

Customer Case Study

99% OF ONEMAIN'S LOANS ARE ELECTRONICALLY SIGNED: LENDER LAUNCHES E-SIGNATURES ONLINE, THEN SCALES TO 1,700 BRANCHES

Based in Evansville, Indiana, OneMain (formerly Springleaf Financial Services) provides subprime direct-to-consumer loans. The lender distinguishes itself by offering flexible transaction options for optimal convenience, and for an extensive branch presence that integrates OneMain into the communities it serves.

CHALLENGE: COMPETE MORE EFFECTIVELY BY ALLOWING CUSTOMERS TO CLOSE LOANS ELECTRONICALLY ONLINE AND IN-BRANCH

In 2011, David Smith, IT Vice President of Applications Systems, and Philip Hannah, Director of IT, were challenged by the CEO to give customers the option of applying for and closing loans online.

The need was urgent. In the wake of the 2008 financial crisis, the company had consolidated some of its operations and online competition threatened its market share. Convenient virtual lending would allow the lender to hold onto good customers in regions where it no longer maintained branches, and help it reach new customers attracted to the web.

Phase 1: Online and call center

The initial e-signature implementation began in September 2012 online and in the call center. Roll-out was gradual, starting with a handful of states. The company worked with regulators on a state-by-state basis to explain that they would be using electronically signed documents. Throughout 2013, the remaining states were added and the lender today serves a total of 44 states.

"If we did not have e-signatures, we could miss out on a large segment of customers who want to do everything online," Hannah says. "The online lending experience has allowed us to be able to very quickly capture the customer, make the underwriting process very streamlined and straightforward, and get the loan closed and funded quickly."



"E-signature was a key part of the execution on our web-based initiative. Without it, we wouldn't be able to compete in the online market."

David Smith, Vice President, Application Systems at OneMain

EXECUTIVE SUMMARY

Business Objectives

- Accomplish growth strategy by providing the ability to close loans electronically in online and branch channels

The Problem

- Post 2008, branch closures and online competition threatened the company's market share – in their old business model, they did not have the ability to close loans online

The Solution

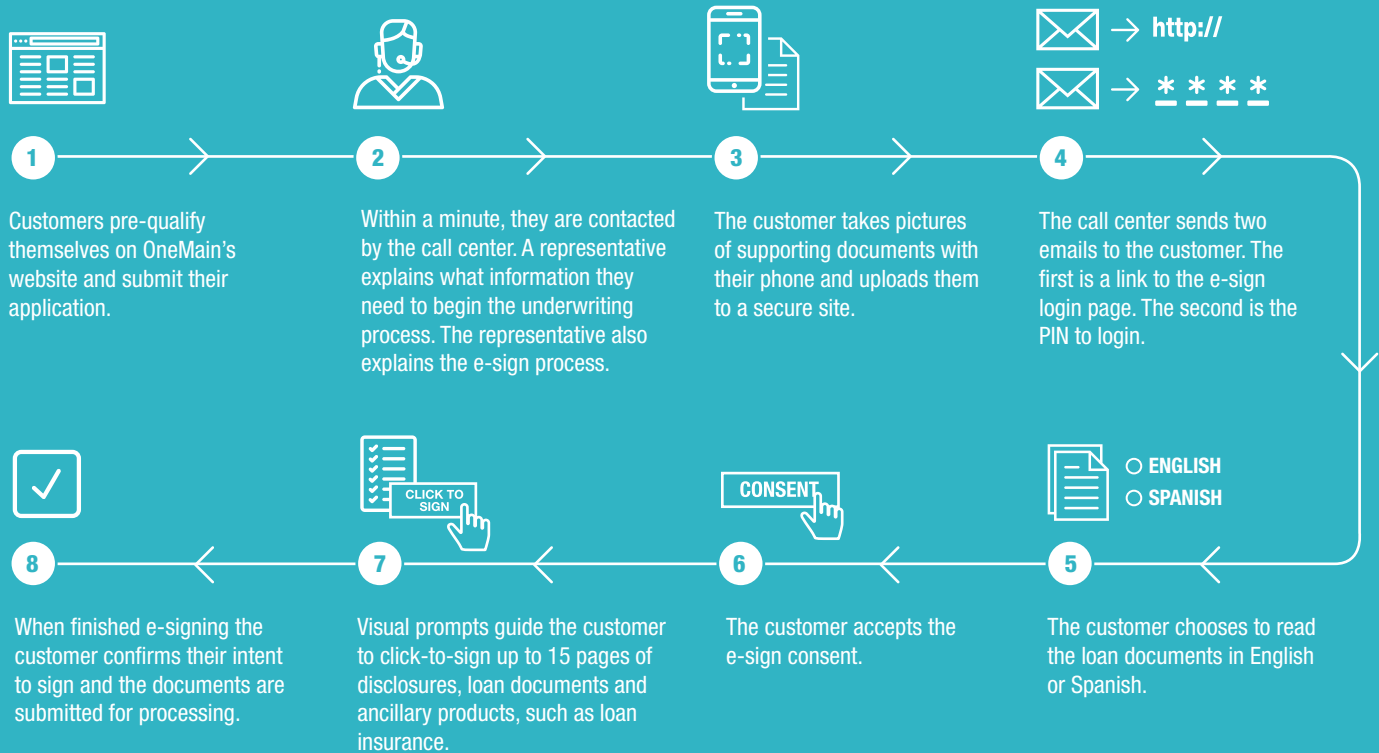
- eSignLive™ Enterprise (on-premises) fully integrated with the company's online portal and LOS
- "Integration exceeded our expectations"

