



Bizagi delivers analytical consulting tool in just 8 weeks



Instituto de Crédito Oficial

Customer:

Instituto de Crédito Oficial

Industry:

Financial Services

Location:

Spain

2009: the wake of the global financial crisis.

Thousands of Spanish SMBs – the backbone of the economy - are cut off from traditional sources of credit.

ICO's "Financial Facilitator", a tool designed by Bizagi to increase liquidity for Spanish SMBs, received **80,000 applications** in the first six months and **140,000** in the first year.

Objectives

- ✓ Create a customer-centric, online credit application based on ease of use, visibility and efficiency in just two months
- ✓ Leverage BPM technology to ensure timely and accurate submission of credit applications and automate the credit analysis and evaluation processes
- ✓ Provide a robust, secure and modern service with necessary flexibility for easy modification and expansion
- ✓ Collaborate closely with credit process experts – PwC – to embed expertise into the tool
- ✓ Work closely with stakeholders to produce a robust business model and raise national awareness of the scheme

Achievements

- ✓ **Fast delivery:** in just eight weeks, the Financial Facilitator was open for business
- ✓ **Robust:** the system received hundreds of applications on its first day and handled up to a thousand daily
- ✓ Participation of major Spanish financial entities and banks including BBVA and Santander
- ✓ Faster, easier credit application process, allowing anytime, anywhere applications via the customer portal
- ✓ Real-time tracking of applications against KPIs, providing managers with tracking and reporting for better decision making



ICO's Financial Facilitator received nationwide recognition at launch and is still perceived as the most friendly and innovative online credit application platform for Spanish SMBs."

Overview

One of the most devastating effects of the recent global financial crisis was the freezing of corporate credit. In response, the Spanish Government decided to provide, through the Instituto de Crédito Oficial (ICO), the “Financial Facilitator”. This analytical and consulting tool facilitates access by small and medium sized companies (SMBs) and the self-employed to sources of finance, allowing them to undertake their corporate and professional projects.

Challenges

The creation of the Financial Facilitator presented a unique challenge from three key perspectives. First, speed of delivery: every day lost could lead to another SMB going bankrupt so rapid implementation was critical.

Second, integration: this was a highly complex process encompassing many actors (applicants, the ICO, a call center, an outsourced risk analysis center and the external Spanish financial entities) and systems (web portal, a credit risk rating application, and external databases e.g. CIRBE, Experian, Informa).

Finally: this was a brand-new initiative. More than a simple credit scoring system, the solution needed to offer both funding and advisory services. Risk policies had to be created, the architecture built, the business model agreed, and branding defined.

The BPM Solution

Bizagi BPM Suite was used to model, build and execute the complete end-to-end process, beginning with an online portal where credit applications underwent validation before being passed seamlessly to the financial entities for processing and fulfilment. A key partner in defining this radically new and innovative platform were PwC, whose invaluable knowledge of credit processes became embedded into the overall solution. The collaborative Bizagi platform enabled the two teams to work together to design, model and execute their processes, aligning the needs of the financial sector with technical activities and functions.

Results

In record time - just eight weeks - Bizagi implemented a fully working solution. As a result of the project, ICO gained an important competitive advantage as it was perceived as the only credit and financial entity that was able to react with agility to face the financial crisis in Spain.

In just 6 months, the Financial Facilitator received 80,000 applications which, as well as proving itself as a credible and trusted tool, achieved other key benefits including cost savings and operational efficiencies.

For example, web-based process automation ensured that the credit request process cost significantly less when compared to traditional manual methods; while the centralised management of request information and status resulted in optimal use of staff time as well as easier tracking and control. All the major financial entities within the process were able to receive greater volumes of timely, accurate pre-approved credit requests, allowing them to complete their part of the process more quickly. All this could only be achieved through effective integration of all the different stakeholders within the process – even when not directly involved in the business.

Based on this high level performance, the Financial Facilitator was also chosen to facilitate another service – “ICOdirecto.” This is another line of credit where ICO has been entitled to approve and pay the credit itself. This second process reused 80% of the first, meaning it could be delivered fast – in under six weeks. In the first three months of production alone, ICODirecto approved requests worth €101m euros.

Best Practice

- ✓ **Co-ordinate your team well: the ability to design and develop simultaneously can achieve fast results but only works if your team works closely together – ideally in the same room.**
- ✓ **Commitment and support is essential: not just from the delivery team, but from the key stakeholders – in this case, ICO’s President and Board of Directors.**
- ✓ **Expect regular updates from your BPM provider: daily input and weekly status reviews are essential to identify and mitigate project risk.**
- ✓ **Implement resolution management: recognize that conflicts may arise and have processes in place to resolve them.**