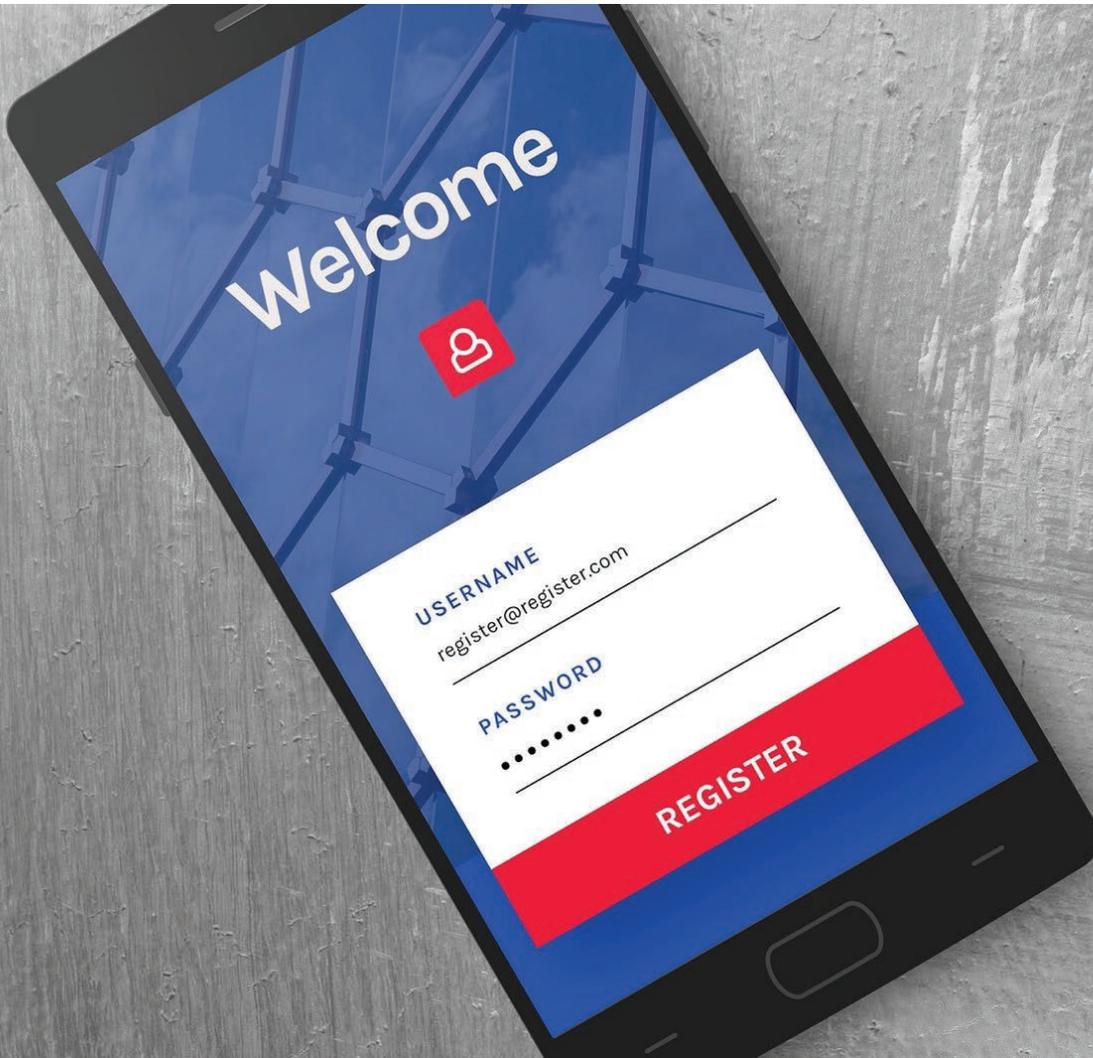


Digital Customer Onboarding

– Making the business case for Sri Lanka



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A Wollstra Tech initiative in industry awareness & lessons learned

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1. Introduction

Customer Onboarding is the process of enrolling for particular services from an organization that provides them. Many service providers including banks, hospitals, telecommunication companies, stock brokers, municipal councils, schools and suchlike initially require a formal disclosure of information from their “customer”, as well as an acknowledgement of the terms of service, consented by signature. The organization would typically archive this disclosure as a transaction in their core business systems, to be retrieved for use in the rare case of litigation. Furthermore, some organizations would use the information gathered from such a formal transaction to keep the relevant customer profile data that they maintain in their Customer Relationship Management (CRM) system up to date. The activities involved in this type of “fill, sign, submit and archive” transaction is what we’d like to define as “Customer Onboarding”.