The Results

- Opened new online lending channel
- 99.1% customer adoption
- Increase in volume of loans processed
- No missing signatures – workflow rules capture all 35 signatures/initials required
- Save 20 to 30 minutes of manual handling per loan
- Save \$500,000 in toner costs/year
- Eliminated 1,000 foot stack of paper/month
- "Phenomenal efficiency gains" – no need to scan paperwork; all signed records are automatically exported from eSignLive to the CMS



ONLINE SIGNING WORKFLOW



Phase 2: The branch network

The company's success with online lending ignited a complementary mission: to increase the convenience, and reduce paper-related costs, in the branch.

In November 2014, the head of branch operations made a strategic decision to move all of their branches to e-signatures. They were up and running within a two-month window.

The impact was immediate. By February 2015, 90% of customers were choosing e-signatures over pen and paper – almost all of the 1,200 to 1,500 loans transacted daily in the branches were completely digital.

Two years later, Springleaf acquired OneMain from Citigroup, expanding its branch footprint to more than 1,700 branches. In 2017, the lender expects to have integrated e-signatures into every branch, exponentially increasing their transaction volume.

SOLUTION: ESIGNLIVE PROVIDES ON-PREMISES SECURITY AND A WHITE-LABELED CUSTOMER EXPERIENCE

Originally, the company planned on building an e-signature solution in-house. "But once we looked at the advanced capabilities available in the marketplace," says Philip Hannah, "we realized it would take us years to do."

They quickly narrowed the field to two vendors, vetting the competing options on capabilities, product features and financial stability. Ultimately, eSignLive distinguished itself as the right choice for a number of reasons:

On-premises option:

The company's legal, compliance and IT teams insist that all documentation concerning their loans remain on-premises.

"I want to be able to have every part of the transaction under my control," says Smith. The competing vendor was exclusively cloud-based; eSignLive offered both cloud and on-premises options so organizations can choose the deployment model that best meets their specific business requirements.

Ability to process high throughput:

During their peak period in the fall, the company processes 4 to 5 times their normal daily volume of transactions. This period is known as their Customer Appreciation Days (CAD). Knowing the e-signature platform they chose would have to scale to their branches where the majority of transactional volume takes place AND support spikes of thousands of transactions per day, required a reliable, stable platform with a proven track record.

Consistent branding:

Most e-signature solutions direct end-users to web pages labeled with the vendor's brand. eSignLive takes the opposite approach, allowing its clients to completely white-label the entire transaction experience. "We want our customers to feel that they're always within the OneMain brand and processes," says Philip Hannah.

