What type of e-signature will best suit my process? There is no one-size-fits-all answer. It all depends on the process being automated. In this article, we start out by defining the steps in a typical e-signature process and identify what options there are for each step.

We then take a closer look at three customer-facing use cases for e-signature. Differences in each of these use cases demonstrate why some e-signing options are better than others in delivering the best overall customer experience. And while there is no universal "best" or "most legal" e-signature, there are best practices that can be followed when making decisions related to process design.

Regardless of the variations in business, legal and other requirements from one use case to the next, there are common steps that need to occur to automate an e-signature process from beginning to end. These steps include:

- Providing access to the transaction to all participants, whether through email invitation or web link.
- Identifying and authenticating participants, and attributing signatures.
- Presenting documents for review in a format that respects regulations and is ergonomic.
- Capturing additional data from participants throughout the process, as required.
- Inserting additional electronic or paper-based documents into the electronic transaction (if applicable).
- Establishing intent through a signing process, whether that is clicking an “I agree” button or capturing a handwritten signature on a device.
- Distributing reliable copies of the final signed documents to all parties.

Additionally, you will want flexibility in the following areas of process design to ensure an optimal experience:

**Workflow:** In what order do the above steps occur and in the case of multiple signers, who needs to sign first?

**Navigation:** Is the signer taken through the process via a wizard-type navigation (signers are guided step-by-step through a set workflow) or is the process menu-driven (signers can choose which document to sign first and go through the process with more flexibility)?

**Session and email management:** How can you configure rules for managing the browser session, and can you customize emails?

Now that you know the decisions you need to make when building an e-signature process, let’s look at the best practices for three common use cases.
Bob Smith wanted to apply for car insurance outside of regular business hours. This wasn’t his first car and comfortable with the Internet, he went to his carrier’s web site and clicked “Apply Online Now” to launch the process.

This is known as the online self-serve channel, where a customer interacts with the provider on their own, from any location they choose. The process is defined as “unmediated” since no company representative is required to mediate or guide the transaction. Auto insurance applications and online mortgage origination are common examples.

Online shoppers expect immediate service at their convenience. The problem arises when the process starts out electronically but falls back to paper for signatures, which in turn causes delays. If delays stall the process, the customer will continue to shop around for a better deal or faster turnaround from a competitor.

By using an e-signature solution that keeps the transaction paperless from start to finish, you can compress that transaction to a fraction of what it was on paper – and consequently reduce abandonment rates. As an example, one auto insurance company was experiencing a 45-day average cycle to close new policies. Once they implemented e-signatures, their average cycle time dropped to 14 minutes.

The ability to process an auto insurance policy in 14 minutes wows the consumer. To get there, however, the carrier in question had to do more than capture an electronic signature and drop it into an electronic document. They had to build an intuitive online process that also met their business and legal requirements, per Figure 1.

**Customer Transaction**

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**STEP 1. ACCESS:**
The best way for remote signers to access the e-signing session is via an email invitation that contains a link back to the e-signature login page. For the consumer, this is an easy and intuitive way to start the process. Sending an email invitation also has an added benefit. Just the fact that the consumer has accessed the transaction using a unique email account (which becomes part of the electronic evidence) is already helping to establish authentication.

It is always recommended to bring signers to a secure site to execute the transaction, including signing and downloading documents. Emailing documents and forms not only introduces system and technical support issues, but also raises concerns with privacy.

**STEP 2. AUTHENTICATE:**
When the signer arrives at the e-signature welcome page, how will they prove their identity in order to successfully enter the e-signing session? There are a variety of ways to do this. For existing customers, you may want to use credentials that your organization has already issued (e.g., in the case of a bank, that might be the customer’s online banking username/password), or challenge/response questions based on personal identification information already held in your database (e.g., What are the last few digits of your SSN? What is your zip code? Where were you born?).

When you don’t have a pre-existing relationship with the customer and your employees/agents have never met them, once you’ve captured that individual’s personal identification information you may also want to verify it against a third-party database such as Experian or Equifax as part of the authentication process.
When evaluating how to identify web applicants like Bob Smith, consider how customer identity is verified in your other remote channels, such as call centers and mail. These processes often identify applicants using out-of-wallet information like a credit card or other physical credentials. Often, identity is also confirmed through the transaction process itself since a significant amount of personal information will be collected about an applicant in the context of an insurance or mortgage application process, for example.

