

Commercial Lending Solution

Jack Henry VIP Member



The commercial lending business has witnessed exceptional growth over recent years. Banks are struggling to keep pace with this growth due to a disjointed commercial loan origination process which is leading to high operating costs and making them less competitive with emerging challenges from alternate lenders. Commercial lending is associated with complex risk calculations, intensified regulatory oversight and multi-level stakeholder collaboration.

Overview

Banks & Financial Institutions, including Credit Unions, leverage Core Banking Systems such as Jack Henry Silverlake, CIF 20/20, Core Director or Symitar to maintain the Customer Accounts, Loan Accounts and Loan Transactions. However, the overall loan origination process remains highly manual and paper driven. Some banks have automated loan origination partially using standalone application for spreading, workflow, document management etc but the unified end-to-end loan origination is missing. Therefore, it's imperative for lenders to optimize the complete lending lifecycle, from origination to disbursement and even beyond.

Banks are finding it hard to make commercial risk management a holistic process across various product types, departments, regulations as well as internal and external stakeholders.

Investment in automating loan origination process and tight integration with core banking system like Jack Henry will result in improved efficiencies, faster decision making while ensuring compliance. Technology can drive this transformation by enabling smart automation, seamless collaboration, straight through processing and effective integration.

Newgen Commercial Lending Solution

Newgen Commercial Lending Solution automates and streamlines the end-to-end lending cycle **from prospecting and origination to underwriting, disbursement and servicing for all loan types**. The solution is built on a business process management framework to enable credit origination, approval and monitoring in a paperless and electronically driven workflow environment.

The solution allows handling all kinds of risks associated with commercial loans through dynamic, model driven risk calculators at every stage. With highly optimized decision workflows, automated covenant and collateral tracking and comprehensive reporting, it strikes the perfect balance between risk management and operational swiftness. Integration with bank's third party and legacy applications such as Core Banking Solutions, Rating applications, Credit Bureau systems etc. ensure reduced cycle times and best in class customer service.

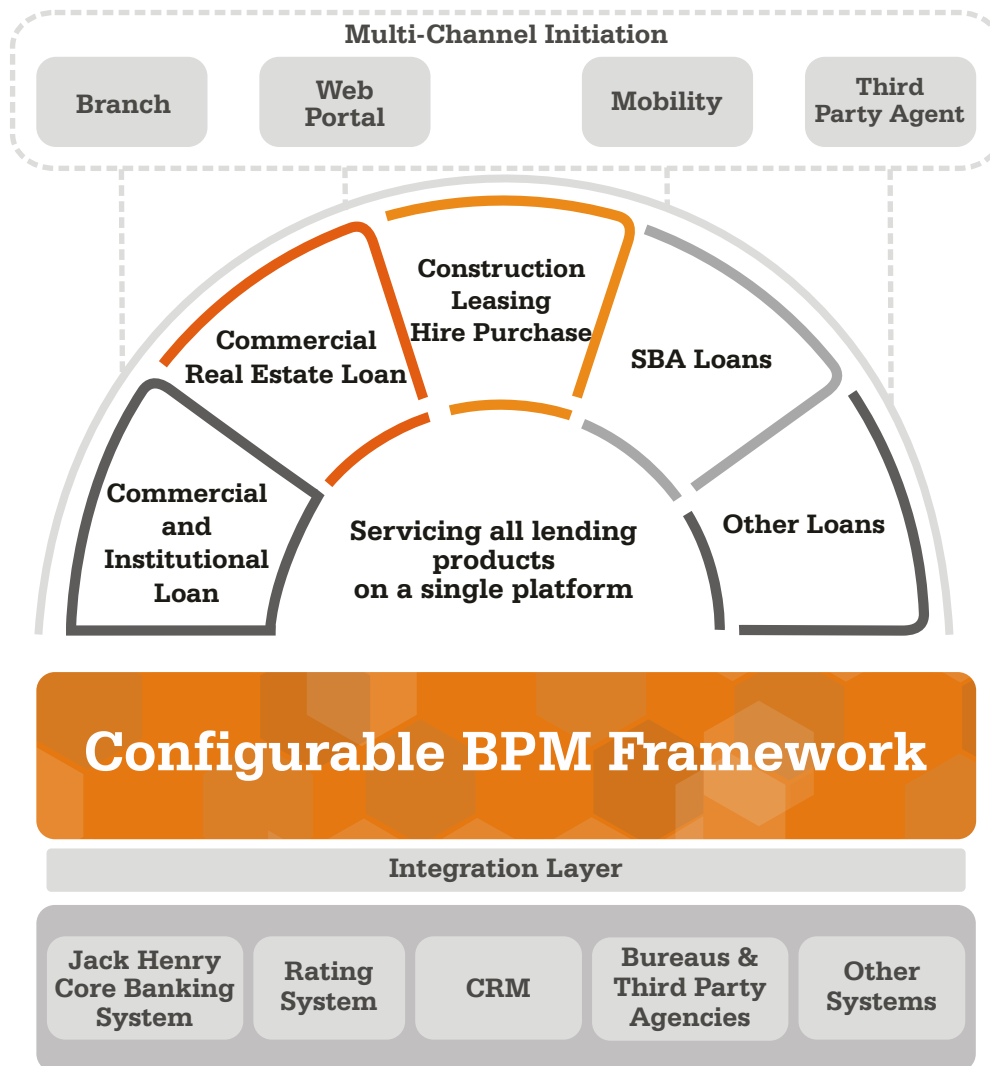
Exception Management is an integral part of Commercial LOS for ongoing proposal exceptions and post disbursement monitoring exceptions. The solution supports event based & rules based ticklers for exceptions captured on financial and non-financial covenants eliminating the need for manual tracking and follow ups.

