

IMM Solution Suite Case Study

Hughes Federal Credit Union

The Opportunity: Finding a Better Way to Lend

Hughes Federal Credit Union was manually sending all of its back office-originated loans (online and outbound call center) to the various branches for funding. Express mail and front office staff expenses continued to grow, eventually impacting the credit union's ability to provide optimal service to members visiting the branches. The Tuscon-based credit union even lost loan opportunities with the time to fund a loan stretching into a couple weeks.

The Technology: Applying eSignatures to make loans fast, easy and profitable

The \$836 million-asset credit union partnered with IMM to integrate cloud-based remote eSignatures. IMM's technology was applied to lending document processes, deploying the company's Document Exchange solution. Hughes FCU set expectations for the eSignature technology to:

- Minimize the overall processing time for loans;
- Reduce the cost of shipping paper documents between branches and to members, often incurring overnight expenses;
- Improve its loan closure rate;
- Expand direct lending capabilities through complete transaction automation; and
- Simplify the loan process for members.

The Impact: Transforming lending to be efficient yet convenient for members.

Since deploying IMM's eSignature solutions, Hughes FCU has experienced extraordinary results, both in back-end efficiencies and member experience. Successful outcomes from the credit union's addition of eSignatures include:

- Minimize the overall processing time for loans;
- Reduce the cost of shipping paper documents between branches and to members, often incurring overnight expenses;
- Improve its loan closure rate;
- Expand direct lending capabilities through complete transaction automation; and
- Simplify the loan process for members.
- Total loan processing averaging 120 minutes from beginning to end—as opposed to three weeks. Previously, loan processing time could take several weeks from when the loan was approved to the time it was funded. Now, Hughes FCU members appreciate the fast pace with which they receive funds and value the convenience remote eSignatures afford. Members no longer need wait at the branch for loan approval, or return to the branch at a later time to sign documents.
- Using password based authentication, the cost per loan is now \$0 with remote digital signatures in place. This replaced the \$40 per loan express mail option. This sizable decrease has an obvious expense impact. The change significantly reduced the number of mail loans sent to branches and allowed the credit union to focus on its organic members visiting the branches.
- Indirect lending volume has increased by 27 percent, directly attributable to the ability to fund loans through a remote electronic signature channel. The credit union is also boasting a much higher loan closure rate. Hughes FCU now reports that 90 percent of centralized lending credit cards and 50 percent of centralized lending non-credit card loans are funded by remote digital signature.
- Calculated annual savings of nearly \$107,000. Moving from paper-based processes to an electronic environment eliminates the time and money previously spent to create and mail paper loan packages. Not to mention the added benefits of being environmentally friendly.

Hughes FCU's early success already has the credit union expanding upon its remote eSignature deployment, spreading the technology's application across non-lending document solutions for member services, operations, call center, and collections. Hughes FCU is also taking it to front office branch staff to expedite funding of approved loans without members having to make a return appointment to the branch.