



BANKING ON SPEED FOR CUSTOMER DELIGHT

Summary

When an SVP of a major US bank received a mandate to reduce costs and enhance efficiency, the Infosys BPM team joined hands to help him overhaul the entire process, which helped him deliver an incremental business of \$500 million to the bank.



A familiar friend and a set of unfamiliar problems

It all started during a routine annual visit in 2016 from Sheldon Jackson, SVP, to our Bangalore office. Sheldon was heading the consumer lending business for a US bank and was responsible for the loan approval process as well as managing customer experience. During a general conversation, he mentioned that his team had received

a set target from their CEO to reduce costs and improve revenue, which was a general mandate across all units in the bank.

Sheldon was aware of the problems in his unit and had a target number, but he was unable to execute due to lack of tools and methods. He then provided a detailed breakdown of the problems: the end-to-

end consumer lending process took 41 days to complete and their salespersons struggled to close a transaction, resulting in low pull-through rates of 70%. These, in turn, resulted in high cost of operations. His aim was to transform his unit into a lean, best-in-class unit and set the tone for the next 5 years.

One step at a time

Our relationship with the company began in 2005–2006 and we had delivered solutions to several lines of businesses. To begin with, we needed to understand every aspect of the consumer lending business, which Sheldon presented to us in great detail — the missing gaps, the process workflows, operations inside the client contact centre, optimising the workforce, and enhancing customer experience. There was no incremental

offshoring since it involved loan underwriting, which couldn't be offshored due to regulatory challenges and specific license requirement.

We discovered that in the current process, the pre-approval of loans was conducted by the underwriting team, which would check consumers' credit worthiness, income status, and collaterals. Once this manual process was completed, the team would move the documents

to the loan processor for the remaining steps in the approval process. To reduce manual efforts and smoothen consumer lending, we recommended a rapid process automation tool to improve the process of pre-approval of loans. This tool would collate data points from credit, income, and collateral perspectives. After this step was completed, the underwriting team would move the application to the loan processors.

Approach summary



Applying a process automation tool to improve pre-approval of loans



Introducing the role of loan specialists at the contact centre



Reengineering process flows to fasten the loan approval process



Sheldon mentioned that the contact centre was being handled by an internal team, which was in charge of responding to internal as well as external queries. Because of the workload, a majority of customer queries were either being delayed or were unsatisfactory. As per our suggestion,

Sheldon decided to reengineer the contact centre operations to boost productivity and enhance customer experience. We recommended the creation of a new role — loan specialists — in the contact centre. Their primary task would be to act as a single point of contact for the

customers. To that end, we reengineered and reskilled an entire team that would respond quickly to client queries. Sheldon also implemented several changes in the process flows and enhanced response time to fasten the loan approval process.



When it rains, it pours

After the implementation, Sheldon began tracking the progress made by his team. During review meetings, he stated that the customer experience had improved considerably as the reengineered contact centre was able to provide swift

resolutions. The sales team managed to increase its pull-through rates by 1,300 base points, a significant improvement over the numbers a year ago. The loan acceptance and booking ratio improved by 10%. Sheldon was relieved that the

automation tool and the enhanced processes helped him save more than \$2 million annually, deliver an incremental business of \$500 million, improve loan cycle time by 35%, and reduce staff costs by 23% for the bank.

Key benefits



Increased pull-through rates by 1,300 base points



Improved loan acceptance and booking ratio by 10%



Delivered incremental business of \$500 million



Improved loan cycle time by 35%

After the end of the project, Sheldon mentioned that the partnership with us not only managed to turnaround the overall operations, but it also delivered significant savings and improved customer experience. He was amazed at our capabilities in not only designing a solution but implementing it from a solution perspective. As an acknowledgement, he recorded a video thanking each member of the Infosys BPM team who were involved in the project.

**Names have been altered to preserve privacy of the people involved.*

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