

A Forrester Consulting
Thought Leadership Paper
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Digital Document Processes In 2020: A Spotlight On Financial Services

Financial Services Results From The August
2020 Thought Leadership Paper “How Digital
Document Processes Are Shifting From Best
Practice To Business Necessity”



Across the globe, 71% of financial services firms mostly or exclusively use digital document processes.



Digital document processes will become foundational for CX and EX.

“Using digital document technologies helps in maintaining continuous operations, even with an entirely remote workforce.”

CIO, financial services company, United Kingdom

Introduction

As the COVID-19 pandemic sweeps change across the globe, financial services firms have found themselves managing incredible levels of demand and providing support for some of the worst-affected companies while simultaneously adjusting to a new working normal. Decision makers in the industry are forced to pivot and rethink their priorities to continue operations in increasingly complex conditions.

In this new environment, what is the value of digitizing document processes? How is it helping financial services firms? How important will it be as they move beyond the pandemic?

Adobe commissioned Forrester Consulting to answer these questions and evaluate how digital document processes are supporting business continuity. Forrester conducted an online survey with 450 senior IT and business decision makers based in North America, Western Europe, and APAC with responsibilities for digital document processing at their organization. We found that financial services firms are refocusing their attention on digital document processes and recognizing these solutions as more than just operational tools. The solutions are enablers of good customer experience (CX) and employee experience (EX), and they unlock new business opportunities. Because of this, initiatives to digitize document processes will continue to grow and become standard protocols in financial services firms. It's a foundational step that will continue to elevate digital maturity in the industry.

KEY FINDINGS

- › **Spend and speed of deployment of digital document processes and e-signatures are accelerating.** Respondents from financial services firms find digital document processes essential to run their business, and 72% consider e-signatures to be crucial for business continuity and agility.¹ On average, these firms will increase their spend on digitizing document processes by 59% in the next year.
- › **Digital document processes are more than operational tools.** They also improve CX and EX. As financial services firms adjust to the changing needs of customers and employees, the pandemic has brought to light the benefits of digital document processes. Thirty-seven percent of respondents link increased customer satisfaction and 40% link increased employee productivity to these processes.
- › **Digitizing document processes unlocks new opportunities.** Digital document processes support business continuity by enabling organizations to continue to serve their customers despite a lack of direct contact. Beyond this, 34% of respondents from financial services firms agree that digital document processes enable the pursuit of opportunities and new customers, particularly in light of the pandemic.
- › **Integrating advanced features upgrades data analytics platforms and drives added value.** As strong adopters of digital document processes, 77% of respondents from financial services firms are looking to leverage associated data analytics features to further advance their organization's business intelligence capabilities and generate business and customer insights.

Digitizing Document Processes Is Shifting From An Operational To A Strategic Initiative Within Financial Services

The pandemic introduced a wave of challenges for financial services firms. Juggling aggressive market volatility, customers in distress, and changing workplace practices, financial services firms have leaned heavily into digital capabilities not only to manage through the crisis, but also to support recovery. While these challenges add an extra layer of complexity in deploying technology solutions, digitizing document processes remains a top priority for financial services firms. Sixty-eight percent of respondents consider it essential to elevating their organization's digital maturity, making it a key strategic initiative.

- Digital document processes are moving from the back office to the forefront of serving customers.** As customers look for more fulfilling digital propositions, there has been a shift in how digital document processes are perceived within financial services firms. While decision makers have traditionally seen them as operational tools with the primary benefit of reducing printing and storage costs, they are now seeing these processes as enablers of good CX and EX. Thirty-seven percent of respondents linked increased customer satisfaction during the pandemic with digitizing document processes, and 40% linked increased employee productivity to it. Those numbers are up respectively from 27% and 23% pre-pandemic. Further, respondents say their organizations anticipate this will last beyond the pandemic with improving employee productivity (42%) and increasing customer satisfaction (37%) growing as prioritized benefits linked with digital document processes post-pandemic (see Figure 1).
- While the value of digital document processes has grown, new challenges have emerged.** Adapting to the new normal by conducting most document processes digitally is bringing new challenges to financial services in the form of change management efforts, training requirements, and perceived regulatory and compliance risks. Financial services firms must revisit these risks and establish or expand new ways of digitizing document processes across channels. This will allow them to serve broader client segments while delivering elevated customer and employee experience.



"Digital document processes provide improved levels of service and ensure streamlined processes for both our customers and our employees."

Chief finance officer, financial services company, Indonesia



"Conducting document processes digitally allows our teams to create a secure and reliable environment for collaboration and document management with our customers and partners."

IT senior manager, financial services company, US



Figure 1

"We've listed some of the benefits provided by digital document processes and tools below. In light of the COVID-19 pandemic, please select the most important benefits from these solutions to your organization."

