Business Process Management for Merchant Onboarding

Capgemini's rules-based solution helps bank acquirers process merchant card applications quickly and accurately, leveraging the existing IT assets.

Enterprise banks are facing increased competition for their branded credit/debit card offerings from alternative providers, while also needing to reduce operating cost and overhead. For many banks the merchant card onboarding process is a time-consuming, inflexible and costly operation which involves disparate systems with multiple user interfaces. From the merchant's perspective the banks' competitors are providing a much faster, less complex and lower-cost solution.

Capgemini, working in collaboration with commercial banks and IBM's Software Group, has developed a solution that automates the requisite data sourcing and processing tasks across the enterprise. This Merchant Onboarding (MOB) application gathers transactional data all the way down to the POS device, taking the details of each card-payment sale and communicating and integrating it back to the bank's existing CC processing application.
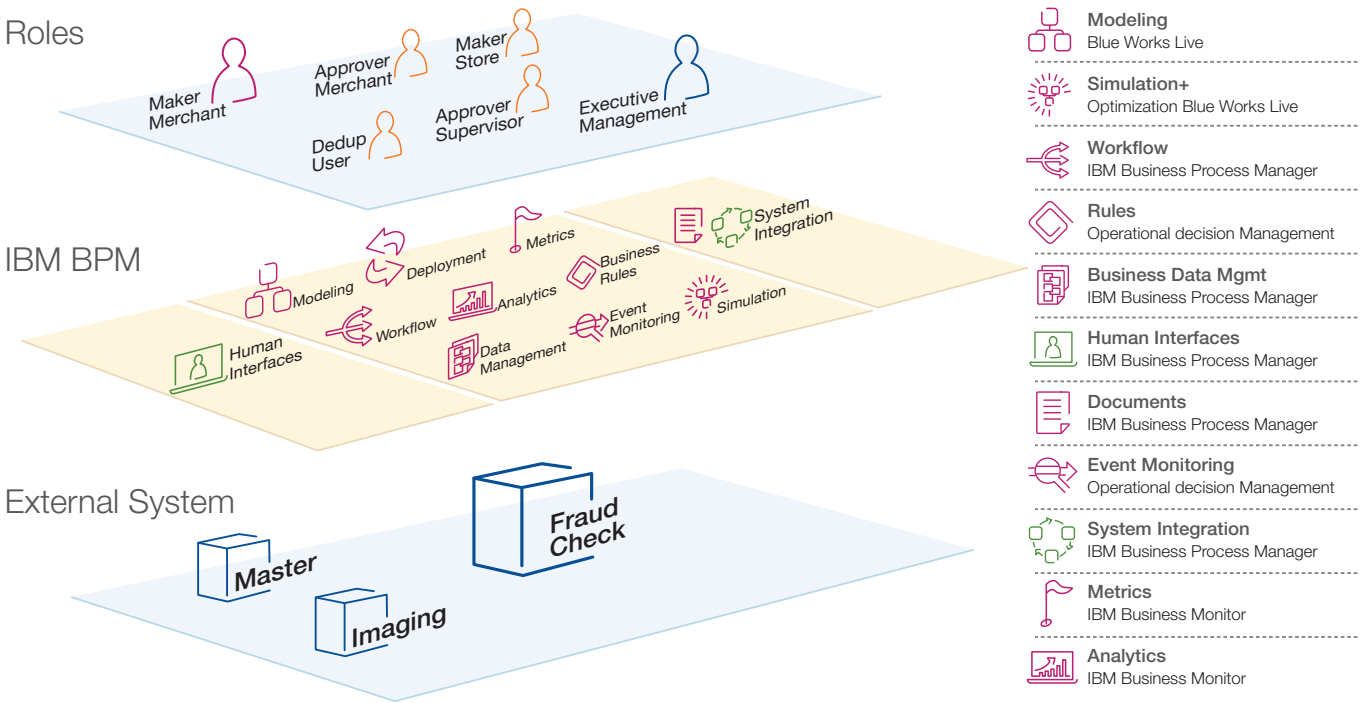
Configuring IBM® Business Process Manager (IBM BPM) with Capgemini's Cards Payment Knowledge Base

As a leading global provider of card- and electronic-payments processing solutions, Capgemini can help you implement an integrated, end-to-end merchant onboarding application that incorporates the complete IT systems hierarchy -- from merchant to stores to terminals. The solution has been developed with IBM BPM 8.0 and includes on-demand reporting, dashboards, and customizable business rules which can be set by business users—without IT assistance. The system gives business users

transparency into the process and empowers field agents to initiate onboarding requests regardless of their location. It also supports scanned upload of all required documents to further speed the application process.

