

END-TO-END LENDING

Boosting Speed, Reducing Cost and Maximizing Portfolio Performance in Corporate Lending



The opportunity for banks to improve and take market share is huge. In a global IDC study survey of 400 global corporate treasurers, 30% indicated that they were highly dissatisfied with the service levels they were receiving from their banks.

This was in addition to the fact that 'improved access to funding' was the highest priority for treasurers in 2019 (84%) and will remain important going into 2022 (54%)."

IDC Global Corporate Treasury Survey, 2019

Today's corporate lending process tends to be slow, fragmented and opaque, causing high costs for banks and frustration for borrowers. Now there's a better way. Finastra's end-to-end lending solution integrates the process into a single workflow, transforming speed, transparency and efficiency.

In most banks, the end-to-end processing of a corporate lending transaction – from product selection to servicing – involves multiple communications channels, with many documents in different formats passing between various participants. Each handover and point of contact adds to the risk of miscommunication, delays or errors.

Complexity, Cost and Lack of Visibility

As well as increasing costs and time, the complexity of the process also limits transparency. The participants not immediately involved at any stage must contact the current lead participant to find out what decisions have been made and what actions they need to take. This lack of visibility is most marked for borrowers, who need to contact the RM regularly to keep tabs on the status – and feel frustrated as a result.

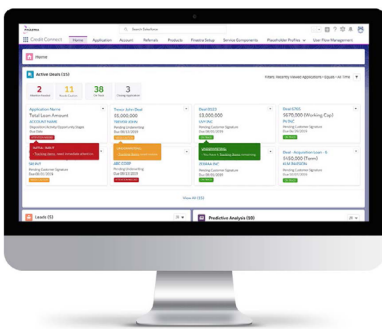
A Seamless Digital Flow

But it no longer needs to be this way. Finastra has developed Finastra End-to-end Lending – an innovative yet proven solution that integrates the entire corporate lending process into a single seamless digital flow that meets borrowers' needs faster and more fully, while also enabling banks to maximize portfolio performance.

End-to-end Lending achieves all this by using digital connectivity and automation to enable unprecedented insight, transparency and control throughout the process. And by eliminating manual hand-offs, dual keying and to-and-from communications, it elevates speed, transparency and efficiency to a whole new level.

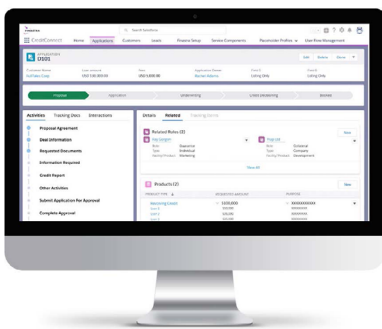
Why use Finastra End-to-end Lending?

Today's fragmented, siloed corporate lending processes create challenges for all participants – ranging from banks' front, middle and back offices to borrowers. Our solution sweeps those issues away.



Intuitive Deal Dashboard

Deal dashboard of relationship manager, showing tasks, pending deals and next best action recommendations using predictive analytics



Detailed Customer Insight

Get insight to make informed product proposals and increase revenue opportunities

Three Integrated Modules

The solution consists of three closely-integrated components:

- **Fusion Credit Connect** – our front-office sales enablement tool supports the RM, empowering them to work faster and more productively.
- **Fusion Credit Management Enterprise (CME)** – our loan decisioning workflow solution keeping the RM up to speed proactively with alerts about ongoing status and required next steps.
- **Fusion Loan IQ** – Finastra's world-leading syndicated lending solution for servicing commercial loans, used by most major banks.

Three Key Differentiators

Finastra's solution is set apart from all other offerings on the market by three powerful attributes.

Manages Complex Products

The solution is specifically designed to manage the increasingly complex loan products that banks are now providing in response to customers' rising demands. The ability to support complexity continues throughout the suite of solutions, with direct sharing of data removing the need for information to be re-entered.

Usability

Fusion Credit Connect has been specifically designed to maximize ease of use and convenience for RMs, enabling them to do their jobs better and switch their focus from routine administrative tasks to building profitable customer relationships. For this reason, it's often termed the "RM's buddy".

Its inbuilt capabilities include an artificial intelligence (AI)-enabled "Next Best Action" tool that analyzes the customer's needs and recommends the most appropriate product from both the bank's and customer's perspective.

From Product Selection to Servicing

Finastra's end-to-end, front-to-back lending solution is based around consistent, integrated workflow and data sharing all the way from initial client contact and loan origination through to loan servicing. It is the only product available on the market that does this.

A Drill-Down Into the Solution's Three Components

Here's a closer look at the three elements that make up Finastra's end-to-end, front-to-back corporate lending solution.

Fusion Credit Connect

Fusion Credit Connect empowers RMs to identify the best opportunities sooner, improve communication with customers, reduce error rates and ultimately generate higher revenue.

These benefits are underpinned by end-to-end workflows that enable increased transparency and operational efficiency. Built on Salesforce's Financial Services Cloud, Fusion Credit Connect integrates seamlessly with the other products in the end-to-end lending solution, Fusion CME for loan origination and Fusion Loan IQ for loan servicing.