STEP 3. PRESENT DOCUMENTS:
Next, you’ll need to determine how you will present each document to the signer so they can read and review it properly before signing. It makes sense to present documents on-screen in an online self-serve case such as Bob’s since not everyone will have the ability to print out documents and even if they do, how can you be sure the print copy will comply with regulatory rules?

The best practice is to offer consumers a web-based, no-download option since signers like Bob may not have Adobe Acrobat on their computer. The best solution is to have the e-signature platform present documents through a web browser. If Bob needs nothing more than a browser to read and e-sign, he won’t have to download any new software. Right away, his insurer has eliminated the risk that Bob might abandon the process because of frustration and delays caused by software incompatibilities.

You can always offer consumers the option to print out copies if it’s easier for them to review documents on paper, but document presentation on-screen needs to be built into the process.

STEP 4. SIGN:
What is the best method of signature capture for online self-serve processes? The choice is simple: “click to sign”. While there are other means of capturing a legally binding signature, clicking is the best signing method for a remote self-serve transaction because consumers don’t need any special hardware or software to sign, other than their web browser. Keeping each step in the process simple and intuitive will always be the primary consideration in determining the best option to choose.

A best practice for click-to-sign processes is to ensure conspicuous capture of intent. In a click-to-sign scenario, the customer is asked to click the signature box and a caption appears confirming “E-Signed on (date) by (name)”. To complete the document signing session, the consumer should then be asked to click an “ACCEPT” button at the bottom of the page. The final document package should only be submitted for processing once the signer takes yet another action and clicks “CONTINUE” to confirm they are ready to submit it. This sequence of actions reinforces the conspicuous capture of intent, all of which becomes part of the document’s audit trail as proof that a sound process was used to build the customer’s understanding of what they were agreeing to and signing.

STEP 5. DOCUMENT DELIVERY:
Once all documents have been e-signed, will you offer secure electronic copies for download, or send securely printed copies through the mail, or both? For remote self-serve processes, it makes sense to offer both. Note that to protect privacy, using email is not an option.

There are two industry best practices to keep in mind here. The first is to “flatten” electronic copies and create the equivalent of an electronic photocopy (i.e., remove all the embedded elements such as the audit trail) so that consumers don’t need additional plug-ins. Second, if you send the consumer an email after the fact, they will be able to come to your site and download copies. They can also keep that email for future reference if they need additional copies – an example of the little extras that make for a great customer experience.
Case Study 2
The Mediated Use Case:
In-person transactions at retail

When Jane Smith needed to finance a new car purchase, she met with a loan officer at her bank branch to fill out an application and supply supporting documents such as proof of employment. In the past, her loan officer had always printed documents to paper for her to sign. This time, however, he had a signature capture tablet in his office that kept the process completely electronic.

Retail banking transactions such as Jane’s financing, as well as new account openings and loan applications are some of the most common examples of “mediated” use cases. These processes are conducted through a company representative who helps move the transaction forward. Contrary to what some presume, straight-through processing does not necessarily mean the process occurs without human involvement. Even when automated, processes often still require the intervention of a knowledge worker to advise, guide and provide a personalized experience.

One bank that is using electronic signatures in a mediated scenario is actually a top US bank that decided to upgrade their 3,000+ retail locations to enable e-signing on a tablet in the branch. Back-office operations now have full visibility into the status of every transaction in progress across the country. By electronically enforcing workflow rules, they have also eliminated errors such as missing signatures. That way a document cannot be submitted for processing until it has been completed correctly. From there, the e-signature software relays e-signed documents to an internal downstream system for processing, without requiring any manual intervention (sorting, scanning, archiving, etc.). This alone cut nine steps from the bank’s back-office workflow. While they had invested heavily in both people and technology to streamline parts of their in-branch processes, they had never been completely paperless until they added e-signing to their loans. The gains in efficiency from straight-through processing resulted in faster customer service, modernization of the branch and significant cost savings.

