impacts efficiency.

The purpose of this study is to answer the following questions:

1. What does "document imaging" actually mean (according to bankers)?
2. Which departments are using imaging software – and which are not?
3. What type of scanning equipment is most often used?
4. How do banks organize electronic documents (shared folders, ECM systems, etc.)?

alogent.com

Audience Summary

In total, 103 people participated in the study. Participants in the survey mostly represent small to mid-sized community banks, representing an estimated $35 billion in total assets. All participants were located in the United States. Job function ranged widely, including loan operations, loan servicing, senior management, and information technology.

Summary of Findings

As outlined in subsequent pages of this report, it is clear that institutions have strong opinions about document imaging. The following findings have been concluded from this study:

Scanning
53% of bankers think of scanned (electronic) files when they think of "document imaging."

Imaging Software
69% of institutions surveyed use imaging software to organize loan files.

Low Hanging Fruit
Deposits (65%) and credit files (55%) are also frequently imaged, making loans, deposits, and credit files the "low hanging fruit" for most banks when it comes to imaging.

Types of Scanners
Traditional desktop scanners (70%) and batch capture scanners (over 60%) are used most frequently by banks.
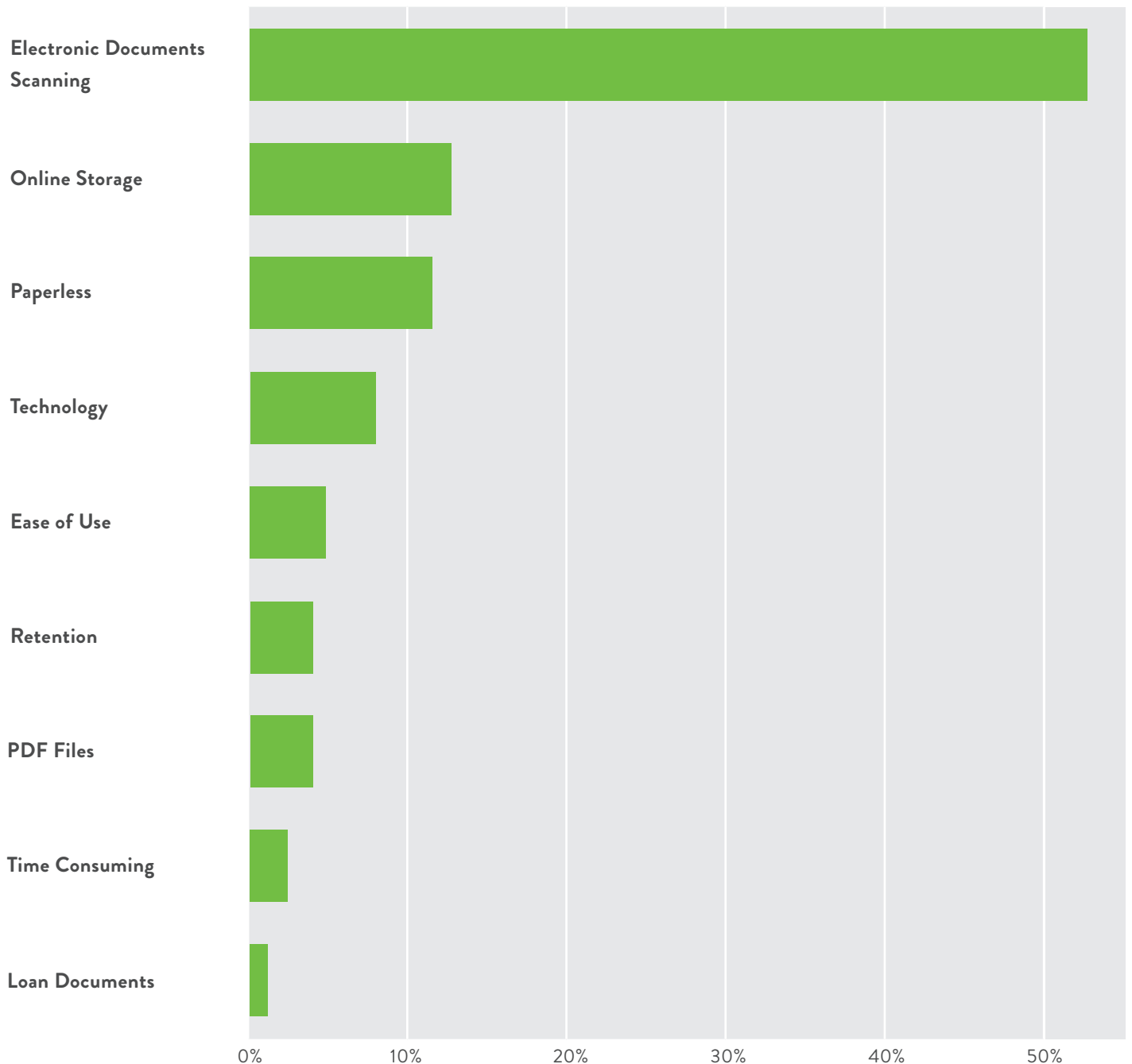
ECM Software
37% of banks have invested in a dedicated, well-structured document management software to help organize scanned-in files.

