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📖 **Client Story**

Creating Efficient Loan Portfolio Reviews Through Data Aggregation and Report Automation

Desjardins Bank

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Desjardins Bank needed to complete loan reviews more efficiently. With Professional Services from Fiserv, the bank implemented iVue® Advantage from Fiserv to aggregate data from its account processing platform, other internal data sources and third-party resources. The result was an enhanced, holistic and efficient loan portfolio reporting process with an automated review for certain loans.

Client Profile

Desjardins Bank

A subsidiary of Canadian-based Desjardins Group, Desjardins Bank serves snow-bird customers who spend part of the year in Florida. Headquartered in Hallandale Beach, with branches in Pompano Beach and Boynton Beach, the bank serves some of the most popular Florida destinations for Canadian travelers. Offering personal and business accounts through a U.S. bank governed by U.S. laws helps customers to streamline management of their finances while in the U.S. Desjardins Bank offers other perks to its niche market, including service in French, no-fee ATM transactions and free traveler's check cashing. The bank has grown to more than $350 million in assets.

→ Challenge

Loan reviews at Desjardins Bank were a heavily manual process that fell to just two employees. Often, the volume of reviews exceeded an acceptable workload, and the bank was considering hiring more staff to handle the extra work.

→ Solution

With Professional Services, the bank was able to plan and execute a data aggregation scheme drawing from multiple sources, including third-party resources. Today, the Loan Risk Engagement Report generated by the bank automates many loan reviews with minimal human intervention, and identifies potential issues.

→ Proof Points

→ Increased efficiency with 85% to 90% of Desjardins Bank's loan portfolio being reviewed automatically by the custom report

→ Improved the use and knowledge of Fiserv solutions for future projects

→ Reduced the workload for its two risk analysts, allowing for portfolio expansion

→ Decreased the number of loans that require manual review

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Desjardins Bank identified a need to complete loan reviews more efficiently. A deeper look into the process revealed several time-consuming, manual processes being used to gather necessary data for the reviews. Because of the substantial time required to complete the review and monitoring process properly and holistically, the bank was hindered from promptly addressing critical lending relationship issues.

The bank wanted to ease the manual process of analyzing loan portfolios and the data files gathered from various vendors. Often the volume of manual work would become too much for the two employees responsible for new loan risk analysis, annual loan review and risk analysis, and annual regulatory compliance. The main challenge was the inability to aggregate the necessary information into one report and dashboard.

Custom Reporting: The Best Choice

Faced with adding employees to improve loan review timeframes, Victor Desaulniers, business intelligence management consultant at Desjardins Bank, reached out to Fiserv to collaborate on an alternative solution.

Desaulniers understood that the Fiserv solutions the bank used every day housed much of the necessary data for the reviews, and that iVue Advantage could aggregate third-party data through the iVue PowerShare tool. He could envision the end goal, but struggled with how to accomplish the complex data aggregation and reporting needed to fully address the current challenges.

"Because we use many Fiserv solutions, I often turn to Fiserv first when I have a problem to solve," said Desaulniers. "I talked with my service manager and then with a Professional Services expert who specializes in data systems and business intelligence. I learned we could utilize Professional Services to customize the report for us."

Professional Services Engagement Delivers

The Professional Services experts helped Desjardins Bank create and execute a data aggregation plan. The complex aggregation drew data from multiple internal sources, including the Cleartouch® account processing platform from Fiserv, and third-party resources such as Equifax® credit reporting, delinquency reports, taxes, loan-to-value ratios and collateral values. The team decided to start with the existing Loan-to-One-Borrow Report and customize it to include additional data and categorization. The goal was to have a more accurate and up-to-date view of each loan and its status. Logic was added to identify problem areas, based on thresholds set by the bank.

The bank used iVue PowerShare to aggregate the necessary data and Business Analytics from Fiserv to create the reports. A Fiserv data expert added the requested customization. Now, the Loan Risk Engagement Report automates loan risk reviews with minimal human intervention and expedites reviews for low-risk borrowers. Automated loan monitoring now provides the bank with regular updates of loan relationships and creates a priority list of lending relationships that need immediate attention.

"Comfort level came with time," said Desaulniers. "At first, I wasn't sure how much to trust it. A lot of pieces need to be right for this to be efficient. But it has worked so well, and we've seen good intelligence coming out of it. It almost has a predictive nature."

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>
> **Victor Desaulniers**
> Business Intelligence Management Consultant,
> Desjardins Bank

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Benefits: Expected and Unexpected

The project was a complex undertaking, but with the support of the Fiserv team, the initial goals were accomplished. In addition, significant procedural adjustments made by Desjardins Bank helped maximize the capabilities and productivity of the report.

Today, 85% to 90% of the bank's loan portfolio is reviewed automatically by the custom Loan Risk Engagement Report. According to bank policy, relationships that are more substantial, even if not high risk, need to be manually monitored by the credit analyst team. For example, all loans above $1 million are still manually reviewed by an analyst. But the data collected by the custom report helps with this aspect of the review process, as well.

Gathering the necessary third-party information from a variety of services can be costly, but the bank is able to use this information in many other reports throughout the organization, creating the most value possible from that expense. This and other unplanned benefits are bonuses of the Fiserv engagement. Other realized benefits include:

→ Greater understanding of data tools and how to use them

→ Deeper realization of the untapped data potential

→ Renewed focus on data and building trend reports

"Once you experience a professional services engagement in one area, you want to use them again in another area because the results and return on investment are significant," said Desaulniers.

Connect With Us

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