



***Automating the  
Collections  
Management  
Process*** for a Leading  
Philippines Bank  
with Newgen

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*Significantly improves account  
allocation and mitigates risks*

# Introduction

Supported by a legacy of exceptional service, one of the largest Philippines banks has a national footprint of 651 brands and over 72 global branches. Since its establishment in 1916, the bank has been offering a wide array of commercial banking activities, including lending, asset management, trade finance, and retail banking services tailored towards its extensive clientele. With a spike in consumer spending over the years, the client's traditional collection management system could not keep up with the surge of loan and credit card delinquencies. The client sought a solution that can deliver an omnichannel user experience, mitigate delinquencies, offer rapid information retrieval, and enable efficient tracking and monitoring of transaction statuses. The bank selected Newgen's **Smart Collection Solution** based on the low code framework and Intelligent Business Process Management suite that enabled a complete digital transformation of its collection process.

## The Client's Pain Points

The client's current collection management system proved inadequate in accommodating the evolving business requirements of three major processes – cards and payments solutions, remedial accounts management, and retail lending. Its traditional collection system resulted in the following:

**Erroneous approval process:** The manual collections process resulted in approvals getting granted without proper assessment and ran higher compliance risks for the bank

**Lack of visibility:** Without a unified system, there was zero visibility of the collector's workload and gave no ability to oversee collection-related activities such as recovery, repossession, legal, etc.

**Disjointed Communication:** Communication within the bank's collection team involved extensive data/file exchanges, making it difficult for them to get accurate status updates and track workflows





# | Industry Approach

The leading players in the banking sector seek to make their collections inbound with a modern collections management solution that can drive operational efficiency, reduce loss, and improve customer experience. Tailored-made tools are available in the market that can effectively and safely handle the increasing volume of debt collection, streamline accounts receivable, preserve customer relationships, and ensure compliance practices. However, the limitations in intelligence in collections workflow, scalability, and integration with existing banking systems necessitate a comprehensive solution.

## | The Transformative Steps taken by Newgen:

**Workflow Automation:** The solution offers payments and receipt generation to help the collection team track payments. The automated solution seamlessly captured and updated customer details, loan information, SOA, etc

**Risk Mitigation:** The solution's intelligent case allocation of customers based on risk assessment helped maximize recovery and minimize compliance risks

**Ease of Communication:** The solution provided early notifications shared via SMS, email, and demand notices

**Monitoring and Reporting:** The client was able to get a 360-degree view of the process with a personalized dashboard and portfolio reporting

**Recovery tools:** The solution included recovery tools such as litigation, repossession, restructuring, etc., to retrieve defaulted or overdue payments from borrowers

**Disposition codes:** The solution utilizes action/disposition codes such as the reason for default, the result of visit, PTP, and watchlist to maintain detailed records and make informed decisions



# Benefits From the Implementation

Implementing Newgen's Smart Collection Solution helped the client in numerous ways:

**External collection agency:** Reduced consolidation, validation, and allocations of accounts from 5.5 hours to 1.25 hours

**Cards and payments solutions:** Improved account allocation from 2.5 hours to 18 minutes

**Retail lending:** Achieved a boost in productivity by resolving 5 to 6 accounts per day, surpassing the previous average of 2 to 3 daily

**Higher Efficiency:** The solution brought increased resolution rate and improved efficiency in legal and repossession management

**Seamless Integration:** Achieved seamless integration with back-end core applications and gained the ability to bucket and segregate duties easily

**Unified approach:** Provided omnichannel engagement with customers and ensured comprehensive reporting

## In Conclusion

With Newgen's **Smart Collection Solution**, the client could intelligently manage and improve collections performance. The solution enabled the bank to identify customers with high payment probability in early buckets quickly, provide allocation recommendations, and manage case allocation more efficiently.

### 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.

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