Stakeholders including Credit Analyst, Risk Manager, Credit Admin and Client Relationship Manager experience a surge in productivity with Newgen Commercial Lending Solution.

Newgen-Jack Henry VIP Partner

Newgen provides seamlessly integrated solutions with Jack Henry for Commercial Lending which reduces the friction in the Commercial Loans Processing. Newgen's experience and tested adaptors with Jack Henry core banking systems ensure rapid deployment with first-time-right approach without any research and development efforts for creating the connections.

Unified Platform for Commercial Lending



Platform USP - Integration Capability

The Platform integrates seamlessly with Jack Henry Core Banking System allowing -

- Searching and auto population of client details
- De-dupe check for existing clients
- Capturing details for new customers and auto-creation in Jack Henry Core
- Peer group comparison for similar industries
- Automated customer account & loan account in Jack Henry Core Banking System
- Automated loan disbursements and escrow arrangements

The solution also integrates seamlessly with other applications such as CRM, Spreading tools, Pricing Applications, Bureaus and agencies (OFAC, Equifax, Transunion, Experian, FICO, Core Logic, UCC, Census Tract, NAICS etc.), Documentation Provider to provide a single and unified interface for the lenders. This helps banks achieve higher productivity, reduce turnaround time, manage risks and reduce costs substantially.

Easy Search & Auto Population of Information from Jack Henry

- ▶ General information including address, owners, directors, guarantors etc.
- ▶ Facilities & limits
- ▶ Accounts & utilization
- ▶ Collaterals
- ▶ Profitability (client & group)
- ▶ Exposure (client & group)

Disburse Loans at Accelerated Pace

Each loan type (**C&I, CRE, Construction, SBA, Agriculture, Leasing** etc.) is managed with end-to-end lending cycle from prospecting, document capture, digitization, origination, approval, closing & funding to servicing to ensure paperless processing of credit application in a workflow environment supported by a robust built-in document management system. The solution also adapts to unique loan products requirements of the banks with embedded rules engine.