The advanced capabilities and functionality of Fusion Credit Connect mean it empowers RMs to do their jobs better, faster and more productively. Its features include an intuitive "timeline" of current deal status and next steps, and an AI-based tool that helps RMs recommend the optimal product for each client, boosting sales and margins.

The benefits include:

- Increase the productivity of front-line relationship managers
- Exploit untapped revenue opportunities by exposing the information needed to take action
- Improve the customer experience through timely notifications.
- Reduce errors and complexity with reduced paperwork, less dual-keying and no manual hand-offs
- Shorten time to close and boost application throughput rate.

Fusion Credit Management Enterprise

Fusion Credit Management Enterprise (CME) provides functionally rich workflow management for corporate loan origination, integrated seamlessly into the end-to-end lending process. It also monitors and minimizes the operational, credit and compliance risks associated with lending. These attributes bring CME the proven ability to help banks grow and compete more effectively in today's fast-changing lending environment.

At the same time, CME's flexible business rules and risk matrices ensure banks have the tools and insights they need to control all aspects of lending risk and compliance. It also facilitates and accelerates communication throughout the lending process via a common platform and workflows that automatically manage approval and routing. Other risk mitigation features include enforcement of mandatory credit policies and other rules, and early warning of potential defaults.

The benefits include:

- Operate fully integrated origination across the front, middle and back office
- Manage workflows more efficiently and effectively
- Apply business rule logic to reduce risks while increasing control
- Adapt easily to accommodate new product offerings, and scale up in an agile way to handle increased volumes.

Fusion Loan IQ

Finastra's Fusion Loan IQ is the world's leading solution for servicing commercial loans and it's now seamlessly integrated into our End-to-end Lending environment. Fusion Loan IQ reduces the costs of system and process redundancy in commercial lending, with comprehensive coverage that includes structured, SME, project, syndicated, bilateral, asset-based, commercial real estate, agricultural, Islamic and niche lending.

For banks servicing any or all of these types of loans, Fusion Loan IQ increases transparency, strengthens risk management, provides better customer insight and makes it easier and simpler to enter new markets or business lines.

It delivers these benefits by providing banks with a global, end-to-end platform based on a single data model with common, scalable processes. Experience shows that institutions that choose Fusion Loan IQ run more effective operations and can seize new business opportunities faster.

The benefits include:

- Increase efficiency and transparency
- Reduce costs
- Increase growth and production
- Reduce errors and improve risk management.



Adding Value for Banks and Borrowers

By implementing Finastra's End-to-end Lending environment, banks can build a winning corporate lending proposition for the future – and deliver a better service to their customers.

The Bank's Perspective:

Building Today for Tomorrow

We've already highlighted the operational and cost benefits that Finastra's end-to-end lending solution brings to banks including better product recommendations, faster throughput, fewer errors, higher cost-efficiency, and enhanced transparency across the front, middle and back offices.

Lower Risk, Higher Returns

However, these advantages go further. The combination of AI-supported product selection and greater visibility into the loan portfolio for RMs reduces credit risk, while also opening the way for banks to make better use of capital and maximize portfolio performance. Added to this is easier and more accurate regulatory compliance through the rules embedded into the solution.

Better Customer Relationships

Equally important, Finastra's end-to-end environment positions banks to meet the needs of their corporate lending customers more fully and effectively, both in terms of the products provided and also the whole experience of securing and drawing down the loan.

It enables banks to respond to customers' information requests with the immediacy, precision and transparency they have learned to expect from retail banking providers.

Combined with the opportunity for more collaborative interactions with RMs, this helps to create deeper and stronger customer relationships.

The Borrower's Perspective: Realizing the Value

Finastra's end-to-end corporate lending ecosystem enables banks to deliver many benefits that customers are seeking. One is higher speed through direct, automated data integration. Another is greater accuracy, by removing error-prone dual-keying of information. And the ability for RMs to share information with customers when and where they want provides enhanced transparency, with borrowers always able to check the current status of their application.

A Positive Experience

Together, all of this brings banks the ability to deliver a positive commercial borrowing experience that builds durable, trusted customer relationships – and puts banks and their customers on a mutual journey to greater value.

By providing customers with transparency into their position on demand, the Finastra environment keeps customers much more involved and engaged throughout the process. It also enables banks to be more proactive in highlighting opportunities for customers to manage their exposures in a smarter way, further reinforcing the relationship.

Banks can now create the future of lending to corporate customers. And the time to start is today. With Finastra End-to-end Lending.

About Finastra

Finastra is building an open platform that accelerates collaboration and innovation in financial services, creating better experiences for people, businesses and communities. Supported by the broadest and deepest portfolio of financial services software, Finastra delivers this vitally important technology to financial institutions of all sizes across the globe, including 90 of the world's top100 banks. Our open architecture approach brings together a number of partners and innovators. Together we are leading the way in which applications are written, deployed and consumed in financial services to evolve with the changing needs of customers. Learn more at finastra.com

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