(Displaying a selection of answers)

	INCREASING CUSTOMER SATISFACTION			IMPROVING EMPLOYEE PRODUCTIVITY		
	Before COVID-19	Pandemic recovery	Δ Delta	Before COVID-19	Pandemic recovery	Δ Delta
Financial services	27%	37%	+10%	23%	42%	+19%

Base: 450 senior IT and business decision makers based in North America, Europe, and APAC with responsibilities for digital document processing at their organization

Source: A commissioned study conducted by Forrester Consulting on behalf of Adobe, June 2020

Digital Document Processes Unlock Opportunities For Financial Services Firms

The financial services industry has traditionally been paper-heavy. It is no surprise that financial services firms primarily associated digital document processes with reduced printing and storage costs pre-pandemic. As this perception evolves and decision makers recognize the importance of digital document processes in CX and EX, financial services firms have much to gain in further leveraging digital document processes to drive growth. We found that:

- › **Financial services customers expect more fully digital processes.**
We found that most financial services firms employ a mixture of digital and paper-based tools. Indeed, only 40% of respondents from financial services firms say their organization manages new account opening applications completely digitally, and only 39% say their organization enables fully digital paperless document authorization. Customers expect more from their financial services. For example, in Australia, to meet customer expectations, businesses lobbied to make changes that enabled mortgages and other documents to be executed and signed completely digitally.²
- › **Financial services firms with minimal digital document process solutions have more business at risk than other organizations do.**
Overall, respondents from organizations with no digital document processes in place report 10 times more at-risk customers and two times more at-risk revenue than those from companies that have these solutions in place.³ Within financial services, respondents report an average 22% of at-risk customers due to a lack of digital alternatives to service them, and they also report an alarming 39% of at-risk revenue (see Figure 2). As digital interactions replace in-person interactions, financial services firms must continue to deploy these solutions to future-proof revenue.
- › **Digitizing document processes better positions financial services firms to serve customers and take advantage of opportunities.** Features like document sharing, collaboration, automation, and e-signatures support business continuity by enabling organizations to serve their customers despite a lack of direct contact. For financial services firms, 56% of respondents affirm that digital document processes allow their firm to continue servicing customers to ensure continuity. E-signatures play an important role here, with 72% of respondents from financial services firms reporting the feature as a very important or critical requirement to supporting business resilience. In addition, 34% of respondents agree that these processes enable their firm to pursue opportunities and gain new customers in light of the pandemic.
- › **With remote work here to stay, digitizing document processes is key to enabling employee collaboration and keeping businesses moving.** Financial services respondents anticipate that 40% of their firm's workforce will continue to work remotely on a regular basis post-pandemic.⁴ That's up from 20% pre-pandemic. Seventy-one percent of respondents say digital document processes improve employee collaboration while working remotely.



"Our digital document processes allow us to significantly increase the volume of online loans processing for our customers over the pandemic period and after."

Chief product officer, financial services company, Australia



"Digitizing document processes plays a role in creating a sense of belongingness amongst our teams."

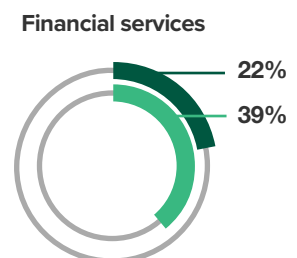
Sales director, financial service company, UK



Figure 2

"In light of the COVID-19 pandemic, and to the best of your knowledge, please indicate the percentage of at-risk customers/revenue due to a lack of digital alternatives to service them."

- At-risk customers
- At-risk revenue



Base: 450 senior IT and business decision makers based in North America, Europe, and APAC with responsibilities for digital document processing at their organization
Source: A commissioned study conducted by Forrester Consulting on behalf of Adobe, June 2020

Digital Document Processes Are Becoming Business Necessity In The Financial Services Industry

Seventy-one percent of respondents with financial services firms say their organization mostly or exclusively uses digital document processes, so financial services firms have already observed some of the benefits of these solutions across both CX and EX. Amongst other digital initiatives, financial services firms will continue to invest in these capabilities as they recognize:

