Intelligent automation for consumer finance solutions

Automating repetitive tasks to free time for creative work

by Mike Tucker

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For 20 years, Credigy Solutions Inc. has proven to be a stable and creative financial services partner for many businesses. Credigy has the flexibility to deploy senior and subordinated debt, acquire assets on its balance sheet, utilize hybrid structures and participate in syndications.

Credigy executes a world-class process to support incredibly complex deals across a variety of asset classes. The firm's geographic diversification strategy includes partnering with local experts to maximize understanding of unique market variables and leverage market know-how.

The company has invested over USD 17 billion in 325+ transactions with Individual deals ranging from USD 50 million to over USD 2 billion. Overall, Credigy's pioneering approach to specialty finance has led to a multiyear, double-digit compounded annual growth rate.

"Our company specializes in understanding new and often complex markets within the broader universe of consumer finance," says Casey Adams, Senior Director of IT and Data Strategy at Credigy. "We help our partners navigate those complex markets and help accelerate growth, offering comprehensive and creative solutions that are unique to Credigy."

Key to Credigy's growth and continued success is the culture of creativity fostered at its headquarters in Atlanta, Georgia. Analysts, statisticians and other financial professionals are encouraged to explore opportunities and develop innovative solutions. "We have a lot of smart people challenging

assumptions," says Adams. "Nobody is afraid to ask how we can improve."

As he looked for ways to support Credigy's growth, Adams kept his eye on a rapidly developing technology that was coming into its own—robotic process automation (RPA). This software enables companies to automate tedious and repetitive tasks, which frees up time for employees to focus on higher value work. "In our company, we recognized that we have a lot of 'automatable' processes," says Adams. "We understood the potential early on."

In 2018, Adams and his team were introduced to the IBM® Robotic Process Automation platform. "We were pleasantly surprised at how mature the solution was," says Adams. "The user interface was very nice. It also ran on the same platform as our other systems, so we brought RPA consultants onsite to start looking at automation opportunities."

To accelerate information gathering and making related decisions, RPA robots enabled timely review of

100%

of loan-related financial documents for various portfolio purchases

Automating repetitive tasks contributed to Credigy's ability to continue growing its business at a

15%+

compounded annual growth rate

In the first year, Credigy deployed

~25

RPA robots to automate repetitive tasks

Finding opportunities for automation

When looking for opportunities to automate business processes, Credigy strove to understand how automating a specific business process could also connect to another business process. “As automations are deployed in an intelligent manner and are ‘connectable,’” says Adams, “they will gradually grow to become fully automated processes end-to-end.”

“Along this RPA journey, our strategic goal has been to determine which business processes could benefit from automation,” says Rebecca Sims, Senior Business Systems Analyst at Credigy. “We started with the quick wins so we could expand our automation experience while determining where automation will aid us the most in achieving a strategic advantage using RPA.”

Working with RPA consultants, Credigy prioritized which business processes would benefit most from automation. “The purpose of the consultants was to teach our developers best practices

and set us up for long term-success," says Sims. "They did code reviews and helped show us the best ways to automate."

"The consultants helped us discover the most viable processes for automation," says Adams. "For example, if we do something once a month and it only takes five minutes to do it, it makes zero sense to put development effort into that process."

Each year, Credigy processes thousands of data files received through email or an SFTP site. Because of the large volume of data coming in for analysis and evaluation, one of the first focus areas was to manage how data and files are moved—a laborious, time-intensive task. To move files, employees manually identified and opened files to validate the information. Next, they

> "This is a large, big-picture opportunity about intelligent automation—a strategic partnership between humans and robots. We're returning time to Credigy employees, so they can focus on tasks that add more value."

Casey Adams, Senior Director of IT and Data Strategy, Credigy Solutions, Inc.

renamed documents according to uniform labeling conventions. The last step was to navigate to the correct repository to save the documents.

“Instead of having employees monitor data sources, we have a robot periodically check and name them according to a defined naming convention and place the files in locations where our system can pick them up and process them into our internal systems,” says Sims. “This helps us have an accurate understanding of account status so we can make informed decisions.”

Another opportunity for automation related to how Credigy processed vendor invoices. “We analyzed the set of vendors who submitted regular invoices and decided to automate the process into our invoice processing system,” says Sims. “The finance team can forward invoices attached via email to the RPA robot and the invoice is created automatically.”

Currently, Credigy processes 22 vendor invoices automatically. The end goal is to completely automate invoice processing when the automation framework is fully developed.

