



BANKING

Automation of Bankruptcy Notification

Information regarding bankruptcies is vital to managing business risk in a financial institution, especially if it is currently conducting business with the bankrupt entity. Gaining access to bankruptcy notification data soon after a declaration, updating all appropriate records, and informing internal decision-makers expeditiously regarding the bankruptcy are all critical. We assisted one of the largest financial institutions in the world automate the entire process in record time, working closely with the client's technical and business-process specialists, replacing a capability that was once a manual process; not to mention the reduction in risk, speeding-up of information dissemination and significant savings in at-risk funds.

CLIENT'S NEED

The client's business process related to managing bankruptcy related-risks in its U.S. business had evolved over time and was predominantly manual. Information regarding a client's bankruptcy was received in paper form, and all related databases within the organization were then individually updated. This information, along with actions to follow consistent with the company's policies and procedures, were then disseminated internally to relevant individuals with oversight and decision responsibility for the bankrupt entity. This end-to-end process could take several days to complete at times. The longer it took, the greater the risk to the company.

The company decided to explore options to reduce this risk significantly. In particular, it was eager to explore how the current end-to-process could be completed with fewer manual steps, and faster, with information pertaining to the bankruptcy filing reaching appropriate internal staff on a timely basis.

HOW INFOVISION HELPED

A cross-disciplinary team composed of InfoVision and our client's technical and business-process specialists re-defined the end-to-end business process. Further, all the systems touch-points were identified. Additionally, various data-translation formats for various condition-codes and non-monetary updates were developed. Once these were individually validated and approved by the team, InfoVision completed the entire software development over several months, implementing the end-to-process, system-to-system data interchange, and also report generation and distribution.

IMPACT

- InfoVision helped their client Improve
- (a) Ability to turn-around loan decisions faster
 - (b) Accuracy of analysis regarding each decision
 - (c) Risk Management of its growing auto-loans portfolio