Shared Folders
Surprisingly, the majority (44%) of banks surveyed do not use a dedicated document management system, but instead prefer to rely on shared server folders.

alogent.com

Document Imaging

When you hear the phrase "document imaging," what comes to mind?

Category	Percentage
Electronic Documents Scanning	53%
Online Storage	13%
Paperless	12%
Technology	8%
Ease of Use	5%
Retention	4%
PDF Files	4%
Time Consuming	2%
Loan Documents	1%

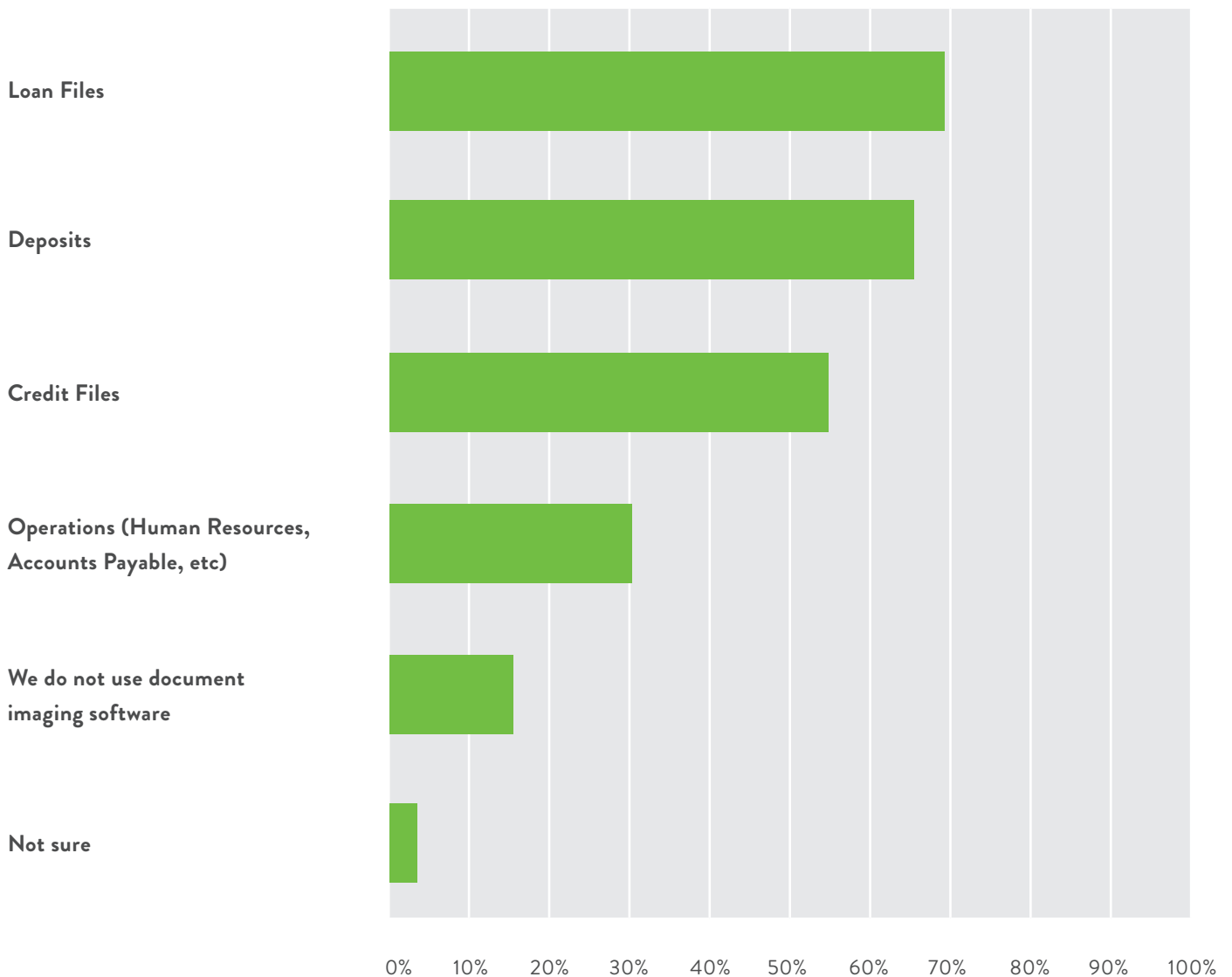*(Bar chart values approximate from axis: 0% – 50%)*

