Module 1: Robotic Process Automation Concepts

Case Study

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Critical Analysis from an RPA Perspective

A consumer lending company is in a business of providing consumer loans and has been operating in Pan India basis for the past few years. Its loan executive agents who work with various consumer appliances & electronics dealers and retail outlets seek to influence retail prospective buyers for expediting their purchase decisions by offering them consumer loans at attractive interest rates. With the uptick in the economy and higher disposable income with the consumers, this strategy has worked out well. On an average each agent collects many hundreds of applications per month and all put together in each metropolitan city alone, there would be tens of thousands of applications each month. These applications are sent to the regional centres for further processing through emails and company's internal courier system.

The company has a Loan Application Management (LAM) software as well as a Customer Relationship Management (CRM) software. There are approximately 50 data entry operators working in each regional centre. These operators enter the data into their LAM software along with the supported documents such as PAN card, Aadhaar Card, Address Proof etc received from their agents through emails and paper documents. Operators then follow a process to check applicant's eligibility, credit worthiness and financial history. For these checks operators interact with three different third-party software applications for processing each loan application. The results from each of these third-party systems are then updated in the LAM software for each loan application. The updated loan applications are then routed to a team of regional managers who are authorized to approve the loans after validating the applications against the approval criteria. In exceptional cases, the cases route to regional heads for their approvals.

The company has been struggling with this time-consuming process, which not only takes long time but also has frequent incorrect applicant's data being processed which further causes delay. This has resulted in a loss of business in some cases as consumers could not wait beyond more than few days. Further, the company is struggling to manage their consumer loan portfolio as they have been managing loan schedules, EMI/ECS mandates, coordination with banks, communications, etc in a manual way. Company does not have any Loan Management System (LMS) to manage their loan portfolios.

You are required to perform a critical analysis for this situation and advice what the company should consider doing to address the challenges it is facing. Make your suggestions proving the reasoning for the same.