

Scottrade taps Lexmark hardware and software technology as part of a process that shortened new account openings by two entire business days.

Lexmark helps Scottrade improve new account opening process

The Organization

Scottrade is a discount brokerage firm with more than 240 branch offices across the U.S. Established in 1980, Scottrade allows individual investors to conveniently and cost-effectively place trades online, while offering the service and added assurance of local branch offices. The company currently maintains more than 1.3 million individual accounts.

The Challenge

Growing its customer base is the lifeblood of Scottrade. So when the new account opening process was getting bogged down with paper, Susan Davis, Operations Business Analyst and Workflow Manager, knew there had to be a way to improve the current approach.

Scottrade's new account opening process began when a prospective new client requested a new account packet online or in a local branch office, or printed a new account form from Scottrade's Web site. The customer then filled it out by hand, and faxed, mailed or carried it to a local office for a face-to-face meeting with a broker.

The completed new account documents then traveled by expensive next-day mail to the Scottrade headquarters mailroom in St. Louis. From there, the documents entered the new account workflow process that spans several departments. In total, it would typically take three full business days for the account paperwork to be completely processed by Scottrade's back office personnel.

With more than 1,500 new accounts established every day, a lot of paper flowed manually through the system causing delays, errors, slow customer service, and high costs.

Sometimes, paperwork was delayed in transit between branch offices and the St. Louis headquarters. Often, required forms were omitted by the sender, preventing the new account from being established in Scottrade's

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—Susan Davis
Operations Business Analyst
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back office system. In these cases, the branch had to re-send the missing forms via overnight mail, incurring additional costs and further delaying the process.

"Automating the process with technology was certainly an option, but we were initially concerned that scanners in each of our branch locations would be too cumbersome and cost prohibitive," said Davis. "We needed a simple solution to a complicated problem, utilizing the



hardware that was already in place to speed up our account opening process and reduce our costs.”

The Solution

Scottrade turned to Lexmark for a solution. Lexmark's team of specialists spent several weeks understanding the existing process and its challenges.

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Following this Discovery phase, Lexmark presented Scottrade with a winning recommendation: capture documents electronically at each branch location using a Lexmark multifunction device. Then, electronically route the documents automatically through the required process steps with Lexmark's Document Distributor software.

Now, with the touch of a few buttons a broker or other employee can both scan and route perfect document images to the workflow system, which then carries the image to the home office, thereby speeding up the back office process. Once received, the images can be quickly moved through the steps necessary to quickly and properly certify a new Scottrade account.

The Results

Scottrade can now activate a new account the same day the completed application is received. And now that documents are captured and routed electronically, they are archived, traced and retrieved quickly.

“The solution from Lexmark cut two days out of the back office process,” said Davis. “That is a tremendous benefit to us, especially given the volume of accounts we are opening everyday.”

Beyond solving an immediate business problem, Lexmark's hardware and software technology have yielded other benefits for Scottrade. Scottrade's printing, copying, faxing and scanning needs are now all met with a single Lexmark multifunction device, allowing the company to retire its older, inefficient devices that had become difficult to maintain. The company also uses genuine Lexmark toner supplies and no longer has to stock three different sets of consumables for disparate devices, reducing costs considerably.

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