Digital Customer Onboarding (DCO) occurs when the above process happens entirely through a digital channel, such as a Website or a mobile app. The customer wouldn’t need to physically visit the service provider, fill forms, or even e-mail signed & scanned PDF documents. All they would have to do is fill in the relevant information online through the service provider’s Website or app, sign on screen, and get enrolled, provided the relevant online checks and validations pass. The company wouldn’t need to physically archive this disclosure, or to manually update their core business systems with the customer information obtained through their latest transaction. It would all happen electronically as part of a Digital Customer Onboarding software solution.

In Sri Lanka, much of Customer Onboarding happens manually or at best semi-digitally, with the mediation of data entry operators and paper (or PDF-based) systems for data gathering and archival. This reality sits uncomfortably in contrast to the country’s big-picture goals for globalization and increased foreign direct investment (FDI), where as a country we would like to showcase efficient administrative processes that leverage technology and deliver user-friendly customer experiences.

An important component of the Digital Customer Onboarding experience is the Electronic Signature and its validity in Sri Lanka, which we shall briefly explore in this paper.

2. Architecture of a Digital Customer Onboarding (DCO) software solution

A typical DCO software solution would consist of the following conceptual components, working in unison to deliver a seamless customer onboarding experience.

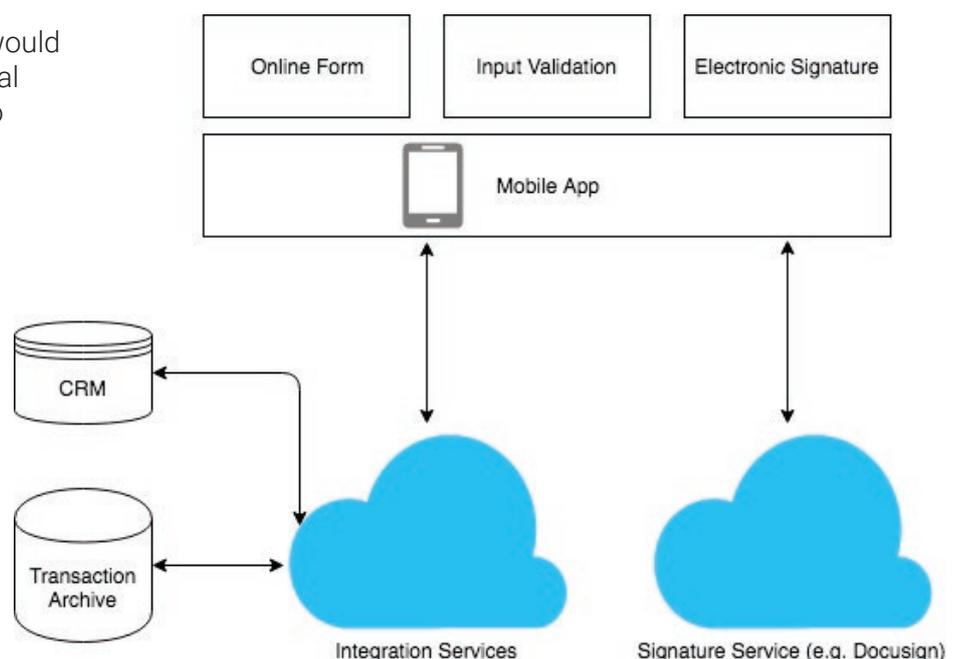


Figure 1: Conceptual Architecture

An online form would be presented to the customer via the service organization's mobile app or Website, where he or she will fill in the necessary information required for enrollment, and then be directed to the signature section of the user experience, if the validation procedures are passed. After successfully signing online, the customer will be presented with his or her digital copy of the enrollment transaction (as a downloadable PDF for example). Meanwhile, a set of back-end services will save this transaction (i.e. the information and its associated signature) to a secure digital archive, as well as pass on all relevant information regarding the customer to the organization's CRM and other relevant core systems.

In organizations where formal agreements are of a repetitive nature, as is the case for patient check-ins at a hospital for example, an authenticated user's enrollment form will be pre-populated with relevant customer profile data, which he or she can edit and proceed.

