

Bank Dhofar Simplifies Commercial Lending Process Using Newgen's Solution

Bank Dhofar

As one of the largest* and fastest growing bank in Oman, Bank Dhofar has been on a relentless pursuit to be 'The Best Bank in the Gulf'. With a strong commitment to consistency and growth, the bank has made its presence felt in Corporate Banking, Consumer Banking, Treasury and Project Finance. The bank continues to provide unmatched services to its customers and in addition to traditional banking services also provides electronic banking services such as Internet banking, Phone Banking, SMS banking, cash deposit and payment machines.

Catering to the Credit Market

Given the rapid pace of development seen in the Gulf region, Commercial Lending is seen an area of focus for Bank Dhofar. While lending activities was at its prime, the bank witnessed increasing volumes of requests and the inherent complexity of processing commercial loans led to higher TAT.

The CITO, Dr. Tariq Taha took on the challenge to improve the output of the Corporate Credit Department which was facing various operational issues, without compromising on the best-in-class security measures and the quality of services. Being a data intensive department it faced several challenges in managing large volumes of documents flowing in from multiple sources. The problems were further compounded by the existing manual processes that added to the challenge. Dependency on multiple disparate and sometimes incompatible systems, each performing a specialized function, also added to the complexity.

Challenges Snapshot

- Manual processing of data from multiple disparate applications led to data inconsistency
- Core banking system lacked the functionality to ensure necessary compliance to bank's policy guidelines and inadequate SLA tracking
- Lack of effective Document Management led to incurring cost overheads, possibility of document tampering, jeopardizing content security and significant time lag in overall request processing
- Lack of a centralized banking system acted as a limitation for the senior management
- Difficulty in processing ad-hoc requests resulted in significant delays
- Complexity in evaluating the financial standing of the prospective customer

* By Market Value

Bridging the gap between service delivery and customer expectation

Inundated with these issues in the corporate lending process, the CITO Dr. Tariq decided to take concrete steps to improve the situation. Commercial Lending formed a significant part of the bank's lending portfolio and it had become a necessity for Bank Dhofar to tackle these challenges as it could not afford lending business to dwindle due to lack of technological support which are already available in the market. The bank approached Newgen owing to its significant track record in providing best-in-class Banking Solutions for the past 2 decades.

The bank implemented the Newgen Commercial lending Solution across the enterprise and was able to automate its end-to-end Commercial Lending Process. Besides streamlining the basic process functioning and flow of the system, a Corporate Loan Accelerator and 4 key processes were built to meet the specific requirements.

"Newgen has been the perfect partner for us. Its robust BPM platform and agile implementation helped us smoothly transition our loan origination and credit card processes to an automated environment."

Dr. Tariq Taha
CITO, Bank Dhofar

Newgen Commercial Lending Solution Highlights

- A single unified desktop on top of the core application for analysis and generation of proposal through integration with third party applications such as Moody, Finacle (CBS), mail server etc.
- Automated workflow-based movement of paperless credit notes through multiple decision points with real-time exception handling
- The system creates a specific Relationship ID (Customer ID/ Group ID for Group proposals) & uses it as a primary parameter to initiate requests in the CLOS (Corporate Loan Origination System).
- Creation / Renewal / Amendment of Corporate Loan Proposal for CIF Call Report/ Visit report
- Referrals for various types of Requests
- Comprehensive Data Capture
- Comprehensive group analysis and monitoring of Single Obligor Limits
- Risk Based Grading and Pricing on the basis of RAROC
- Ability to capture and release securities
- Qualitative Analysis support
- Ability to use old case as a base case for new proposal
- Peer Group Analysis
- End-to-end process visibility to drive the bank's business according to KPIs and SLAs
- Comprehensive audit trail for all work-steps

Implementation Impact

The new system has helped Bank Dhofar gain competitive advantage by ensuring significant cost saving for the bank while improving productivity by increasing the volume of applications processed daily with minimal errors.

The solution provides a single unified interface to collect information across all applications resulting in reduction in processing time, effort involved and probability of errors. The bank now has a streamlined process for corporate loans, responds faster to credit requests, reduced its operational expenses, controlled risks and loan defaults, reduced the TAT of end-to-end lending process from initiation to sanction and store critical information at a central level.

Achievement Score Card

- Process TAT improved by 75% – 80%
- First-Time-Right (FRT) processing without errors improved by 90-95%
- Adherence to SLAs and compliance improved by 90-95%
- Employee productivity improved by 70%
- Manual intervention reduced by 70%
- Tracking of each and every individual improved by 70%

PROCESS FOCUS	BEFORE IMPLEMENTATION	AFTER IMPLEMENTATION
Application Processing	Manual processing of application forms, processing of request for approval etc.	Complete end-to-end automation of lending process
TAT for Application Processing	5 days	Reduced to 1 day
Document Management	Physical copies were manually handled	Documents digitized through OmniDocs™
Data and Product Validation	Manually handled by branches	Done by the system automatically based on the bank policies
Background Validation	Manual scrutiny of forms, validation against freeze/ blacklist	All validations done online against freeze / blacklist
Application Eligibility	Eligibility was checked manually by checking the policies.	Eligibility is checked by the system automatically based on the parameters or information entered in the system

About Newgen

Newgen is the leading provider of a unified digital transformation platform with native process automation, content services, and communication management 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

CANADA: +1-20 2-800-7783
AMERICAS: +1 (20 2) 800 77 83
AUSTRALIA: +61 290 53 7 174
INDIA: +91 11 40773769
APAC: +65 315 7 6189
MEA: +973-1-619-8002, +971 44541365
EUROPE: +44 (0) 20 36 514805

info@newgensoft.com
www.newgensoft.com

