

The importance of digital fax continues to grow in a sector driven by regulation and compliance

Meet the ever-changing requirements of regulations and information security in the Financial Services sector.



-  **Improve** document exchange security
-  **Boost productivity** with integrated, paperless faxing
-  **Reduce risk** with auditability
-  **Improve customer service**

Every Financial Services organization, whether a bank, insurance company, mortgage broker, credit union or investment house, is using fax in its daily business processes. Rather than seeing use decline, some institutions are using fax more than ever. This creates both a challenge and an opportunity. Traditional fax represents a security vulnerability, a compliance risk and a drain on productivity. Digital cloud faxing does not simply eliminate paper from many previously paper-based processes—it empowers Financial Services organizations to securely integrate fax to speed fax-dependent processes and reduce costs.

Meeting compliance requirements has become an important focus for Financial Services companies, not only because of non-compliance fines. The costs for the staffing and technology needed to enforce compliance with national and international regulations within Financial Services also present a challenge.

Of course, managing the use of fax represents only a portion of these compliance activities, but it is significant. Fax is the ideal, and sometimes only, medium for securely transferring sensitive information and documents that require proof of delivery or a signature. This is not just personally identifiable information (PII) but a wide range of content, from evidence in insurance claims to trading receipts and confirmations.

Fax has two significant advantages: It is a more secure document exchange technology than office email applications, which are subject to hacking, interception, viruses and malware, and fax is widespread and easy to use. Alternatives, such as encrypted email, are often costly and require additional technology. Both sender and receiver require compatible systems, and each will need to manage their security assets, such as authentication keys. With email hacking posing an increasing threat, many insurance companies and banks still limit employee access to email, preferring them to use fax. However, traditional faxing with standalone machines does not meet the compliance requirements of financial companies. It is far less secure, providing unauthorized access to documents left sitting on devices and lacks the traceability and necessary audit features.

Cloud fax solutions deliver fully compliant fax capabilities that dramatically increase the security, authentication and reporting of document exchange. Plus, electronic fax saves money and increases productivity. As importantly, financial organizations can integrate fax into their back-office systems, their multi-function printer (MFP) fleet and IP communication infrastructure. From a virtually unmanageable standalone resource, electronic fax becomes a seamless part of how Financial Services organizations communicate with customers and partners.

Improve document exchange security

Human error is often the cause of compliance breaches that lead to regulatory fines. There are many examples of banks being fined for inadvertently sending customer details to the wrong fax number. With electronic fax solutions, faxes are sent and received directly from a user's inbox, whether it is an email inbox securely connected to the fax solution or the fax solution's user application. Fax numbers can be accessed from populated virtual phone books, allowing users to select the number they want, virtually eliminating dialing errors.

In addition to dramatically reducing human error, the security of information is enhanced as most faxes will never need to be printed. Standalone fax machines allow important documents with confidential information to remain on the tray in open areas, at both the sender and receiver's end, where anyone can read them. Electronic fax eliminates paper documents from the process. The cloud fax system also delivers secure content directly to the recipient's inbox. For cloud transmissions, faxes are encrypted so the document is fully protected, both in transit and at rest.

Where a hard copy is required, many organizations integrate cloud fax into their MFP fleet, ensuring so the document is securely printed only when required and never left sitting on the fax tray.

Boost productivity through integrated document exchange

While paper still forms a part of many Financial Services processes, most companies have taken major steps towards more digital workflows. Paper fax can often become an impediment to these developments. Traditionally, a user may need to input a document into the system, such as a financial statement, contract or trading confirmation, then print it and manually fax it to another user who would have to rekey the information at their end. This is time-consuming and increases potential for error.

Most leading cloud fax solutions avoid these drawbacks by allowing the electronic exchange of fax documents. In addition, they offer native integration into back-end systems, such as accounting, ERM, CRM and Enterprise Content Management (ECM) applications. Now, a PO can be raised in the accounting system, converted to fax, sent to the receiver and entered into their accounting system automatically. This reduces the time taken, boosts productivity and provides complete reporting of all fax transactions.

Reduce risk with auditability

Meeting the compliance requirements of Sarbanes Oxley or Basel II means being able to capture, store and retrieve information quickly and effectively. Traditional fax makes this difficult, if not impossible, to achieve. Audit trails of all fax transmissions with standalone fax machines are elusive. Often, the only information captured is the fax number used (not the user), how many pages were sent and whether it was transmitted successfully. Audit trails from fax machines do not include detail of the actual content that was transmitted. This will not satisfy regulators. Multiply this challenge by the number of fax machines within an organization, and the problem is enormous. The Cost of Compliance 2016 survey from Thomson Reuters showed that technology was a major challenge for global financial institutions, especially as there are an increased number of information requests from regulators.

As well as reducing the burden of managing paper documents, electronic fax provides more information about the fax, including the actual content and the sender. As the document is exchanged electronically, it can be automatically routed into a corporate document or records management system for centralized storage and retrieval. The financial company has a complete and instantly accessible audit trail across all fax activity.

Improve customer service

The image of the Financial Services industry has been tarnished. Research from PWC found that public trust was as low as 12 percent for certain types of financial organizations. This lack of trust has raised serious doubts. PWC found that the handling of personal information was a major part of three of the top eight consumer concerns.

Cloud fax solutions help Financial Services firms assure customers that their personal details are being protected to the highest levels during fax communication. The firm can demonstrate that the information is not subject to any of the vulnerabilities associated with traditional fax or unencrypted email.

In addition, customer service improves. An effective fax network not only streamlines many paper-based processes, it allows financial institutions to serve customers faster by putting fax at the desktop and securely transmitting timely notifications by integrating digital fax with Unified Communications.

[▶ See the demo](#)

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Cloud fax services, such as OpenText Fax2Mail, eliminate all on-premises infrastructure, including fax servers, fax machines, hardware and software. They simplify fax by moving the entire solution to the cloud. Financial Services organizations trust Fax2Mail for its powerful integration capabilities as well as the security and simplicity it provides users and administrators for fax exchanges.

When investigating cloud fax service providers, ensure the solution provides the enterprise-grade features, functionality and flexibility your organization requires, such as:

- Powerful and reliable cloud fax network, built and supported by experts in the OpenText Cloud.
- Security certifications, including SOC2, PCI-DSS, SSAE-16, encryption technologies, secure VPN/HTTPS connections and more.
- Geographically dispersed data centers for global coverage, data zone coverage and business continuity planning.
- Business continuity for high availability and disaster recovery with automatic failover between data centers.
- Unlimited and instant scalability to meet bursts of fax traffic without delays, busy signals or failures.
- Reliable network with SLAs/uptime guarantees.
- Pre-built integrations to back-end systems, such as SAP®, developer tools and APIs, for fast and easy integration to back-end systems.
- Dedicated provider expertise and commitment to the technology.
- 24/7 global support.