— Business Process Modeling Explanation

The Microloan Approval and Risk Evaluation System manages the end-to-end process by which a private microfinance business accepts, evaluates, approves, and monitors microloans for small-scale borrowers. The scope of the business process includes borrower registration, loan application submission, risk evaluation using automated PL/SQL logic, loan officer decision-making, loan disbursement, and ongoing repayment tracking.

The process involves several key actors: the **Borrower** (initiates applications and makes repayments), the **Loan Officer** (reviews and approves requests), the **Risk Evaluation Engine** (calculates risk scores based on income, loan history, and requested amount), the **Loan Accountant** (handles disbursement and repayment recording), and the **Database System** (stores and manages all operational data). Roles and responsibilities are clearly separated to ensure accountability and smooth workflow.

The business process begins when a borrower creates an account and submits a loan application. The system automatically evaluates risk using PL/SQL procedures and logs the evaluation for auditing. The loan officer reviews the application, supported by the system-generated score and the borrower's profile. Based on this review, the officer approves or rejects the request. If approved, the loan accountant processes the disbursement and sets up the repayment schedule. Repayments are tracked, and late or missed payments are flagged for follow-up.