



## Bank Cuts Loan Processing from Days to Hours with Document Management Solution

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Dan Barbattini, Senior Vice President and CIO, Bank of Choice

*Bank of Choice found that paper-based loan approval processes were standing in the way of providing the fastest and most effective customer service. Bank of Choice adopted a complete document management system based on software from KnowledgeLake, a Microsoft® Gold Certified Partner. The result cuts loan processing time from days to hours, boosts customer service while cutting costs, and increases competitiveness.*

### Business Needs

When Bank of Choice was founded in 2004 it was a small community bank with four locations in Colorado, and U.S.\$250 million in assets. Four years later, the bank has 20 locations and more than \$1 billion in assets. That rapid growth has been a validation of the bank's founding philosophy to offer a high level of customer service and a strong local presence in the communities it serves.

Rapid growth has also been a challenge for Bank of Choice. That challenge: to ensure that it can continue to offer those same

levels of customer service and local presence as it grows. One of the bank's areas of concern was loan processing. Handling all the paper associated with a loan application was a time-consuming process, one that could take several days of photocopying and filing documents, then searching for and retrieving the filed documents as they were needed. If customers happened to visit a branch other than the one in which they'd filed their loan application, updates on their loan approval process would not be available.



“We’ve built our business on being a community bank,” says Dan Barbattini, Senior Vice President and CIO, Bank of Choice. “We want to handle loan decisions locally and quickly, both to provide better customer service and to increase our return on investment. That meant we needed a document management and archiving solution that would eliminate the need to store and work with paper.”

Bank of Choice had a document imaging system in one of the banks it had acquired, but the system was neither scalable to support the entire enterprise nor customizable to support the full range of documents the bank wanted to manage. The bank considered enterprise content management solutions from several document management vendors, but found them expensive, proprietary, and tough to customize. The bank also considered but rejected a solution from a company it regarded as too small, with an uncertain product roadmap and future.

## Solution

As Barbattini and his colleagues researched document management solutions, they realized that the basis for that solution could be the collaboration software they had already started to use: Microsoft® Office SharePoint® Server 2007. To provide comprehensive document management capabilities that complement Office SharePoint Server, the bank turned to KnowledgeLake, a Microsoft Gold Certified Partner based in St. Louis, Missouri. The KnowledgeLake solution is based on Office SharePoint Server, to which KnowledgeLake adds its expertise in document imaging, capture and workflow.

Now, when Bank of Choice receives paper-based or faxed loan applications, staff members scan them using standard, low-cost

multi-function scanners, and the scanned images are indexed into the KnowledgeLake application, which also adds custom metadata tags to facilitate search, and provides the document search and retrieval capabilities for the solution. The documents are stored in Microsoft SQL Server® database software and accessed through Office SharePoint Server. Documents received electronically are entered directly into KnowledgeLake, augmented with metadata tags, and stored in the solution.

In the remote branch offices, loan officers access the KnowledgeLake and SharePoint Server solution through a Web browser and the bank’s intranet. The solution retrieves documents using Microsoft ASP.NET® AJAX technology, which provides loan officers and other bank executives with quick access to documents, even though they are not stored locally.

The solution runs on four Dell PowerEdge 2850 server computers, with two machines serving as load-balanced Web servers, one as the application server, and one as a database server. Within months of deployment, the solution held several hundred thousand documents and Bank of Choice expects to store one million documents in the solution within a year, with the solution sufficiently scalable to accommodate that volume, and more, as business continues to grow.

## Benefits

Bank of Choice is taking advantage of the KnowledgeLake and Office SharePoint Server solution to handle loan documents more quickly and effectively, reducing the time it takes to close a loan from days to hours, according to Barbattini.

“The problems of locating documents, moving documents through the approval process, and having documents available to customers regardless of which branch they enter—those problems are gone, thanks to KnowledgeLake and SharePoint Server,” he says. “In an intensely competitive industry such as ours, this is an important competitive advantage because it means we can cut the cost of processing a loan application while increasing the customer’s satisfaction by cutting the time to loan approval. As a local, community bank, that’s part of our core mission, and these technologies help us to fulfill them.”

The bank sees other benefits as well from the use of KnowledgeLake and Office SharePoint Server. The reliance on digital data rather than paper-based files helps to ensure that Bank of Choice personnel are always working from the most current and most accurate information. The costs to handle electronic files are less than the costs of filing, storing, and retrieving paper-based files, although Barbattini says the bank doesn’t yet have an estimate on total savings. Even the costs of meeting regulatory requirements are reduced since, for example, information can be pulled for auditors and regulators more quickly and less expensively than before.

Bank of Choice wanted a flexible, extensible solution that could be used for more than managing loan documents. That’s what it has with the KnowledgeLake and Office SharePoint Server solution. The bank is currently considering implementing this solution for finance and human resources information, further increasing return on investment.