Banker Opinion: Document Imaging = Scanning

Over half (53%) of bankers think of scanned (electronic) files when they hear the phrase "document imaging." 14% think of "online storage," while 13% associate "paperless" with the phrase. Several other related phrases, such as "technology," "retention," and "loan documents," also came to mind in fewer cases.

alogent.com

Document Types

Which of the following document types are currently being imaged by your institution? (check all that apply)

Document Type	Percentage
Loan Files	~69%
Deposits	~65%
Credit Files	~55%
Operations (Human Resources, Accounts Payable, etc)	~30%
We do not use document imaging software	~15%
Not sure	~3%

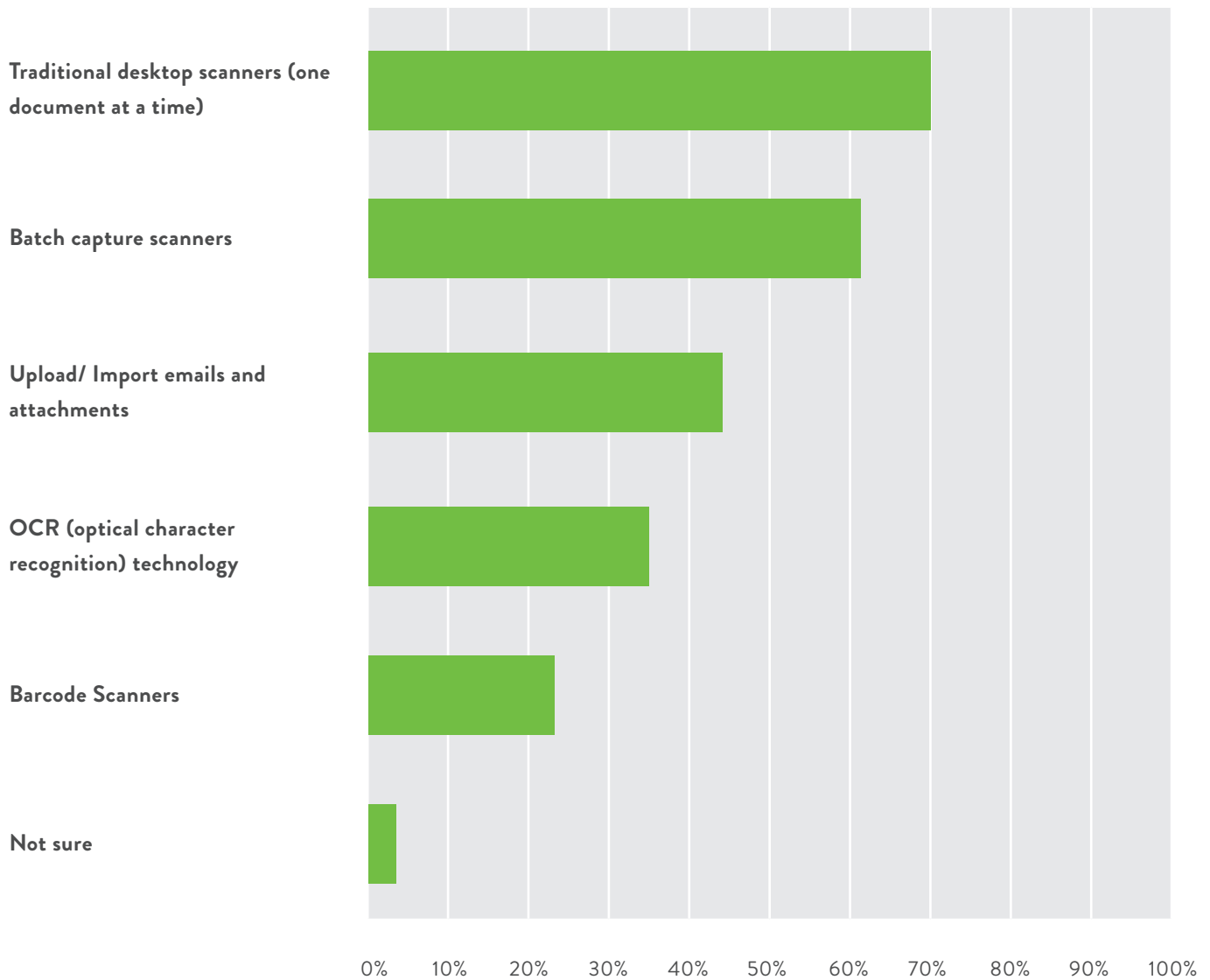0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

