



One of the largest Small Finance Banks in India uses RPA to improve efficiency of the loan application process.

SUMMARY

One of the largest Small Finance Banks in India worked with Ahana System and Solutions to successfully eliminate data verification and validation glitches in their loan application processing.

CUSTOMER PROFILE

The client, a scheduled commercial bank was established in Bengaluru in 2008 as an urban micro-finance company and endeavours to be a trusted and inclusive bank with consistently high standards of performance, compliance, and work culture.

RUNNING INTO CHALLENGES

To help in this mission and improve customer-centricity, the bank invested heavily in technology in 2014. A loan origination system (LOS) that moved loan applications across the customer relationship management system (CRM) and the core banking system (CBS) was a key part of the digitization drive.

The bank has a large volume of loan applications, especially for group loans and agri-loans. Over a period of time, lots of products got launched, lot of changes were made to the software applications to meet the different needs of these products and also to integrate with external systems. All these have led to the number of loan applications getting stuck at various stages in LOS or CRM or CBS resulting in delays to loan application approvals and disbursements..

As a loan application moves across the bank's systems, its status changes nearly 15-20 times before final disbursement to the customer. At each stage, there are checks and validations such as address verification, KYC verification, document verification, anti-money laundering check, and credit rating check to name a few.

Some of these checks are done through external portals. Due to different data validation guidelines used by the internal and external systems, loan applications would often get stuck within the system. For example, the LOS may clear applications with certain special characters in data fields, but an external system may block this.

Such discrepancies frequently held up loan applications and led to branches raising tickets to draw the attention of the central IT team.

At one point, the IT helpdesk was addressing nearly 30000 tickets a month and was looking to add more team members to handle the workload.

It was clear that the delay created by the data validation glitches was hampering the productivity of various teams and delaying loan disbursements to customers. It needed to be resolved urgently.

BUILDING A SOLUTION

The bank was looking for a partner to build an automated solution that would proactively monitor the progress of the loan applications. The solution would need to identify applications that were stuck in the system beyond a certain time interval, fix the data issues and reprocess the application.

Ahana, an IT services and solutions company that has provided consultancy and support services to more than 100+ clients across various business domains over the last decade, stepped forward with a process automation roadmap.

Using the UiPath robotic process automation tool, the team at Ahana built a bot that proactively generates and runs queries to spot data issues during the loan application process and correct them.

The bank implemented the automation roadmap in July 2019 with Ahana's help. Loan applications now move through the bank's systems without getting held up.

This has meant the teams at the branches can concentrate on delivering prompt customer service rather than constantly raising tickets. The IT team also is not caught up in repeatedly sorting out data issues within the loan origination system.



Our RPA solution has helped teams at the Bank work productively and serve customers more efficiently. It has improved cycle times for loan processing and brought down headcount in the IT helpdesk team.

Umashankar Malligre | Founder Director & MD,

Ahana Systems & Solutions.

RESULTS

The Bank has improved the efficiency of its loan application process with the Ui Path robotic process automation tool implemented by Ahana.



Loan application cycle times have now reduced by 1-2 days



Tickets to helpdesk have dropped by 90% each month



Additional headcount for the helpdesk team was not needed.

ABOUT AHANA

Ahana, an IT Services and solutions Company, headquartered in Bangalore with a global client portfolio, has provided consultancy and support services for more than 100+ clients from various industries like BFSI, Media, Manufacturing, Energy, Government etc. Ahana's technology and service focus areas are Infrastructure Management, Digital Transformation, Database Support & Analytics, Automation Services, Education Services and Capacity Augmentation with specific focus in areas of Datacenter and Cloud, DevOps, Data Management and BI, SAP and Archibus Consultancy Services, Application Development and Business Solutions. Ahana is valued for quality of service, cost effectiveness and value added services offered to its clients.