

U.S. Based Commercial Bank Unifies Its Loan Processes Using Newgen's Solution

Overview

Established in 1979, the client holds over 35 years of experience in offering commercial lending services to financial institutions, domestic and international commercial business. Its operations span across South Florida, Houston, Texas and Manhattan. The Bank offers a wide variety of domestic, international, personal and commercial banking services, including investment, trust, and estate planning through its subsidiaries.

“Prior to Implementation of Newgen’s solution, we had a large number of manual processes, which were leading to lower operational efficiency in the organization.”

Challenges

Commercial lending operations of the client depended on disjointed applications and broken processes. There was no unified platform for loans processing. Their earlier application was unable to process reports, generate documents on-the-fly and attach it to the workflow for everyone to see. Further, third party workflow was not fully automated for users. It hampered the productivity of the Portfolio Manager, Loan Operation users, document preparation users, third party officers and system administrators. Moreover, customers had to wait longer as more time was consumed in document generation and case processing.

Goals of the Project

- Develop a unified platform for loan origination
- Ensure accurate and timely delivery of information across departments
- Reduce process turnaround time and introduce agility into processes
- Deliver enhanced customer experience

Major Challenges

- Dependence on disparate, loosely coupled systems
- Time-consuming, unstructured sub-processes, such as third party appraisals, attorney communication and fees management
- Lack of a system to track and monitor covenants and customer documents
- Absence of a mechanism to track and control turnaround time at different steps in the process

The Bank Digitally Transforms Its Commercial Loan Origination

The bank wanted to identify and implement a single commercial loan origination system that could meet the requirements of its diverse lending offerings. The bank wanted to unify its commercial loan offerings on a centralized platform that could reduce turnaround times and enhance efficiency.

To achieve this, it implemented Newgen's Commercial Loan Origination solution. Using Newgen's solution, the client achieved end-to-end processing of its commercial loans on a single unified platform. That is, from origination, underwriting, disbursement and servicing.

The bank can now easily handle all kinds of risks associated with commercial loans through the smart risk calculators integrated in Newgen's solution. Each loan type can be managed with end-to-end lending cycle from origination, document capture, digitization, approval, closing & funding to servicing.

Further, it ensured paperless processing of credit application in a workflow environment supported by a robust built-in document management system. The bank is now able to adapt to unique loan product requirements with embedded rules engine. Thus, striking a perfect balance between risk management and process improvement.

Additional Features Provided

- Fees management
- Third party appraisals/attorney processing
- Covenants/documents tracking and monitoring system
- Escrow analysis
- Dynamic checklist generation
- Modification after approval and disbursement process

Key Solution Benefits

- End-to-end processing of commercial loans on a single unified platform
- Eliminated re-keying of same data multiple times, thereby eliminating errors and strengthening data integrity
- Improved compliance and process standardization
- Increased profitability
- Reduced process turnaround time and introduced agility into processes
- Better visibility and control

Implementation Impact

The bank successfully transferred its commercial loan processing to a single unified interface. It is able to deliver on its business strategy and look forward to delivering an enhanced customer experience. Using Newgen's solutions, the bank successfully optimized its operations and overcame its growth bottlenecks. Major benefits of the implementation were:

Enhanced Customer Experience

- Improved Customer Service Tracking
- Improved e-mail/letter communication
- Ensured faster loan Disbursal

Better Visibility and Control

- Enhanced visibility of process status
- Reduced manual intervention

End-to-End Automation

- Enhanced reporting
- Standardized lending processes
- Improved tracking and monitoring of application

Improved Compliance and Process Standardization

- Increased First-Time-Right
- Improved customer audit-ability and adherence to regulations

Increased Profitability

- Improved employee productivity
- Reduced turn-around-time
- Reduced Operational cost
- Improved performance

“The implementation team at Newgen showed great diligence in identifying our key challenges and implemented the right technology, which completely changed the way our employees and customers engage with each other”

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.

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