3. Benefits of Digital Customer Onboarding

The benefits of a Digital Customer Onboarding software solution are manifold. The overwhelming advantage is that of an improved customer experience. First impressions matter, regardless of where a customer interaction takes place. Be it face-to-face, online, on social media, via a mobile app or Website, or voice – customers would always expect a speedy, pleasant and informed first-experience with a services organization.

This first is particularly important if it involves a somewhat complex onboarding process, such as that in a hospital, a bank or a telecommunications service provider. If such an organization were unable to deliver a simple and self-evident onboarding procedure to their customers, there is a high likelihood of these prospective clients wandering off to competition.

The possible advantages with having a DCO solution are numerous.

1. The solution is paperless, and eliminates the cost of paper and related archival expenses.
2. The solution can be proactive, for example, one can check-in a patient en rout to a hospital, saving time and frustration at the admissions counter.
3. The solution is speedier, because returning customers will have their previously saved profile data displayed, and only need update new transactional information, such as a scanned deposit slip or the nature of an illness etc.
4. The solution is more accurate, because sophisticated input validations can be put in place to prevent mistakes.
5. The solution is more informed, because field-level, context sensitive assistance can be provided to guide the customer.
6. The solution is tamper proof, because the transaction can be secured through PKI and even published on a Blockchain archive if deemed necessary.
7. The solution is a modern convenience, and is enticing for the increasingly larger population segment whose sole formal means of communication is their smartphone.
8. The solution is hassle free, and eliminates the opportunity cost of physically visiting the service provider, like for example when signing up a stock broker.
9. The solution is cost efficient to the services organization, by eliminating the cost of data entry into legacy systems.
10. The solution facilitates remote customer engagement.
11. The solution is more secure, transparent and traceable than legacy systems, thus serving as a step towards reducing corruption.

4. Electronic Signatures & concerns about Legitimacy in Sri Lanka

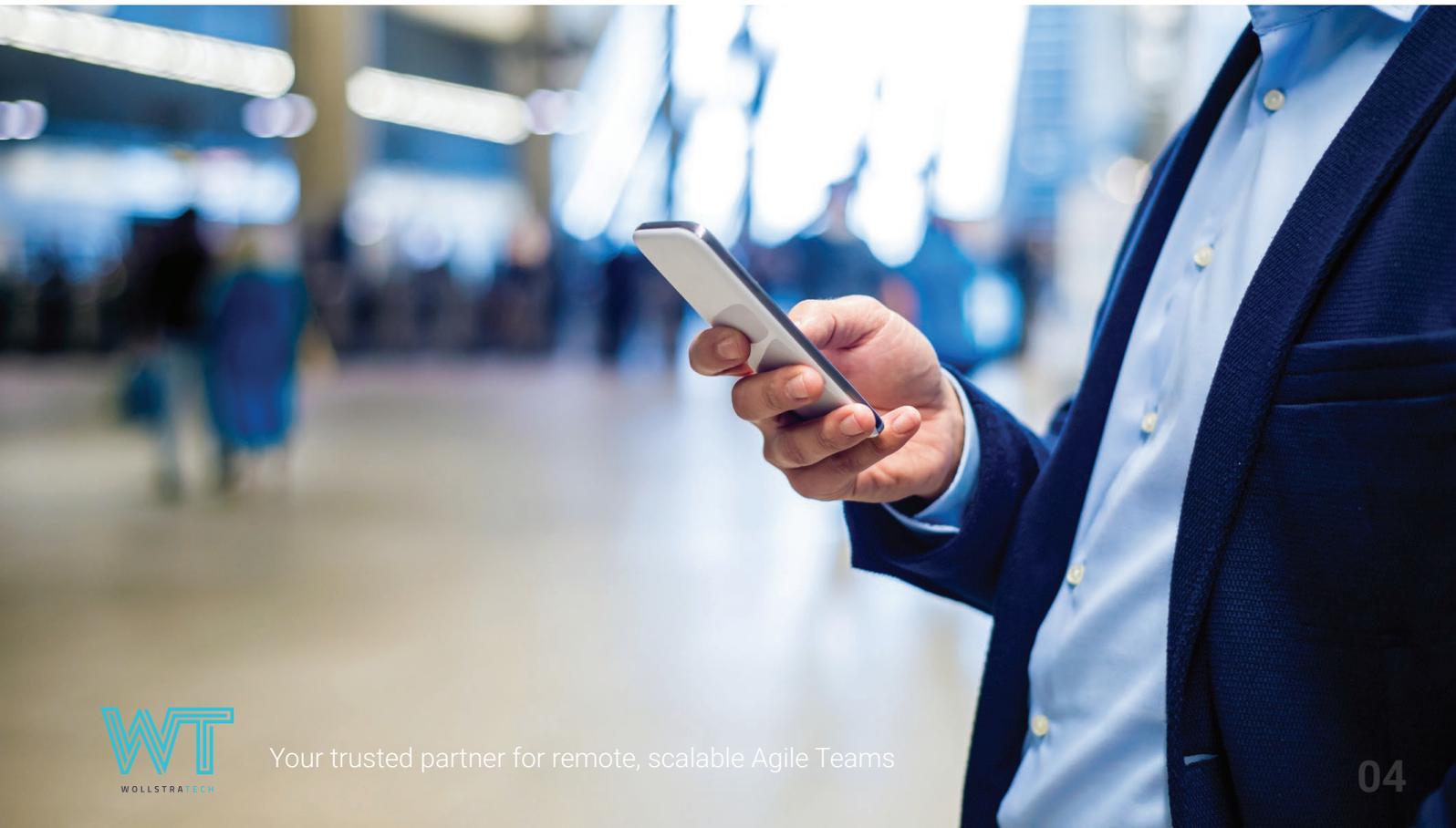
An Electronic Signature is the data in electronic form, which is logically associated with other data in electronic form and which is used by the signatory to sign. An electronic signature provides the same legal standing as a handwritten signature as long as it adheres to the requirements of the specific regulation it was created under.

