The Power of LEIs to Transform Client Lifecycle Management in Banking

A recent GLEIF study - LEI Use Case Study - conducted by McKinsey on behalf of GLEIF examined the potential benefits of LEIs to the global banking sector. The study estimates that if everyone had an LEI, the banking sector could unlock an estimated U.S.$2-4 billion of annual cost and time savings.

**Key benefits identified in the study include:*

- **Shorter time to revenue:** 3-7 fewer days to revenue
- **Better customer service:** With improved productivity, time and resource can be freed up to focus on customer needs and satisfaction
- **Improved compliance and credit risk:** With more automated and efficient systems, banks can reduce compliance risk and improve credit risk assessment
- **Improved productivity / outsourcing efficiency gains:** 5-10%
- **Improved system connectivity:** LEIs can also help with linking data from internal and external sources
- **Onboarding efficiencies:** LEIs can reduce onboarding costs by 14%, with a median gain of 5-10%

**The LEI can enhance processes across all stages of the client lifecycle management process, such as:***

- **Know Your Customer compliance may also be expedited.
- **Improved system connectivity:** LEIs can help link data from internal and external sources
- **Gains from reducing duplicative data:** LEIs can reduce the need for multiple data sources and enable faster data access across internal systems
- **Reducing redundant and frustrating manual data lookups:** LEIs can reduce the need for manual data lookups and improve efficiency

**Wider use of the LEI brings significant potential benefits to banks:**

- **Reduction in client onboarding costs:** LEIs can reduce client onboarding costs by 14%
- **Improves productivity and outsourcing efficiency gains:** LEIs can improve productivity and efficiency by 5-10%
- **Improved system connectivity:** LEIs can help link data from internal and external sources
- **Onboarding efficiencies:** LEIs can reduce onboarding costs by 14%

**For further information, visit:**

www.gleif.org

**GLEIF’s priority is to support voluntary adoption of the LEI in banking use cases beyond regulatory reporting so that these benefits can be fully realized. GLEIF welcomes engagement from financial institutions wishing to learn more...**