

**CASE STUDY**

# Banco Popular Consolidates and Transforms Commercial Lending



The benefits of this project go far beyond cost savings—it is more about transforming the way we interact with our customers and our regulators.”

**Francisco Maldonado Morales**  
Senior Vice President Commercial  
Loans Operations, Banco Popular

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## At a Glance

### Products

- Fusion Loan IQ



We feel that Finastra gives us the best potential to react fast to regulatory changes and improve service delivery to customers.”

### Francisco Maldonado Morales

Senior Vice President Commercial Loans Operations, Banco Popular

### About Banco Popular

A subsidiary of Popular, Inc, Banco Popular de Puerto Rico is the leading financial institution in Puerto Rico with USD 28 billion in assets. Banco Popular provides financial services to more than 1.5 million individual and business clients. Banco Popular also offers the most extensive and complete distribution network in Puerto Rico and the Virgin Islands, with 192 branches, 633 ATMs, a 24/7 call center (TeleBanco Popular) and advanced online banking.

### The Challenge

With more than one hundred employees handling different commercial lending back-office processes across a disparate collection of lending systems, Banco Popular found it challenging to gain the insight and control necessary to run cost-effective operations and keep pace with ever-evolving regulatory demands.

### The Solution

Banco Popular is working to consolidate its existing portfolio of 17 lending applications to just five, with Fusion Loan IQ acting as its strategic foundation. Leveraging this new platform, Banco Popular can now take advantage of more accurate data and streamlined workflows across the lending lifecycle.

### The Result

Rationalizing the lending application landscape and driving greater synergies and processing efficiency is expected to deliver cost savings of at least 25%. Enhanced functionality, business agility and operational insight will help Banco Popular react faster in a changing regulatory landscape and better meet the needs of its customers.

[popular.com](https://www.popular.com)



By consolidating our lending applications to unified Finastra solutions, we expect to see cost savings of at least 25%.”

**Francisco Maldonado Morales**

Senior Vice President Commercial Loans Operations, Banco Popular

## Banco Popular is transforming its approach to lending, moving from a fragmented application landscape to integrated, feature-rich solutions from Finastra

### The Challenge

As a US chartered bank, Banco Popular must work hard to meet the challenges of a rapidly evolving and increasingly demanding regulatory environment.

Faced with considerable regulatory pressure, Banco Popular saw an opportunity to transform its processes and systems to strengthen compliance, to improve efficiency and to better serve clients.

Francisco Maldonado Morales, Senior Vice President, Commercial Loans Operations at Banco Popular, elaborates:

“We undertook a long and detailed review of our limitations and needs, in particular when it came to the servicing and origination of loans. It soon became clear that there was a need to reinforce and redesign areas of our lending division.

“Our lending systems had been due for an upgrade for quite some time: our application landscape had grown considerably over the years and the sheer variety of systems and processes made for very fragmented, inefficient operations. Consolidating on a more unified platform would allow us to gain better operational insight and control, and reduce costs.”

### The Solution

Seeking to move to a streamlined lending platform with common, scalable operational processes, Banco Popular began an extensive evaluation of the options available on the market. Following a request for proposals process between six vendors, the bank ultimately decided to work with Finastra.

“Finastra demonstrated a lot of flexibility when it came to time to negotiate,” says Francisco Maldonado Morales. “They were able to offer a solution that covered both the commercial and consumer space, so we could consolidate our lending activity onto a much smaller application footprint.”

Banco Popular is working to consolidate its existing portfolio of 17 lending applications to just five, with Fusion Loan IQ acting as its strategic foundation. Featuring seamless coverage and rich functionality, Fusion Loan IQ offers Banco Popular a comprehensive loan processing solution.

Francisco Maldonado Morales comments: “We are looking forward to taking advantage of the enhanced functionality offered by the Finastra solutions to optimize all stages of the loan lifecycle. And with more accurate, available data, we will be able to better understand our business processes, exposure and customer requirements.”

### Moving to More Efficient Lending

While it is still early days in the journey to an integrated lending platform, Banco Popular anticipates that rationalizing its application landscape will translate into significant cost savings and efficiency gains.

“We are reviewing every single process across the loan lifecycle, both in the consumer and commercial space, and we are finding considerable opportunities for savings,” notes Francisco Maldonado Morales.

“By consolidating our lending applications to unified Finastra solutions, we expect to see cost savings of at least 25%. When you factor in the efficiencies that are to be gained from improved operational control and more accurate data, there are potentially even greater savings to be made.”

Beyond cost savings, Banco Popular stands to benefit from the enhanced agility delivered by a streamlined commercial lending platform and improved operational insight.

Francisco Maldonado Morales says: “This is a huge transformation, and the benefits go far beyond cost savings—it is more about transforming the way we interact with our customers and our regulators.

“As a bank, we need to evolve to a more modern way of doing business: how we interact with customers and regulators is rapidly changing. We feel that Finastra gives us the best potential to react fast to regulatory changes and improve service delivery to customers.”

## About Finastra

Finastra unlocks the potential of people and businesses in finance, creating a platform for open innovation. Formed in 2017 by the combination of Misys and D+H, we provide the broadest portfolio of financial services software in the world today – spanning retail banking, transaction banking, lending, and treasury and capital markets. Our solutions enable customers to deploy mission critical technology on premises or in the cloud. Our scale and geographical reach means that we can serve customers effectively, regardless of their size or geographic location – from global financial institutions, to community banks and credit unions. Through our open, secure and reliable solutions, customers are empowered to accelerate growth, optimize cost, mitigate risk and continually evolve to meet the changing needs of their customers. 48 of the world's top 50 banks use Finastra technology. Please visit [finastra.com](https://finastra.com)

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