PROMSVYAZBANK
BUILDING AN AUTOMATED DECISION-MAKING SYSTEM FOR PERSONAL LOANS

Challenges

Assessing credit applications was complex and time-consuming

Optimised business process needed for competitive ability

Task to automise process of personal loan decision-making

Project timescale of just 4 months

Solution

Automated system for personal loans based on EMC Documentum built

Solution integrated with bank's other software applications, including SAP

Reksoft trained bank employees to full competency in new processes

Solution meets all security requirements

Result

Application processing procedures sped up by 60%

Increase in customer loyalty resulting in competitive advantage

Reduction in operating costs

Increase in bank's effectiveness

Client

Promsvyazbank is a Russian privately-owned universal commercial bank. Founded in 1995, PSB currently ranks 10th by assets among Russian banks.

"At the moment credit is subject to high risks and the market situation is constantly changing, so acquiring a flexible and reliable system of credit decision-making represents not only a competitive advantage but an absolute necessity. "

Vladimir Chichetkin
CIO,
Promsvyazbank

Challenge

Personal loans constitute one of banks' most sought-after and profitable services, allowing customers to purchase property, cars, domestic appliances and home improvements, and obtain access to education with the ability to repay in installments after the event. However, processing personal loan applications is a very complicated and time-consuming process.

At one leading Russian bank, the task of assessing applications was distributed across several different departments. Due to the complicated nature of the process, bank employees had to spend a lot of time processing applications, and applicants had to wait several days to find out the result of their application. Knowing that for customers seeking a personal loan, one priority is to find a bank that reaches a decision promptly, the bank approached us with the task of building an automated decision-making system for personal loan applications for a range of products, including mortgages and loans secured on property. The bank stipulated complex requirements to be realised within a short timescale – we had just four months to produce its solution.

Technology

EMC Documentum

Type of service

Consulting, application development, implementation, training, support

Timeframe

2009 – ongoing

Solution

We began work in January 2009, selecting EMC Documentum 6.0 as the solution platform. System integration involving the products of 14 different IT application companies, including SAP, was successfully performed. Bank employees were then trained up to full competency in the new processes.

The application assessment process begins with the input of an applicant's form into the system. Then a credit inspector scans all necessary documents, attaches them to a form and initiates export into the system. The document pack then undergoes an automatic, multistep assessment process. At every stage, documents are returned if they do not match certain requirements. In this way, the system reaches a decision on whether to approve or reject a loan application.

Result

The application assessment procedure for granting personal loans was automated, reducing applicants' waiting time by around 60%. The newly contracted timescale now on offer serves to attract new customers, allowing the bank to increase its customer base at the expense of slower competitors.

Our solution ensures the protection of data that is central to the bank's work. The system increases effectiveness and security by restricting users from accessing and editing customers' personal information, and ensures that each application is processed by one employee, only permitting reassignment to another in the case of formal absence.

Following the first implementation stage and training, more than 200 bank employees from different departments can now use the system, including employees from all the bank's subsidiaries. Automating the process enabled optimisation of the bank's processes as a whole, which reduced operational costs and enables the bank to work more effectively.

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