



Lending in the new normal series #2

How technology is transforming the human side of lending

Building client relationships and personalizing the lending experience

In our first post in this series we looked at the future of lending in a transforming economy, concluding with the thought that software and platforms have the potential to take lending on the next stage of its journey. One of the important ways in which we see this happening is around the “human side” of the lending experience: building client relationships and personalizing the lending experience.

This has become more important than ever in 2020, when lenders and clients are unable to interact face-to-face and when 25-30% of the workforce are likely to transition to permanently working from home for big chunks of the working week over the next two years.

As Barclays CEO Jes Staley has said: “... the notion of putting 7,000 people in a building may be a thing of the past.”¹ So far, at Finastra, we’ve learned that you don’t necessarily have to be in the room to grow client relationships and deliver the same high standards of service.

At the same time, we also know that regardless of external factors, customers want a more seamless and personalized banking experience. In a recent survey of corporate treasurers², for example, we found 47% wanting to go beyond their traditional product offerings to provide more innovative services.

A 2019 KPMG consumer survey³ revealed that customers consistently ranked banks with good personalization capabilities as best in class. The success of challenger banks rests on their superior ability to deliver personalized, digital service.

There is evidence that banks are building the seamless experience that customers want. Technology is enabling them to change the client relationship in lending. Direct interaction, for example via borrower portals, now replaces the emails and transaction notes that would previously have been used in communications between risk manager and client.



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As Global Solution Lead for Lending at Finastra, Christopher Papathanassi is responsible for the overall line of business within the field, and works cross functionally to provide support with; deal execution, validation and execution of go to market activity, product strategy and bringing thought leadership to the market . With over 14 years' in the industry, he is an experienced commercial lending specialist.

Prior to his current role he worked on the bank side where he held a variety of roles within lending, both on the business and change management side. He holds a Bachelor's Degree in Business Management from Bournemouth University.

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Improving the experience

However, the real test for personalization in lending is whether it can be done at scale. When you have thousands of clients, can they all have highly personalized service? Yes, if you solve the problem with data.

Today's tech has the potential to take away the repetitive, non- value-added work, and to leverage data to understand individual customers, their markets and their challenges more effectively.

And using platforms and open APIs, lenders can pull in data from outside the organization – from banks, credit bureaus, social and other media channels – to sharpen their decisions.

Fintech firm Upswot, for example, uses real-time tracking of data from apps used by small- and medium-size businesses to present banks with triggers for action. This level of automation enables lenders to take faster and more personalized actions.

The pandemic has accelerated a trend that already had considerable momentum behind it. By forcing lending relationships almost entirely into the virtual world, it will lead to more rapid adoption of innovative technologies that improve the experience for both borrowers and lenders.



For more information
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About Finastra

Finastra is building an open platform that accelerates collaboration and innovation in financial services, creating better experiences for people, businesses and communities. Supported by the broadest and deepest portfolio of financial services software, Finastra delivers this vitally important technology to financial institutions of all sizes across the globe, including 90 of the world's top100 banks. Our open architecture approach brings together a number of partners and innovators. Together we are leading the way in which applications are written, deployed and consumed in financial services to evolve with the changing needs of customers. Learn more at finastra.com

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