Lead Management

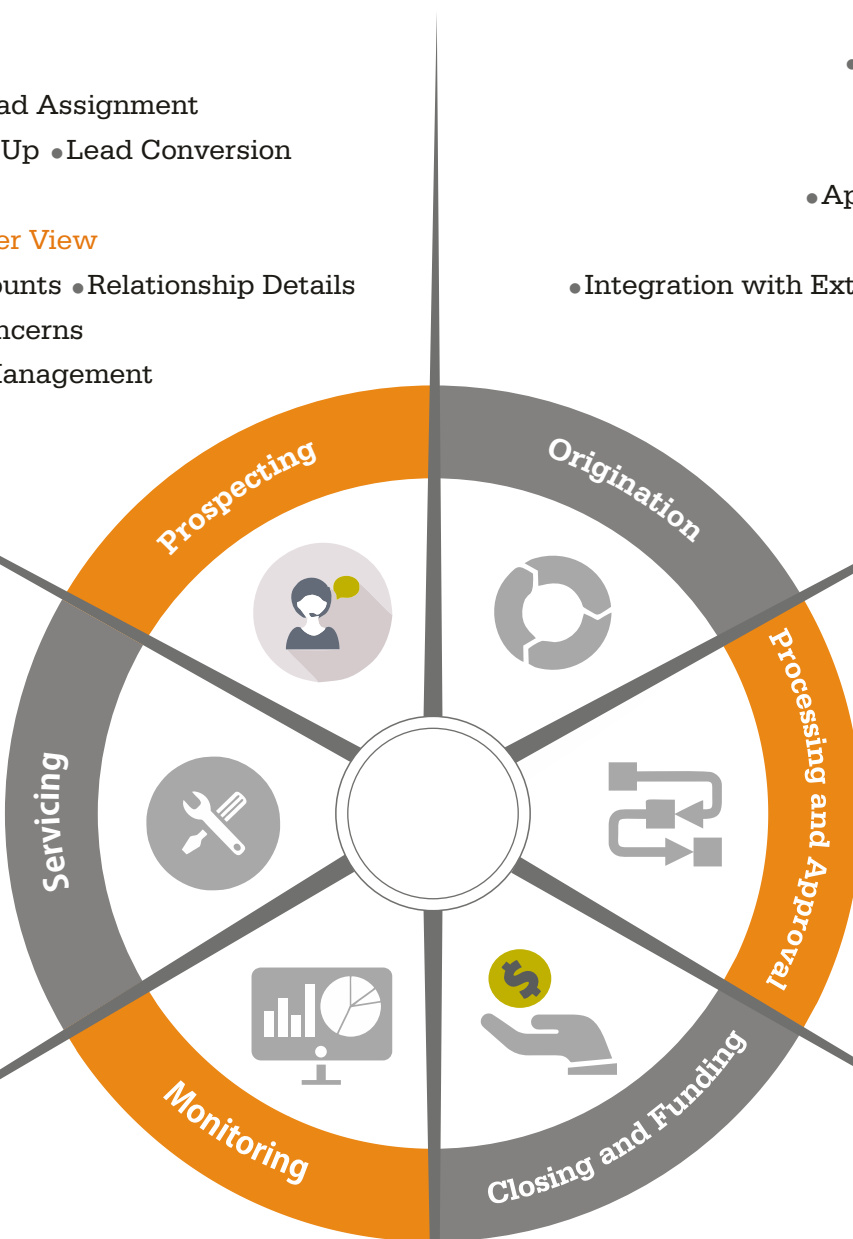
- Lead Capture
- Lead Assignment
- Tracking & Follow Up
- Lead Conversion

360 Degree Customer View

- All Customer Accounts
- Relationship Details
- Group & Sister Concerns
- Service Request Management

- Change in Pricing
- Change in Collaterals
- Rescheduling
- Restructuring
- Review Renewals

- Account Monitoring
- Account Profitability
- Covenant Monitoring
- Portfolio Monitoring
- Business Activity Monitoring
- Dashboards
- Reports



Solution Highlights

Integration with Jack Henry Core System - Capture details for new customers, automate customer & loan account creation in core system, with easy search and auto population of client details from the core

Connecting Disparate Applications - The solution also integrates seamlessly with other applications such as CRM, Spreading tools, Pricing Applications, Documentation Provider to provide a single and unified interface for the lenders

Prospecting and Lead Generation - Efficient lead management and handling of cross and up-sell opportunities

Credit Application Management - Seamless on-boarding with several configurable templates for customer and product specific data capture

Credit Analysis and Underwriting - Comprehensive credit assessment tools that take into account financial information, ratio analysis, account conduct and pricing

360° Risk Management - Complete due diligence through Peer Group Analysis, Trade Checks, real-time pipeline view, automated rules & standardized processes

SWOT Analysis - Comprehensive evaluation of a deal through a detailed analysis of various internal/external ratings

Document Management - Generate Loan Package with commercial loan documents and security instruments in pre-defined bank specific templates