Loans, Deposits, and Credit Files are Low Hanging Fruit

69% of institutions surveyed use imaging software to organize loan files. Deposits (65%) and credit files (55%) are also frequently imaged, making loans, deposits, and credit files the "low hanging fruit" for most banks when it comes to imaging. Banks see less value in imaging operations-related files.

alogent.com

Scanning Technology

Which of the following technologies are being utilized by your institution? (check all that apply)

Traditional desktop scanners (one document at a time)

Batch capture scanners

Upload/ Import emails and attachments

OCR (optical character recognition) technology

Barcode Scanners

Not sure

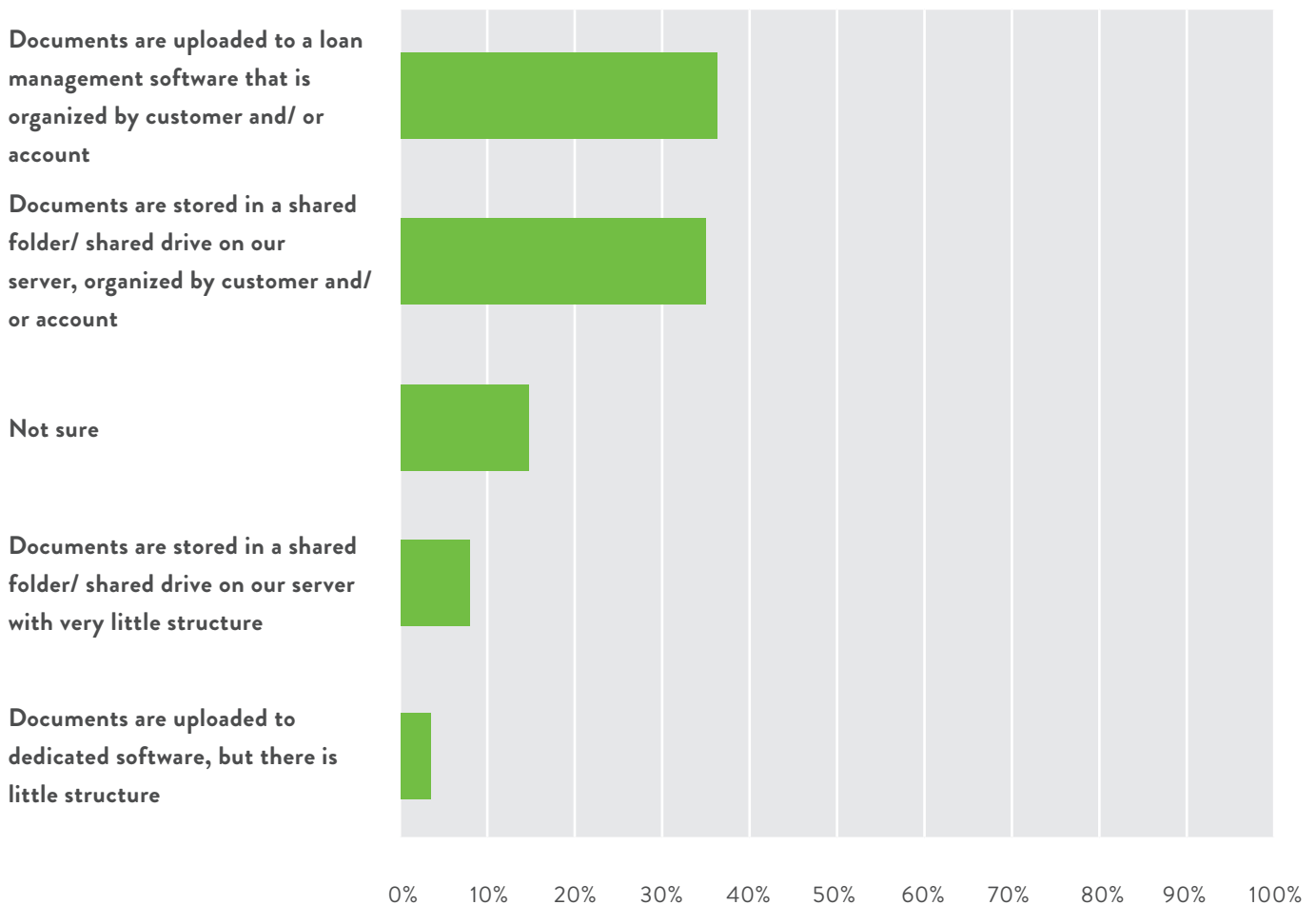0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