Legitimacy was granted to electronic signatures in Sri Lanka under the Electronic Transaction Act 19 of 2006. It is an open act, that, in summary, says that organizations cannot deny the legitimacy of documents submitted through electronic means. Electronic signatures in general must serve three critical purposes: [1], to identify the source or sender, [2], to indicate the sender's intent (for example, to be bound by the terms of a contract), and [3], to ensure the integrity of the document signed. The necessary digital infrastructure to ensure that these three purposes are met, are easily within reach of all Sri Lankan technology service providers.

In particular, the act states that: "Where any Act or enactment provides that any information or communication shall be authenticated by affixing the signature, or that any document should be signed or bear the signature of any person, then, notwithstanding anything contained in such law, such requirement shall be deemed to be satisfied, if such information or matter is authenticated by means of an electronic signature".

There can of course arise complications and resistance to adoption, that need to be worked out on a case by case basis. For example, whereas many Sri Lankan organizations accept formal documents without personal recognition of the signatory by sight – by comparing with the National Identify Card (NIC) photo for example – we find that some organizations are afraid to accept the same documents electronically, with the NIC scanned copy as an attachment. The reason given is that its easier for someone to steal or fake the scanned copy than the physical NIC. One possible solution is to enforce much stricter laws and smarter checks against fraudulent identity, rather than balk at adopting convenient technology.

As per Verité Research, the main factors hindering the successful adoption of e-documents and e-signatures are bureaucratic resistance to change and administrative lethargy.



5. Conclusion

DCO replaces space-hungry, slow and unresponsive manual (or semi-digital) procedures with rapid, user friendly digital technology that is in keeping with today's growing channels of consumer communication. The concerns raised in Sri Lanka have been addressed in other countries, and one doesn't have to reinvent the wheel to resolve these issues. A few innovative private sector organizations have already commenced the inevitable shift towards progress, with respect to online customer contracts as a convenience, and one can only expect the entire nation to follow suit in the coming years.

6. Further reading

1. What is an electronic signature? https://en.wikipedia.org/wiki/Electronic_signature
2. The electronic signature act in Sri Lanka:
[http://www.slcert.gov.lk/Downloads/Acts/ElectronicTransactionActParliamentver\(E\).pdf](http://www.slcert.gov.lk/Downloads/Acts/ElectronicTransactionActParliamentver(E).pdf)
3. Problems with electronic signatures:
<https://www.lawnet.gov.lk/1960/12/31/electronic-signatures-perspectives-and-problems/>
4. The case for the adoption of electronic signatures:
<http://www.aiim.org/pdfdocuments/MIWP-DigitalSignatures-2013.pdf>
5. Electronic signatures and its use in the fight against corruption:
http://economynext.com/Sri_Lanka%E2%80%99s_govt_urged_to_enforce_e_signatures_to_break_corrupt_bureaucracy-3-8020-7.html
6. Resistance to electronic signatures in Sri Lanka:
<http://www.ft.lk/article/620947/Accepting-e-documents-with-e-signatures--A-small-step-for-the-Govt---a-giant-leap-for-the-country>