Customer Transaction

STEP 1. ACCESS:
In a retail point-of-sale (POS) process, the electronic transaction naturally takes place on the company’s equipment and devices whether that is laptops, desktop stations, kiosks or tablet computers, and signers rely on the company representative to access the transaction. Since the customer and the representative will meet in person, the rep can initiate the e-signing process on the customer’s behalf, through their enterprise application portal or dashboard.

STEP 2. AUTHENTICATE:
The company representative will verify the signer’s identity during their face-to-face meeting, using a driver’s license or other photo ID. In this scenario authentication is simple since it’s really no different from the paper world.

STEP 3. PRESENT DOCUMENTS:
The customer next needs to read and review documents prior to signing. This doesn’t necessarily mean that the company representative has to share their computer screen with the customer in order to keep the process electronic. In POS environments, it is often not practical to offer screen-based review of documents and disclosures for a variety of reasons. Confidential information may be visible on the representative’s monitor. Or, the ergonomics of having a customer sit in an agent’s chair behind their desk may be awkward. The alternative to screen-based review is a paper-based review. Printing the documents to paper for review is a simple solution. Once the customer has read them, the representative and customer can return to the electronic signing session.
How would this work in the real world? In the case of Jane's financing, the company representative offered to print out a paper copy of the documents so she could read them comfortably. She did, and when ready, used the stylus to sign the electronic document displayed on the tablet. The loan officer explained how the bar code on her printed copy matched the bar code on the electronic version she was signing, and that guaranteed she was signing exactly the same document she had just reviewed on paper.

**STEP 4. SIGN:**
What is the best method of signature capture? While clicking-to-sign is possible, it is often preferred to capture a digitized hand-scripted signature because it feels natural and culturally familiar. This can be accomplished either through a signature capture tablet (think of those used by courier companies) or a tablet computer (iPad). This is the best way to help overcome resistance to change and promote adoption in this particular case.

Another consideration here is workflow. Depending on the process, the number of signers and their respective roles, you may want to impose a sequential or concurrent signing order. You should also require all signers to consent to using e-signatures at the outset of the process to comply with the US Federal E-SIGN law.

**STEP 5. DELIVERY:**
Delivery on paper is what makes sense for in-branch transactions as customers often want to leave the transaction with copies in-hand. You can offer electronic copies for download as well.

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**Case Study 3**

Another Mediated Case: in-field signing

When Bob Smith needed life insurance, he called a local agency that sent a representative to meet with Bob and his wife at their home. The agent explained the different products available and they decided on a term life policy that had a relatively low face value and did not require a full medical. As a result, the agent was able to capture the necessary application data, submit it through his agency management e-application, and generate the disclosures and documents to e-sign right there on the spot.

In this e-signing scenario, the customer meets with an agent or representative in-person in the field location. Examples of transactions that fall into this category are processes such as life insurance new business (including paramedical exams) and wealth management/investment.

The challenges of field automation are well known. Without the availability of infrastructure typically found in the office (printers, faxes and workstations), processes still largely occur on paper. This leaves the field sales rep with the headache of having a load of administrative work to catch up on once they’re back to the office (e.g., inputting data from paper forms). Not to mention the subsequent errors and delays.

At the same time, so-called road warriors are more connected than ever before thanks to broadband access and wireless devices like the iPad. Shouldn't they be using those devices to become more efficient? Even with the growing pervasiveness of mobile technology, there is still a challenge to get agents to adopt new systems and processes – especially when they are independent workers. Many companies fear they will build a portal, e-app or other solution, and no one will use it. How do you get independent agents to adopt new technology and processes? With e-signatures, the key is to understand how field reps sell and interact with their clients, and then to design a process that supports their way of working. As a general rule, ease of use is important for all e-signature implementations, but even more so in this channel.

The two main benefits of moving to e-signatures here is increased salesforce productivity and greater control and visibility over field operations.
One top North American bank with mobile wealth management consultants estimated it would take two hours for their sales force to fix a typical processing error due to the time lost traveling back to the customer. By implementing enterprise e-signatures, they are able to save over 82,000 hours (the equivalent of 41 full-time employees) due solely to the elimination of errors, which previously required their mobile reps to re-engage with customers and incur additional visits so customers could re-sign paperwork. E-signatures also help this bank reduce client visits from three to one, resulting in a more positive experience for the customer.