Mix of Technology Works Best

Traditional desktop scanners (70%) and batch capture scanners (60.71%) are used most frequently by banks. However, as more documents originate in electronic format (such as email attachments), the use of e-print technology continues to grow (approaching 43%).

alogent.com

Document Repository

Which best describes how your institution stores and organizes documents once digitized?

Documents are uploaded to a loan management software that is organized by customer and/ or account

Documents are stored in a shared folder/ shared drive on our server, organized by customer and/ or account

Not sure

Documents are stored in a shared folder/ shared drive on our server with very little structure

Documents are uploaded to dedicated software, but there is little structure

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%
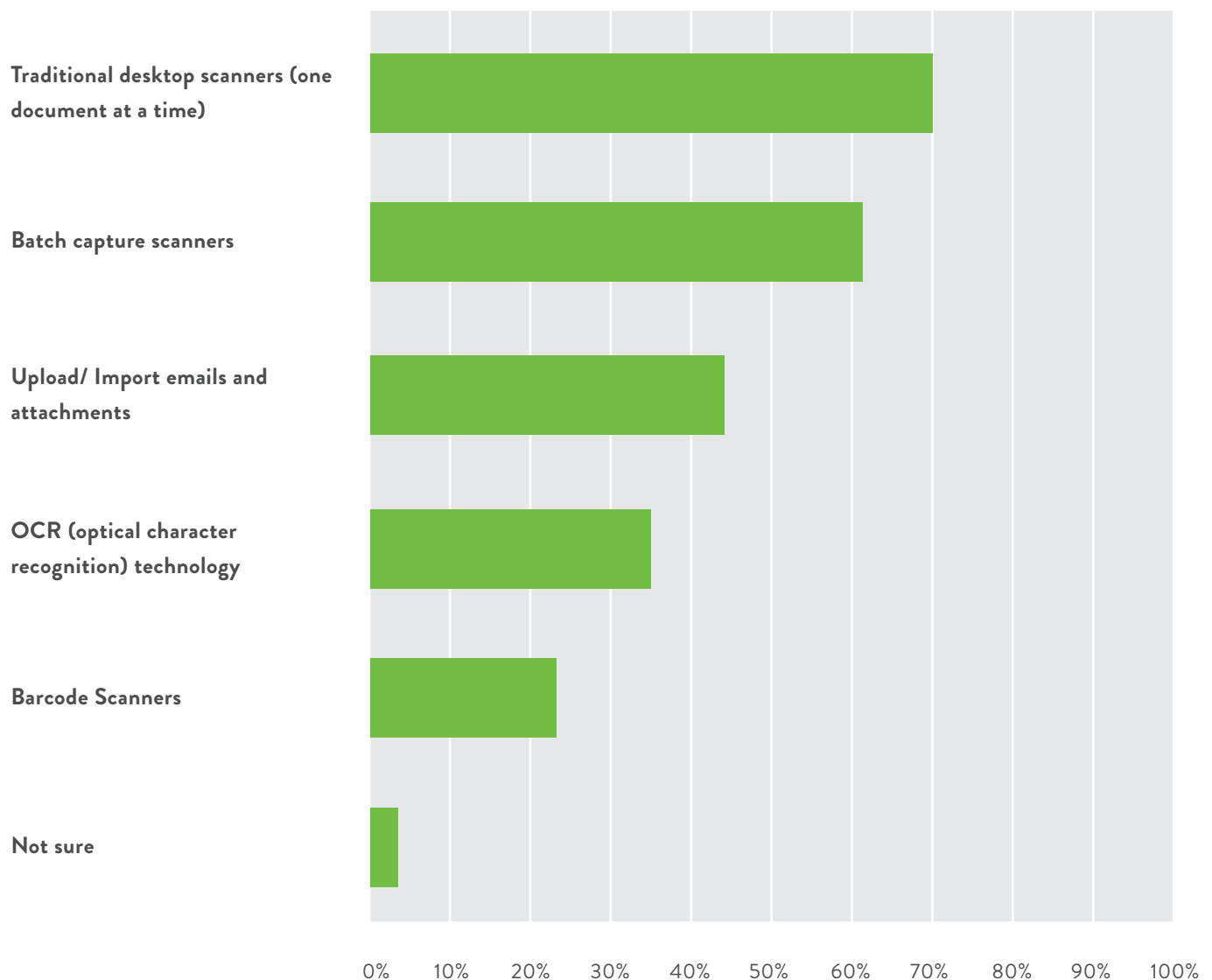
Organizing Electronic Documents