- › **Continuing to strengthen digital capabilities will protect business and customers.** Our study found that 67% of respondents from financial services firms acknowledge customers want improved digital alternatives and solutions when interacting with their company. Sixty-four percent indicate that their firm's employees also want a wider array of digital tools to support them at work.
- › **Advanced features will deliver additional value.** As standard digital document features (e.g., document management and digital workflows) transition from best practices to business necessities, financial services firms must look to more advanced features to deliver value. While they will continue to expand their use of e-signatures, we found that 77% of respondents from financial services firms say their organization is seeking data analytics and insight capabilities from its digital document processes. A further 74% say their firm is looking for document data integration capabilities with critical business systems (e.g., everyday productivity applications suite, CRM, ERP, HCM, etc.). These features will further accelerate documentation workflow and deliver key insights to enable firms to operate with increased agility and flexibility.
- › **Digital document processes will endure long term as part of the CX and EX landscape.** With the vast majority of financial services firms (77%) planning to upgrade their technology suite for business continuity, 58% of respondents from financial services firms also say their organization is planning to implement, expand, or upgrade its implementation of digital document processes over the next 12 months, with an average increase in spend of 59%. This increase, particularly during an economic downturn, demonstrates that financial services firms recognize the importance of digital document processes — not only in maintaining business continuity, but in ensuring quality CX and EX.



As financial services firms continue to invest in digital document processes, they must consider the needs of their customers and employees holistically.

"We have started processing more credit cards online during the pandemic. Coping with this usage increase was allowed by digital document processes solutions, and we expect that the more frequent use of these solutions will continue post-pandemic."

Chief product officer, financial services company, Hong Kong



Figure 3

"To the best of your knowledge, how will spending on digital document processes and tools evolve at your organization over the next 12 months?"



Base: 450 senior IT and business decision makers based in North America, Europe, and APAC with responsibilities for digital document processing at their organization

Source: A commissioned study conducted by Forrester Consulting on behalf of Adobe, June 2020

Key Recommendations

The global pandemic is showing financial services firms the importance of digital document processes in their ability to serve customers remotely and keep remote workers productive.

Forrester's global in-depth survey of 90 senior IT and business decision makers within financial services about digital document processing yielded several important recommendations:



Digital document processes are as valuable in the front office as they are in back office. Failing to digitize both front- and back-office departments and processes will erode the benefits of these solutions. Financial services firms should seize the opportunity now and identify key use cases in every department that slow or delay business value due to manual or paper-based steps. Applying digital document solutions to enable collaboration, sharing, e-signing, tracking, and secure archiving will bring immediate benefits.



Recognize the importance of digital document processes for protecting business and better serving customers. Financial services firms must recognize the value digital document processes provide in underpinning their business resilience efforts, but also consider them as a milestone to full digital maturity. In this respect, digital document processes are foundational tools that are cost-effective and quick to implement where more complex digitization initiatives will take some time to provide benefits.



Make digital document processes core to your day-to-day operations to strengthen your business resilience. Conducting document processes digitally is essential to managing a hybrid environment where virtual delivery and interactions are more critical than ever. Business and technology leaders in the financial services industry must future-proof their organizations by reassessing their business continuity planning and preparedness plans to include business systems such as digital document processes. Designed for redundancy and dependability, digital document processes will increase organizational agility and flexibility, which are keys to ongoing business resilience.



Digital document processing solutions are sound investments that address both immediate and long-term needs. Given the current economic uncertainties, technology leaders must be cognizant of their company's situation, revenue outlook, and resources as they adjust budgets during the pandemic. So they must look at prioritizing projects, processes, and technologies that focus on business resilience or new ways of working. Digital document processing solutions address both elements making continued investment in these capabilities a sound choice in tough times.

