



### Business challenge

The PNC Financial Services Group Inc. needed a new business rules solution. The firm had its rules and policies hardcoded into Java and Microsoft .NET programs, which made them extremely difficult to modify.

### Transformation

By combining IBM Business Process Manager and IBM Operational Decision Manager software, PNC automated 50 business processes across multiple lines of business (LOBs) at the bank and put more than five million automated business rules in production. The solution also helps the business continually refine and improve its processes.

### Business benefits

**80 – 90%**  
reduction

in the number of loan applications that the bank must review manually

**Supports**

increased work volumes  
resulting from an acquisition without adding staff

**Simplifies**

compliance reporting  
for numerous regulations through increased visibility

# The PNC Financial Services Group Inc.

## Automating business decisions to manage rapidly growing workloads

Headquartered in Pittsburgh, Pennsylvania, in the US, [The PNC Financial Services Group Inc.](#) is a financial services firm with more than 52,000 employees. The group provides retail banking services such as deposit, lending, cash management and investment services to over six million consumer and small-business customers across more than 19 states and Washington, DC. The group also has divisions for asset management, corporate and institutional banking, and residential mortgage banking.

*“We would never be able to manage five million rules today without a product like [IBM] Operational Decision Manager.”*

— Jon Phillips, IT Director, The PNC Financial Services Group Inc.

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## Increasing rule flexibility

In 2008, PNC acquired National City Corp., a bank holding company based in Cleveland, Ohio, in the US. At that time, National City was using IBM Business Process Manager software to eliminate manual, paper-based processes. After the acquisition, PNC decided to adopt the process management platform enterprisewide. The bank used the Business Process Manager software to automate business processes across multiple lines of business

(LOBs) and the enterprise, including processes for home equity loans, home equity lines of credit and installment loans.

PNC then began to look at replacing its business rules solution. The organization had many of its rules and policies hardcoded into Java and Microsoft .NET programs, which made them extremely difficult to modify. The LOBs wanted agility and flexibility to develop, test and maintain their own rules. “We started looking at more robust and flexible business rules capabilities for a number of rea-

sons, including the demand from our line of business to manage policies in several areas, including the commercial and corporate banking areas and healthcare,” says Muthu Venkataraman, Architect and IT Manager at PNC. “Our loan process automation also needed policy management.”

## Automating business processes

After submitting a request for proposal (RFP), PNC chose IBM Operational Decision Manager software. “What Operational Decision

Manager brought to the table was a robust business vocabulary,” says Jon Phillips, IT Director at PNC. “The platform lets the business build, develop and implement their rules using their own language versus the technical language used in most of the other platforms in the market.”

With the combination of Business Process Manager and Operational Decision Manager software, PNC has more than 50 automated business processes across multiple LOBs at

the bank and over five million automated business rules in production. Further, the platform allows PNC to capture metrics about its processes at the task level and the overall process level, which helps the business continually refine and improve its processes. This visibility also facilitates compliance demonstration with numerous regulations. “We’re able to demonstrate 100 percent of the processes we went through to come to a decision on any loan application to show there was no bias and that

the decision was made based solely on facts,” says Phillips. “We’re also able to produce on-demand and automated end-of-month reports to demonstrate compliance with various regulations.”

## **Cutting process management workload**

PNC manages most of its consumer lending processes through Business Process Manager software in concert with Operational Decision Manager

software. In the past, PNC staff had to review 100 percent of postclosing loans. Today, using the combination of Business Process Manager and Operational Decision Manager software, staff members only need to review loans that contain exceptions, which is about 10 - 20 percent of the loans. “So we are able to successfully eliminate manual review of over 80 percent of the volume that we had to review in the past,” says Phillips.

This efficiency boost allowed PNC to handle the augmented workload resulting from a large acquisition

without increasing employees. “We acquired the Royal Bank of Canada’s US branches,” says Phillips. “And we were able to take on the volume of work from that acquisition without adding more staff.”

“IBM has been a great partner in terms of listening to us and our needs and implementing those needs into their roadmap and their future versions of the product over the years,” says Phillips.

## Solution components

- IBM Business Process Manager
- IBM Operational Decision Manager

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### Connect with us



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### Take the next step

To learn more about IBM Business Process Manager or IBM Operational Decision Manager software, please contact your IBM marketing representative or IBM Business Partner, or visit the following websites:

[ibm.com/software/products/business-process-manager-family](http://ibm.com/software/products/business-process-manager-family),  
[ibm.com/software/products/odm](http://ibm.com/software/products/odm)

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