Comprehensive audit trail:

"The audit trail is a key and critical feature for us," says David Smith. eSignLive offered the most comprehensive audit trail available, a functionality that not only captures dates and times, but records the entire history—views, clicks, reading durations—of each signatory's actions. Although litigations are not common, Smith notes, the company has found that extensive evidence "puts us in a strong position."

Financial services experience:

Given its on-premises option, eSignLive has an extensive financial services client base. The company felt more comfortable working with a vendor who understood the unique customer requirements and regulatory challenges of its industry.

Quality of the vendor relationship:

"It's a common item we look for in vendors," says David Smith. "There'll always be challenges; we want a partner to help us through them." Early on, eSignLive demonstrated both flexibility and an ability to respond quickly to emerging needs.



Closing Booths in the Branch

When the closing takes place in the OneMain branch, a branch employee will first authenticate the customer by verifying their government-issued photo ID.

Document signing then takes place at a kiosk or "closing booth" where the customer starts the process by entering their last name and the last four digits of their SSN on the screen.

The system searches all signings scheduled for that branch that day, locates the corresponding signing transaction and presents it on-screen. The customer selects it and starts the signing process, tapping the touchscreen to sign or initial up to 35 times.

RESULTS: 99.1% OF CUSTOMERS USING E-SIGNATURES; HUGE SAVINGS IN PAPER, TONER AND EMPLOYEE TIME

In OneMain's business, speed translates into customer satisfaction. "Customers want funds as quickly as possible," Smith says. "eSignLive helps us accelerate the transaction loop—you can close today and get the funds in as quick as an hour. How fast they get the information to us is how fast we can close."

In addition to speed, customers want convenience and comfort. "eSignLive gives customers the flexibility to interact with OneMain the way *they* want to, either online or in-person."

While improved customer experience was the key driver, Smith and Hannah also note dramatic gains in reduced costs and greater efficiency. Before using eSignLive, each branch officer spent an average of 20 minutes scanning and routing each loan file, generating a stack of papers every month, says Smith, "as high as the Empire State building." Today, the signing process is completely digital; signed documents are automatically directed to OneMain's document management system without any manual work.

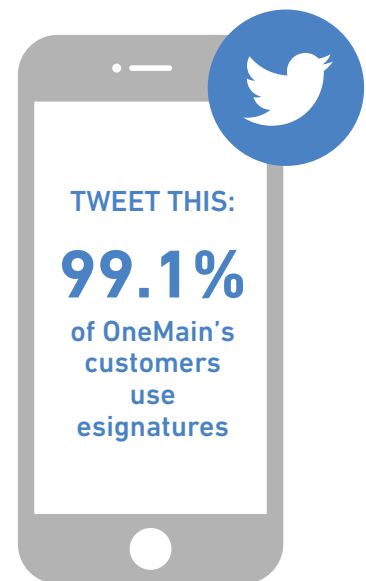
On the branch level, eSignLive has created "phenomenal efficiencies" that their branch officers love. In just two years, OneMain has eliminated \$500,000 in annual toner costs alone; the branches no longer generate a thousand-foot stack of loan papers every month. In the online channel, e-signatures have "provided us with the ability to compete in the online lending market, a channel we didn't have five years ago."

Today, 99.1% of OneMain's customers chose electronic signatures. "The business units drive the utilization rate," says Smith. "The key is to design a solution that inherently drives efficiency. As soon as our people started using it, they saw so much efficiency it encouraged almost instant adoption."

"This isn't just a technical solution," concludes Philip Hannah. "It's a business improvement initiative."



Before eSignLive, each of OneMain's branches generated a stack of paper as high as the Empire State building every month.



For more information, contact a representative at
1-888-745-2647
or visit the eSignLive website today.

FREE TRIAL

About eSignLive™ by VASCO

eSignLive™ is the electronic signature solution behind some of the world's most trusted brands. Regulated industries and top analyst firms recognize eSignLive products and services for their ability to balance the highest levels of security and compliance with ease-of-use while automating any process – from the simplest, internal signing workflow to the most complex, customer-facing transactions. Available in the cloud and on-premises, the eSignLive solution offers a scalable platform to support an organization's digital transformation strategy across the enterprise – today and tomorrow.

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