37% of banks have invested in a dedicated, well-structured document management software to help organize scanned-in files. Surprisingly, the majority (44%) do not use a dedicated document management system, but instead prefer to rely on shared server folders

alogent.com

Reasons for Implementation

Why did your institution implement an electronic imaging system in
the first place? (check all that apply)

Traditional desktop scanners (one document at a time)
Batch capture scanners
Upload/ Import emails and attachments
OCR (optical character recognition) technology
Barcode Scanners
Not sure

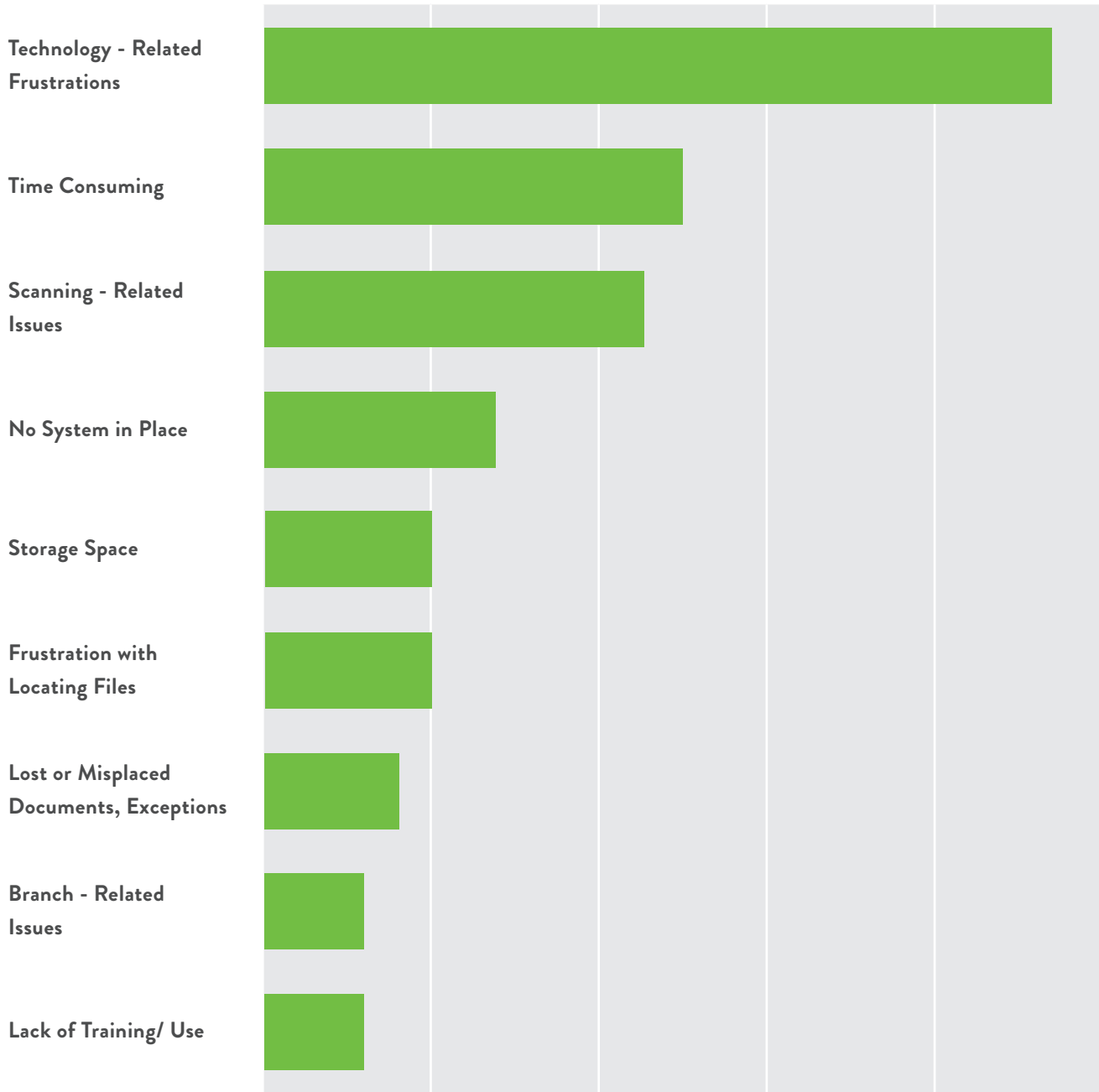0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

Why Move to Paperless?

Of the institutions that have moved to an electronic imaging system, over 76% indicated their desire to create more efficiency was the main reason for doing so. A close second (75%) was a desire to eliminate paper.

alogent.com

Open-Ended Question

What your biggest "pet peeve" with your current document management process?

Category	
Technology - Related Frustrations	████████████████████████
Time Consuming	████████████
Scanning - Related Issues	██████████
No System in Place	██████
Storage Space	████
Frustration with Locating Files	████
Lost or Misplaced Documents, Exceptions	███
Branch - Related Issues	██
Lack of Training/ Use	██

Scanning Technology Seems to Create Frustration for Bankers

When offered the opportunity to vent frustrations about current document management processes, bankers frequently cited a range of "technology related" frustrations (32%) altogether. "Time consuming (16%)," "scanning-related (15%)," and lack of proper systems (10%) were also mentioned.

"The scanner was slow but we just replaced it and it seems to work better now."

"Nothing is integrated, is slow, too many manual processes."

"Finding old documents when they are no longer stored at the branch that originated the loan."

"Organization of files. Consistent indexing."

"Difficulty getting multiple branches to standardize scanning process so backroom doesn't have to correct things."

"The frustration is more in the beginning of creating standard templates for all possible types of documents. A uniform naming convention is needed along with document mapping and indexing. This may be complex based on the type and number of documents."

"Need to do manual quality control to ensure all pages, both sides get scanned appropriately."

alogent.com

Alogent provides proven, end-to-end check payment processing, digital, online, and mobile banking, and enterprise content and information management platforms to financial institutions of all sizes, including credit unions, community banks, and some of the largest national and international institutions. Our unique approach spans the entire transaction "ecosystem" — capturing and digitizing transaction data, exception tracking, and automating entire transaction and loan management workflows so that information is available across the enterprise. Alogent's solution suites leverage the latest in AI, machine learning and predictive analytics, including enterprise-wide data intelligence and reporting solutions that enable financial institutions to deliver products and services that boost engagement through personalization and data-backed decisions.

Alogent

alogent.com

marketing@alogent.com
+1.678.966.0844