

The loan life cycle: end to end automation

Lending processes can be very cumbersome, with many moving parts. By using Mambu's core platform, available in the Microsoft Commercial Marketplace, you can eliminate many of these pain points using the latest best-in-breed SaaS technologies.

This graphic takes a closer look at the opportunity to deploy further automation in lending - which will not only reduce costs, but also provide an exceptional customer experience.

Click below to explore your automation journey



Product
Creation



Loan
Application



Underwriting



Credit
Analysis



Presentation
& Decisioning



Loan Offer



Loan
Monitoring
& Portfolio
Management



Account
Closure



Product Creation

Before

In legacy systems, creation of a new product often means that significant coding changes need to be made, and often in several different systems.

Extensive testing is required to ensure that a new product has been created correctly without 'breaking' anything. This process entails a lengthy timeline, significant effort, and involves substantial risks.

After

Transform with automation

Mambu's core platform enables instant loan configuration and highly customisable products, including the ability to create different types of loans, loan terms, interest rates, and repayment schedules.

This flexibility allows you to quickly expand across geographies, with products that are configured to each market's needs, and compliant with local regulations via cloud providers.



Loan Application

Before

Data that the bank already possesses is often requested, which creates a sub-optimal customer experience.

Manual processes (e.g. look-ups across multiple databases for KYC) are time-consuming and labour-intensive.

This may result in high abandonment rates - research from [Digital Banking Report](#) indicates abandonment rates surpassing 50% after three to five minutes in the application process.

After

Transform with automation

Linked databases enable you to auto-complete and pre-fill customer information that is already held.

You can implement automated decisioning in the KYC process with risk level business rules, country-specific policies and KYC capturing rules.



Underwriting

Before

Your lending team grapples with inadequate data obtained through manually transcribed applications. This situation could result in a potential expenditure of up to 40% of their time on non-core activities, including data collection and addressing communication bottlenecks.

The absence of a centralised, reliable source of truth also further complicates the decision-making process.

After

Transform with automation

New technologies facilitated through APIs can analyse unstructured documents (e.g. paper copies) to pull data, and also auto-identify missing data and documentation.

Your underwriting team has all the key details at their fingertips, with Mambu's core platform facilitating auto-pull of information from data sources with straight-through-processing (STP).



Credit Analysis

Before

Information gathering requires manual intervention from staff to analyse lengthy diligence documents.

Credit memos are manually authored.

After

Transform with automation

Your lending team can utilise new technologies, such as AI for sentiment analysis on lengthy documents to flag areas for manual focus.

Your new system generates templates for credit memos, as well as risk scoring and metrics based on collated inputs.



Presentation & Decisioning

Before

Memos are manually compiled, which can be a time-consuming, low value-add task.

Staff have to rely on manual collection of lending decision sign-offs.

After

Transform with automation

Presentation templates are auto-populated using information from credit analysis.

An automated approvals workflow enables easy tracking of sign-offs, with reminders and alerts.

Loan Offer

Before

Your existing banking systems require manual loan set up.

Processes are both sluggish and costly. Drafting custom loan agreements requires substantial lawyer time, and the use of paper signatures delays the issuance and acceptance of offers.

After

Transform with automation

Documentation is auto-generated and include e-signatures.

Loan repayments can be processed in single, partial, custom or bulk repayments, either present or backdated.

Loan set up is automated in Mambu's core banking platform, in line with the credit memo.

Loan Monitoring & Portfolio Management

Before

There are challenges with obtaining and analysing real-time customer data, which results in manual processes to review loan performance (e.g. covenants, missed payments).

Significant effort is also required to create reports and analytical views. This is a strain on your team, particularly in areas like regulatory reporting, where they need to ensure that data and reporting is compliant.

After

Transform with automation

You can now create a unified customer profile, using real-time data to enrich your customer perspective and analytical capabilities.

Dynamic reports are now auto-generated for your team, providing you with insights on renewals, portfolio exposures and loan deterioration.

Your team can now leverage cross-sell opportunities with personalised recommendations.

Account Closure

Before

Refinancing and rescheduling of loans have to be manually entered into your systems.

Analytics of customer behaviour is also challenging. Often there are no data links between rolled-over / refinanced loans and original records.

After

Transform with automation

Mambu's core system automates your processes for loan repayments, loan rescheduling, refinancing.

Functionality now exists for editing and customising repayment schedules and payment holidays.

Technology vendors, available in the Microsoft Commercial Marketplace, can help automate additional processes like collections.