

Assessment and Redesign of Credit Decision Process

Client Need: To support a new business model and a pan European strategy, the financial services subsidiary of one of the world's leading technology companies wanted to assess and redesign its credit decision process for equipment leasing based on best in class performance.

Solution: BenchMark Consulting reviewed the existing processes with respect to efficiency, effectiveness and compliance with the company's credit policy. Existing processes and procedures were documented. Based on the thorough analysis BenchMark recommended new processes, new interfaces between the departments involved, and changes in the system and the credit policy.

Workshops with client's staff held by BenchMark closely accompanied the redesign of the credit decision process along those recommendations. After the installation of the new processes, procedures and new system support BenchMark assessed the new software in form of a user acceptance and usability test, and made recommendations for further system enhancements. BenchMark Consulting developed a software user manual that not only guided the software users but also explained the credit policy and process.

Additionally a process and tool for low value item credit decisions was developed. This enables the client to have a decentralized credit evaluation process allowing for cost efficient and fast decisions.

Results: Implementation of the recommendations resulted in a significant increase in efficiency and effectiveness as well as an environment that ensured adherence to the credit policy, thus reducing the risk inherent to the credit process. The project laid the foundation for the client's new business model and pan European strategy.