

How to Use This Manual

As Internet technologies continue to evolve at breakneck speed, the possibilities for delivering products and services online are endless. The Internet has caused financial institutions — and just about every other type of company — to rethink how they do business. This is not an easy task for companies, especially institutions in the business of managing and securing money.

PURPOSE OF THIS MANUAL

This manual helps banks, especially community banks, understand Internet banking. Unlike other manuals you may have seen, this manual uses a “how-to” approach, taking the bank throughout the entire process of implementing a quality Internet banking solution, from initial research and vendor selection, through system installation and testing, to customer enrollment and service. Although some of its content covers technical topics, this manual is for anyone keenly interested in Internet banking, regardless of technical skill level. The main focus throughout the book is on one ultimate goal: equipping financial institutions for Internet success and compliance.

WHO SHOULD USE THIS MANUAL

Regardless of size, banks need to understand the Internet and online banking. The Internet is revolutionizing nearly every facet of retail and commercial banking, and this means that every department in the bank may play a role in the bank’s Internet strategy.

The bank CEO should understand the state of the Internet banking industry, how to develop a comprehensive Internet strategy, and how to set and monitor goals for the management team.

Members of the board also should understand the state of the industry and how the bank can take advantage of the Internet.

The CIO/MIS/Systems Administrator should understand how the system interfaces with the core processor and other bank systems and how electronic transaction processes occur. The technical officer also should understand the security technologies and strategies required.

The compliance officers should stay current with the issuances and guidance provided by the various regulatory authorities.

The operations manager should understand how Internet banking impacts and enhances the daily operations of the bank.

The retail delivery manager can learn how to deliver quality retail banking services via the Internet and the bank’s web site.

The cash management manager can learn how to deliver quality commercial banking services via the Internet and the bank's web site.

The marketing manager should understand all of the factors involved in developing an effective marketing strategy for Internet banking. These factors may include market demand and trends, the features and benefits of the system, customer acceptance protocol, and revenue opportunities.

The cashier/teller should know how to enroll new Internet banking customers, the basic features of your Internet product, and how to direct customers to your bank's web site.

The customer service representative should understand the features and components of the Internet banking system and how to respond to customer needs.

CONTENTS OF THIS MANUAL

This manual is divided into seven major parts that take you through the process of choosing, implementing, and supporting an Internet banking system for your customers. The parts are as follows:

- **Assessment and Planning.** This section contains information that will help you understand the Internet banking concept and tools that will help you assess your bank's readiness to implement an Internet banking system.
- **Selecting an Internet Banking Solution.** This section gives you the information and tools to design the Internet banking system that will meet your bank's needs.
- **Security.** Internet security is the number one concern among consumers contemplating using online banking. This section provides information on how to not only meet regulatory requirements, but also provide customers with sufficient online banking security.
- **Implementation and Marketing.** After defining your goals, use the information in this section to begin the actual construction of your Internet Web site and Internet banking system.
- **Compliance.** This section contains information issued by various regulatory authorities concerning Internet banking issues.
- **Checklists and Worksheets.** Use the checklists and worksheets in this section when directing and documenting the processes necessary to start and maintain your Internet banking system.
- **Glossary.** Jargon associated with the Internet and the systems that link to it are defined in this section.

THE VALUE OF THE CD

Use the files from the CD to customize documents from your manual.