Using the Capgemini MOB solution, banks can create a new merchant account, a new store under an existing merchant account and a new terminal under an existing store to support complex merchant scenarios. This includes multiple stores for a merchant and all terminals for a single store.

Capgemini uses IBM architecture to power the Merchant Onboarding solution.

Roles: Maker Merchant, Approver Merchant, Maker Store, Dedup User, Approver Supervisor, Executive Management

IBM BPM: Modeling, Human Interfaces, Deployment, Workflow, Metrics, Analytics, Data Management, Business Rules, Event Monitoring, Simulation, System Integration

External System: Master, Imaging, Fraud Check

Modeling	Blue Works Live
Simulation+	Optimization Blue Works Live
Workflow	IBM Business Process Manager
Rules	Operational decision Management
Business Data Mgmt	IBM Business Process Manager
Human Interfaces	IBM Business Process Manager
Documents	IBM Business Process Manager
Event Monitoring	Operational decision Management
System Integration	IBM Business Process Manager
Metrics	IBM Business Monitor
Analytics	IBM Business Monitor

Automating the process accelerates merchant onboarding by 30-40%

The typical bank merchant onboarding process is manual with many potential points of failure. A bank representative armed with card program brochures and books must visit the merchant premises. If the merchant then wishes to "come onboard" with the bank, the business details are written out on paper and sent to the bank processing center once the agent returns to their office.

The back office staff must then conduct an initial credit check after they re-enter the details in the CC application. If a transcribing error occurs the credit check cannot be completed, necessitating further communications with the merchant.

Credit checks are commonly conducted with input from one or more agencies, with the details again being manually transcribed. This manual process may again introduce transcription errors.

Once creditworthiness has been established for the merchant, the application-case file is passed to a manager for approval. Following approval, a merchant account Id and PIN is generated and sent to the agent, who then delivers the merchant card account information to the customer.

Vendors must then prove financial worth once the credit checks have been completed. Another agent must wait for the vendor documents to be received and assess vendor financial credibility. If the vendor is approved the case is passed to a manager for final approval.

The overall process can take up to 6 weeks, with tracking often managed on paper or spreadsheets.

Capgemini MOB Automation and Management
Agents capture the merchant-application data during first contact via a MOB mobile app. Details can be verified and the credit checks initiated immediately. Any keying issues are resolved on the spot.

Workflow-driven financial assessments can be conducted quickly and accurately. Tracking is provided by the MOB system and business-driven service level agreements can be set to ensure that prompt reviews and appropriate follow up is taken to resolve any issues. The merchant-application approval decision, supported by reliable data capture, integrated workflow processing and communications, can be accomplished 30-40% faster and with a greater degree of confidence based on system-driven due diligence.

The Capgeminni MOB solution is entirely configurable, such that the business rules for credit agency checks or SLAs can all be created within the application to suit the bank's specific requirements.

Benefits

Reduced Cycle Time
Predefined and customizable business rules and parameter-based decisions and routing help improve the efficiency of operators and greatly reduce processing time.

Single Source for Changes
When making additions or changes to functionality, parameters, and values, this application can be easily modified while maintaining integration to backend systems.

Regional Support
A single user interface greatly simplifies multi-language support. Regional requirements such as additional fields can be added to the user interface with ease.

Flexible
The solution supports quick changes to the process flows and decision rules to enhance functionality allowing the bank to respond to new requirements and market trends.

Reduced Onboarding Time
Merchants, the bank's customers, are happier because approval time is reduced and complexity is reduced.

Reporting
Out-of-the-box reporting includes business activity monitoring, dashboards, audit logging and configurable alerts. All reporting is fully customizable.

5 Reasons You Should Consider Business Process Management for Merchant Onboarding

1. Allows you to automate workflow and routing based on pre-defined logic
2. Lets business users define and modify business rules on the go without any help from IT
3. Provides out-of-the-box or customized reports and dashboards to support transparency for business stakeholders
4. Contains built-in SLAs and provisions to trigger escalation in the event of a breach
5. Provides end-to-end visibility for the entire merchant onboarding process

Contact Us:

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About Capgemini

With more than 130,000 people in 44 countries, Capgemini is one of the world's foremost providers of consulting, technology and outsourcing services. The Group reported 2012 global revenues of EUR 10.3 billion.

Together with its clients, Capgemini creates and delivers business and technology solutions that fit their needs and drive the results they want. A deeply multicultural organization, Capgemini has developed its own way of working, the Collaborative Business Experience™, and draws on Rightshore®, its worldwide delivery model.

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