**Customer Transaction**

**STEP 1. ACCESS:**
During an in-person meeting, signers naturally rely on the company representative to access the transaction. Since the customer and the representative will be meeting in person, the rep can initiate the e-signing process on the customer’s behalf, by clicking on a link in a portal application or in the case of a life insurance agent, an agency management system. Ideally the transaction can take place on a tablet PC such as an iPad, or even a laptop, that could be shared with the customer.

**STEP 2. AUTHENTICATE:**
Identifying or authenticating customers is quite straightforward when face-to-face. Simply verifying a government-issued credential is sufficient. But when a representative shares their laptop or mobile device with the consumer to complete the e-transaction, it can raise questions about who actually clicked the mouse – the customer or the representative? This can be proven through signature attribution, using affidavits, SMS password (PIN) and/or voice capture.

**STEP 3. PRESENT DOCUMENTS:**
Next, the customer needs to read and review the documents before signing. Combining e-signing with web-enabled tablets allows for a convenient method of presenting documents to clients during face-to-face interactions with agents. Devices like the iPad facilitate the document review and signing process with their large screen areas and scrolling/zooming feature.

**STEP 4. INSERT DOCUMENTS:**
An insurance carrier’s independent field agents often have their own documents to add to a new business application process. These are often non-standard legal documents supplied by the customer, such as a power of attorney form or medical report – documents that are not included in the typical application forms package. Once the agent has received the document from the customer, they should be able to upload a scanned version to the e-signature system or fax it in, then have it automatically converted to PDF and inserted it into the transaction by the system.

**STEP 5. SIGN:**
The image of a field sales professional weighed down by multiple electronic devices and gadgets is all-too-common. If adoption of technology in the field is a priority, you do not want to ask agents to carry an additional, single-purpose piece of hardware specifically for signature capture. Instead, using the click-to-sign method will keep everything browser-based and make it possible to leverage existing devices, whether that’s an iPad or a laptop.

Using one of these devices to electronically sign a document requires two things: first, a zero-download software solution where the electronic signing session occurs entirely through a web browser; and second, a click-to-sign process where the signer uses a mouse, stylus or even their fingertip to click a button and thereby legally e-sign an electronic contract.

In the field though, Internet connectivity can be an issue. An agent can lose the signal during an e-signing session in a skyscraper as easily as they can in a rural area. An enterprise e-signature solution should therefore build in functionality whereby logic is downloaded to the agent’s mobile device so that the transaction can be completed offline if necessary, and the customer’s signature can be captured regardless of Internet connectivity status. As soon as a signal becomes available again, the solution will automatically synchronize and move things forward.
**STEP 6. DELIVERY:**

Once all documents have been electronically signed, will you offer secure electronic copies for download, or send securely printed copies through the mail, or both? Using email is not an option for security and privacy reasons. Since there is often no printer available in the field, it is best to offer to download copies of documents in real time and/or send a printed copy in the mail as well.

**Conclusion**

As you start to think about how to turn your paper process and turn it into an electronic process, keep in mind that you will need to have some level of control over it. There are a lot of different participants in the process, types of devices they want to use during the process, many document types, various security and privacy issues – in short, a lot of moving parts. That’s why a robust e-signature solution helps manage the e-signature process from beginning to end, so that the customer has the best possible experience. Electronic signature solutions, especially for regulated customer-facing transactions, need to do more than simply capture a signature. They must enable you to design the optimal e-sign experience while also addressing your compliance and legal requirements.

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**TIP:**

Fully customize user experience to foster confidence. Each customer touch point, whether that be an email notification or a web interface, should be branded and personalized (i.e., XYZ Company, Welcome Bob Smith). In our experience, branding each contact with the consumer is critical for building trust in the online signing process.

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To find more e-signature resources or watch a product demo, visit www.silanis.com. Or speak to an inside sales representative at 1-888-745-2647.