



# Kenya's 3<sup>rd</sup> Largest Bank Revamps Loan Automation & Account Opening Processes with Newgen



## About the customer

Our customer—a registered non-operating holding company—merged with a financial services giant in Africa to become Kenya's third-largest bank by asset size. With over 1,000 employees spread across 48 branches in Kenya, Tanzania, and Uganda, the group is known for its innovation, customer service excellence, and robust governance. The bank has consistently introduced and implemented new technology to meet the evolving needs of its customers.

## The Customer's Pain Points

The bank wanted to expand its branch network and enhance its product and service offerings. However, its dependency on manual and paper-based processes due to the absence of centralization and digitization resulted in increased costs and inefficiencies. Moreover, the complex loan approval process and lack of transparency and visibility hindered the institution's expansion efforts.

To overcome these challenges, the bank devised a strategy to automate its processes and establish both a Central Processing Centre (CPC) and Regional Processing Centre (RPC) for comprehensive back-office process automation.

## The challenges included:



High processing time for approving loans



Heavy reliance on physical documents led to delays and inefficiencies in the process



The need for physical movement of documents between departments contributed to delays and increased processing time



Lack of transparency and visibility hindered efficient decision-making and workflow management



Inability to track individual performance, making it difficult to assess and improve workforce productivity



Difficulty in accurately identifying the number of applications processed within specific timeframes resulted in operational inefficiencies and resource allocation issues

## Transformative Steps by Newgen

Newgen implemented its Intelligent Process Automation (BPM) and Contextual Content Services (ECM) platforms, ensuring complete transformation. The bank was able to successfully automate various processes, including loan automation, asset finance, credit card, business banking, personal banking, credit scoring for asset finance, and account opening. While the BPM platform enabled the bank to automate workflows, ECM helped in seamlessly managing the end-to-end content lifecycle and easily digitizing and capturing documents.

In addition to these functionalities, it also leveraged innovative features and applications within Newgen's banking solution. The blacklist check, de-duplication check, credit risk check, and FATCA compliance enhanced the efficiency and compliance of its operations. Some of the core highlights of the platforms included:

- ▶ **Loan Automation Platform:** The bank was able to streamline its loan processes with a customized solution, built on a robust BPM platform
- ▶ **Efficient Workflows:** The solution provided a clear framework for defining the workflow and electronic document flow for each process, ensuring smooth and standardized operations across the organization
- ▶ **Centralized Document Archiving:** All documents underwent digitization and were stored in the centralized repository managed by the ECM platform. This centralization streamlines document management and minimizes the risk of loss or duplication while enhancing the overall accessibility to documents
- ▶ **Easy Access:** The document access within the central repository was carefully regulated, and users were granted specific access rights according to their roles and responsibilities. This ensured data security and confidentiality while allowing authorized users to retrieve necessary information
- ▶ **Centralized Processing Hub:** By enabling all customer requests and tasks to be processed at the central office, the solution optimized operations, leading to more efficient resource allocation
- ▶ **Integration and Collaboration:** The solution broke down siloes by seamlessly integrating interdependent processes and external business systems. This improved collaboration, enhanced communication, and promoted smarter decision-making across the organization

## A Quick Snapshot

Key Improvement Areas	Before BPM Implementation	After BPM Implementation
<b>Loan Approval Time</b>	Approvals took <b>3 to 7</b> business days	Approval time reduced to <b>1 to 2</b> business days
<b>Loan Volume</b>	The monthly processing of asset finance loan applications typically ranged from <b>50 to 150</b> applications	The monthly processing volume ranged from <b>300 to 600</b> asset finance loan applications
<b>Tracking of Loan Applications</b>	Difficulty in tracking the number of accounts opened monthly by a user/branch	Facilitated easy tracking of the number of accounts opened in a month, which made measuring overall performance simple
<b>Document Movement</b>	The transfer of documents from branches to the head office would take a minimum of <b>24 hours</b>	The transfer of documents was accomplished in a <b>few seconds</b>

## Quantitative Improvements Accrued by the Bank Post Deployment

- ▶ Process Turnaround Time (TAT) reduced by 65%
- ▶ Enhanced customer satisfaction
- ▶ Increased agility and responsiveness, transitioning from months to weeks
- ▶ Achieved a 99% improvement in compliance and quality
- ▶ Adopted a 'first-time-right' approach, resulting in a 90% improvement
- ▶ Boosted productivity by 90%
- ▶ Minimized operational costs by 50%

### In Summary

The bank used Newgen's software suite to automate workflows, such as loans automation and account opening, manage documents centrally, and improve efficiency through features like document scanning and centralized processing. This resulted in smoother operations, better document management, and enhanced security for the customer.

### About Newgen

Newgen is the leading provider of a unified digital transformation platform with native process automation, content services, communication management, and AI/ML capabilities. Globally, successful enterprises rely on Newgen's industry-recognized low code application platform to develop and deploy complex, content-driven, and customer-engaging business applications on the cloud. From onboarding to service requests, lending to underwriting, and for many more use cases across industries, Newgen unlocks simple with speed and agility.

### For Sales Query

AMERICAS: +1 (202) 800 77 83  
 CANADA: +1 (202) 800 77 83  
 AUSTRALIA: +61 290 537174  
 INDIA: +91 11 407 73769  
 APAC: +65 3157 6189  
 MEA: +973 1 619 8002, +971 445 41365  
 EUROPE: +44 (0) 2036 514805

info@newgensoft.com  
 www.newgensoft.com

