



Banking on better service

By embracing the future of credit delivery, Regions Bank reinforces its commitment to both customers and associates.

Regions Bank serves more than four million households across the South, Midwest, and Texas. The bank is among the top 20 in the nation in total assets, but just as important, an annual J.D. Power study¹ consistently places Regions above the industry average in customer satisfaction.

But what is it that satisfies modern banking customers? That same study² shows the banks with the strongest customer relationships are the ones that succeed in balancing strong digital access with in-branch experiences. Banks also rank higher in customer satisfaction when they excel at using digital tools to solve customer issues.

Regions is striving to meet that standard. The bank is rolling out the branch of the future, where “universal bankers” greet customers at open stations that replace the old rope lines and teller windows. Show up after hours and need more than the ATM can provide? A live “video banker” is ready to help. The bank has also introduced services to help make banking more comfortable for people with autism and their caregivers.

Happy customers also depend on happy associates. For three years running, Regions has been among the 40 or fewer US employers to win the Gallup Great Workplace Award as “an engaged workplace that drives business results.”

Satisfied customers. A commitment to innovation. And consistent workforce satisfaction. What could help the bank perform even better? Technology.

Regions leaders knew that commercial clients expect the same service and convenience in their banking that they receive when they are acting as consumers in the course of their daily lives, and the bank has made significant investments to improve the customer experience. They also saw the need to update the bank’s internal systems to give borrowers the real-time digital responsiveness they demand. Updating those systems would make it easier to work at Regions, too. To give both customers and associates effective lending experiences, Regions leadership determined it was time to transform – to conduct

banking on a single, collaborative platform that tied together everyone’s workflow around a single view of the truth.

Technology shouldn’t be in the way

“People were dealing with disparate systems and a lot of manual work-arounds,” says Nathan Davis, Regions’ Executive Vice President and Head of Innovation and IT Risk Management. “We needed our lending platform to have more end-to-end insight and transparency and agility.”

Fine-tuning IT systems wasn’t in Davis’s job description. Risk was. And letting customers down was unacceptable. So was the prospect of losing valued associates.

“Our people would lose work,” says Martha Raber, Executive Vice President and Managing Director of Debt Products. “The underwriting system would time out, and you’d have to re-key data, or rebuild an entire credit package. We lost two star underwriters, in part, because of those clunky systems.”

+ IMPACT

Electronic documentation and smart contracts speed business, while analytics helps fine-tune client offerings.

+ IMPACT

An efficient platform with a single view of the truth boosts employee engagement and retention.

+ IMPACT

Dynamic workflow enhances collaboration and operational efficiency.

¹ <http://www.jdpower.com/press-releases/jd-power-2017-us-retail-banking-satisfaction-study>

² Ibid.

"And it was perplexing to our customers when they'd have to send us the same data multiple times," she says. "You could tell they were thinking: 'I thought you knew me.' We really believe this was having a direct impact on client retention."

Winning buy-in for lasting change

Raber embraced Davis's observations and took them to senior management for discussion. Executive Vice President for Business Services Marc Mullins was among the early converts.

"We couldn't ignore the technology that has become available," Mullins says. "The retail consumers who use tablets and smartphones every day are the same people that own corporations and sit on boards as our customers. Familiarity becomes expectation, and expectation becomes demand."

Regions identified three core strategies to focus on: improving experience for its customers, digitizing its workforce, and simplifying its internal systems infrastructure. With improved data quality and "data lineage" flowing across a single platform, the bank would be able to use analytics to fine-tune the lending products it offers each customer.

Building a solution—and a relationship

As a foundation for this digital and business transformation to a unified banking platform, Regions chose the bank operating system solution from Wilmington, N.C.-based nCino. Raber says the team wanted functionalities such as a customer portal and optical character recognition (OCR) – so customers could upload documents using their smartphones, then Regions team members could be notified and access them directly to begin analysis.

Regions' leadership had identified the platform it wanted in place, but knew the process of getting there would not be simple. In addition to the complexities of the technical implementation, the transition to an nCino footing would also require

an alignment of process, governance, and cultural transformations, all within the strictly regulated environment of the financial services industry.

That breadth and depth led Regions to select Deloitte as its integration ally. Dounia Lievan, Principal, Deloitte Consulting LLP, who is overseeing the team's work, says Deloitte strives to go beyond its role as a consultant and implementer. "I think our difference comes in our personal commitment to this project and to Regions," she says. "The relationships the Deloitte leadership team have with Marc, Nathan, and Martha set the tone for a program that has to be based on unvarnished truth – a collaboration built on mutual work ethic and an unwavering focus on results."

Mullins says Deloitte helped push the people and the work to exceed expectations. "Our people didn't have the 'muscle memory' to build this, so they're 'going to the gym' with Deloitte," he says. "They also take the extra step of not only listening to what we want, but also challenging us. Our previous experience with software vendors and integrators is that they're too quick to just agree with us and sell something."

Clear progress toward a clearly defined future state

Raber, Davis, and Mullins agree that the new platform is also encouraging Regions professionals to bring more verve to their jobs. "The more you eliminate rote work, the more capacity you provide for associates to be creative," Raber says. "When our associates are free to think strategically about clients and risk, that's when their adrenaline really starts to run."

What Mullins calls the "new nimbleness" of the ongoing transformation has already begun to stimulate a variety of changes. "It's starting to expose the associates on our team who are comfortable with new ways of working," he says.

"Technology transformations are hard," Lievan says. "Regions has made the commitment to the change management it takes to implement and evolve a solution like this."

"The more you eliminate rote work, the more capacity you provide for associates to be creative. When our associates are free to think strategically about clients and risk, that's when their adrenaline really starts to run."

Martha Raber
Executive Vice President and
Managing Director of Debt Products,
Regions Bank

Raber says the amount of ground the project has covered so far is significant. In each of the three focus areas, customer experience, workforce digitization, and infrastructure, "More opportunities to better support our clients are possible now."

"We're going to iterate and improve throughout the journey," Raber says. "The pace of change is incredibly fast, but we have to keep the possibilities in mind – the future 'unicorn state.'"

It all started with a group of executives who saw a need and weren't shy about speaking out.

"The catalyst came from a strange place," Mullins says. "Nathan's a risk guy, but he saw beyond his role. He sponsored this change, advocated for it, and played a key role in getting us to the starting line."

"The ultimate payoff is being able to anticipate and serve the needs of our customers," Raber says. "Business owners have always wanted safety and soundness from a bank. Now they also want the retail digital experience. This solution, and the experience it brings, needs to be timely, seamless, and yesterday. Thanks to this transformation, we're setting ourselves up to be able to deliver that."

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see www.deloitte.com/about for a detailed description of DTTL and its member firms. Please see www.deloitte.com/us/about for a detailed description of the legal structure of Deloitte LLP and its subsidiaries. Certain services may not be available to attest clients under the rules and regulations of public accounting.