Collateral Management - Unified workflow around releasing, updating, valuing and moving collaterals and other linked processes

Collections and Provisioning - Efficient management of delinquent accounts and linked accounts through incessant follow-ups and history logs

Portfolio Management - Profitable risk portfolio management through covenant monitoring, account conduct, review/renewals and diversification

Credit Risk Reporting - Configurable functional, operational and investigative reports & dashboards

Servicing and Restructuring - Facilitates asset management, branch/trade referrals, partial settlements, credit extensions and foreclosures

The Newgen Advantage

Faster time to market with ready-made solution accelerator

Leverage existing investments through seamless integrations with Jack Henry Core Banking System

Manage change through configurable rules based framework



BPM based lending– A Paradigm shift in Commercial Lending

In today's rapidly changing business landscape with continuously evolving market needs and regulatory compliances, it is almost impossible to define an ideal solution architecture. What might seem ideal today may not remain so in the next 12-18 months. Thus, financial institutions are seeking solutions with the most adaptable architecture, one which can be configured for today and has the ability to adapt in future. In such a scenario, solution accelerators built on a Business Process Management (BPM) platform can serve the purpose.

Newgen Commercial Lending solution combines industry best practices with rich domain expertise required in a robust commercial lending application. The solution accelerator allows financial institutions to avail the benefits of both the worlds (Buy + Build), i.e. they get a readymade solution which is domain rich and can be deployed on day one along with the benefits of seamlessly enhancing its capabilities through a configurable BPM framework.

This allows banks to buy the solution 'out of the box' and then configure it to meet 100% of their requirements. It helps in drastically reducing the time to roll out a commercial lending product in the market as banks can avail the existing functionalities of the accelerator and identify the gaps which are fulfilled through the configuration layer supported by various components such as Rules Engine, Process Modeler, GUI designer, MDM & Integration adaptors.



Advantages of Solution Accelerator

- Solution Accelerators are ready to use, tried-and-tested domain-specific business solutions
- Standard functionality like a packaged application but not a coded Black Box
- Built on a configurable BPM framework
- Tools to configure bank specific requirements - Forms, Processes, Rules, Masters, Reports and Integration
- Best of both worlds (buy + build) - ready to use & quickly build for bank specific business challenges

Business Benefits

End-to-End Risk Management - With methodical portfolio monitoring, automated tracking of collaterals and covenants, comprehensive reporting and standardized lending processes, leading global organizations are realizing the benefits of end-to-end risk management delivered by Newgen Commercial Lending solution

Greater Selling Opportunities - Gain better insights into high profile accounts to enhance profitability, create cross-sell opportunities and underwrite loans competitively. The system ensures all touch points with the customers are streamlined to power strong customer relationships

Unprecedented Operational Efficiencies - Eliminate duplicate data entry, reduce error rates and policy exceptions, enable dynamic staffing, business rules driven underwriting and documentation, and streamline approval cycles for faster transactions. The resultant speed creates a distinct competitive advantage in a fiercely fought marketplace

Compliance and Process Standardization - Close monitoring of process Service Levels across the lending lifecycle—from initiation to disbursement ensures compliance and risk optimization. The system ensures that all loan documents and covenants are tracked and reviewed automatically in accordance with credit policy and compliance. It allows generation of custom reports for increased oversight





About Newgen

Newgen Software is a leading global provider of Business Process Management (BPM), Enterprise Content Management (ECM), Customer Communication Management (CCM) and Case Management solutions with a global footprint of 1300+ installations in 61+ countries with large, mission critical solutions deployed at the world's leading Banks, Insurance firms, BPO's, Healthcare Organizations, Government, Telecom Companies & Shared Service Centers.

Newgen's Quality Systems are certified against ISO 9001:2008 and Information Security Standard, ISO 27001:2013. Newgen has been assessed at CMMi Level3.

WRITE TO US

USA & CANADA: usa@newgensoft.com
INDIA: corpmtg@newgensoft.com
APAC: asiapac@newgensoft.com
EMEA: emea@newgensoft.com

FOR SALES QUERY DIAL

USA & CANADA: +1 (202) 800 7783
INDIA: +91 11 40773769
APAC: +65 3157 6189
EMEA: +44 (0) 2036 514805, +973-1-619-8002