Due diligence—reviewing the related documents in connection with buying and selling financial assets—was another labor-intensive task that was ripe for automation. In many cases, documents were downloaded from third-party sites and included records for thousands of accounts at a time. Credigy deployed automated processes to scan account-based documents and scrape data into a Microsoft Excel file for reporting and decision making.

“For example, if we are potentially buying a portfolio of 10,000 consumer loans, part of due diligence is reviewing the loan files to make sure the original loan-related documentation is there and conforms to the applicable requirements,” says Adams.

“Previously, human beings would do that work, which is often time intensive and under a short deadline. But now, with RPA, we are doing 100% automated due diligence reviews for some deals, and it is a big win for us. Being able to complete the diligence process faster allows us to determine which issues need to be addressed and whether the deal that really works for us and our potential counterparty. It

minimizes the time we spend on deals that are not going to work, helping us and our business partners focus on opportunities that make sense for all involved."

To make sure Credigy derives maximum long-term value from its investment in RPA, the company is developing the framework for an ongoing RPA center of excellence. "Some companies start running RPA software and, a year later, might have 20-30 robots," says Adams. "But then somebody asks, 'What does this robot do?' and nobody knows the rules. We will ensure that our processes are well documented and make metadata available so we can think about how each process fits into larger processes going forward."

"It gives people more time to think creatively about strategy, as well as accelerating processes to allow us to review data and make quicker decisions. Company-wide, everybody has bought into RPA technology."

Rebecca Sims, Senior Business Systems Analyst, Credigy Solutions, Inc.

Improving processes and efficiencies

After the first year of deployment, Credigy automated over 25 business processes with RPA. “We initially focused on the low-hanging fruit, and the processes we’ve done have been helpful,” says Sims. “But we’re also looking at the business as a whole and studying transaction lifecycles to see where RPA can make the most impact.”

In addition to deploying automated processes for due diligence and invoice processing, Credigy uses RPA to:

- Process legal documents for keyword scanning. Documents are returned with keywords highlighted.
- Process account-based documents by email, media download or other types of automation and automatically load documents into an internal system that users can easily access by account.
- Forward suspicious email for URL scanning and alert users if URLs were malicious.
- Create automated initial responses to emails requesting customer service.
- Support compliance by automatically downloading updates from a variety

of sites and loading data into specific tables for review.

- Automate IT audits including password strength tests. If a user's password fails a strength test performed by the robot, the user receives an email requesting a password update that complies with password rules.

To help Credigy calculate the cost savings of using RPA instead of an employee for specific tasks, IBM adds a "counter" to each RPA script. "Essentially, this value helps us determine the time back to Credigy—whether we did this task manually or outsourced it prior to automation," says Sims. "We can use this metric in reports and track monthly how much time is returned to Credigy."

Another opportunity for costs savings is with error reduction. "Errors can increase work effort," says Adams, "and having a robot that does not make those errors is a big payback."

Adams also believes that it is important to gauge non-quantitative or "soft" metrics around employee-robot partnerships. "As we deploy robots to replace rote and repetitive work, this frees up employees for more enjoyable and challenging work that adds more value for Credigy," says Adams.

"From the beginning, our strategy and messaging has always been centered on a human and robot partnership that brings the best total value to Credigy," says Sims. "For this reason, everyone has bought into RPA technology."

Credigy's IT team sees intelligent automation as a long-term goal for RPA. "As tasks come to us," says Adams, "the first question we ask is 'How can this be automated?' We're taking small steps along the way that will lead to a larger integration of robotic processes with the business having confidence in whatever automation we are putting into place."

Credigy plans to take a process mining approach to define and document key business processes. "Working with our employees, this will be an exploratory project," says Sims. "We will take a deep dive to discover where we have the highest need to improve efficiencies and automate."

Within the next two years, Credigy plans to deploy hundreds of RPA robots. "As the team gets more experienced and we have an automation-first mindset with everybody, the opportunities will continue to grow and blossom," says Adams. "We will build RPA automation that will be connected end-to-end and grow to 100% process automation."

About Credigy Solutions, Inc.

Based in Atlanta, Georgia, Credigy (external link) is a global specialty finance company with flexibility across the capital structure to acquire or finance a diverse range of assets. The firm invests in consumer-related assets across multiple asset classes and geographies. Wholly owned by the National Bank of Canada, Credigy manages over USD 5.7 billion in assets and has invested over USD 17 billion since 2001.

The client featured in this case study initially engaged with WDG Soluções Em Sistemas E Automação De Proces LTDA, which began conducting business as IBM on January 1, 2021. The WDG products in this case study, WDG Studio and WDG RPA, are now known as IBM RPA Studio and IBM RPA Solution, respectively.

Solution component

- IBM® Robotic Process Automation

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