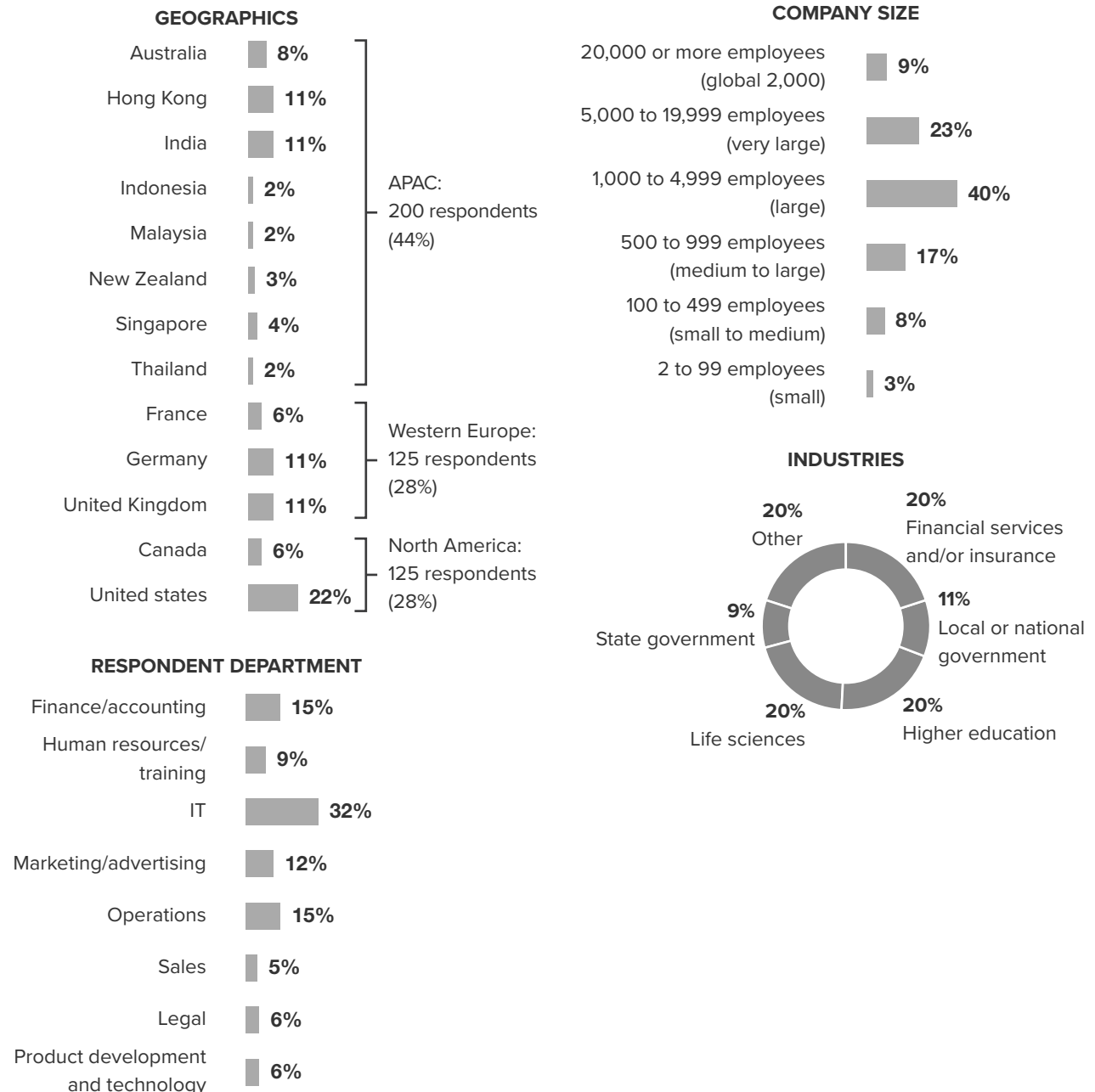


Ramp up digital workplace skills. Business and technology leaders must take a human-centric approach when digitizing document processes. They should support change management with innovative rollout and training programs adapted to remote working in order to assist their workforce and customers in becoming more fluent with sharing documents, setting up virtual conferences, and working with collaborative environments.

Appendix A: Methodology

In this study, Forrester conducted an online survey of 450 senior IT and business decision makers based in North America, Europe, and APAC with responsibilities for digital document processing at their organization to explore how digital document processes are supporting business continuity. The study began in May 2020 and was completed in June 2020.

Appendix B: Demographics/Data



Base: 450 senior IT and business decision makers based in North America, Europe or APAC with responsibilities for digital document processing at their organization

Note: Percentages may not total 100 because of rounding.

Source: A commissioned study conducted by Forrester Consulting on behalf of Adobe, June 2020

Appendix C: Supplemental Material

RELATED FORRESTER RESEARCH

“Center Your COVID-19 Recovery Planning Around Employee Understanding,” Forrester Research, Inc., June 17, 2020.

“The Pandemic Recession Demands A Digital Response”, Forrester Research, Inc., June 25, 2020.

“Your Automation Psychology And Roadmap Just Shifted Gears”, Forrester Research, Inc., May 29, 2020.

Appendix D: Endnotes

¹ Digital document processes include any processes, workflows, or platforms to manage the creation, collaboration, distribution, and storage of digital documents and records within the guardrails of corporate policies. This includes solutions that allow for reading, editing, signing, and sharing of PDFs and other documents.

² Source: James Eyers, “Banks, businesses call for document digitisation”, Financial Review, June 18, 2020 ([afr.com/companies/financial-services/banks-business-call-for-document-digitisation-20200618-p553wq](https://www.afr.com/companies/financial-services/banks-business-call-for-document-digitisation-20200618-p553wq)).

³ Source: “How Digital Document Processes Are Shifting From Best Practices To Business Necessity,” a commissioned study conducted by Forrester Consulting on behalf of Adobe, August 2020.

⁴ Working remotely: Workforce (e.g., home worker, teams split geographically, etc.) working remotely on a regular basis (e.g., at least once a week).

To read the full results of this study, please refer to the Thought Leadership Paper commissioned by Adobe titled [“How Digital Document Processes Are Shifting From Best Practice To Business Necessity.”](#)

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