



The leading European  
lending software vendor



# evolant Lending Newsletter

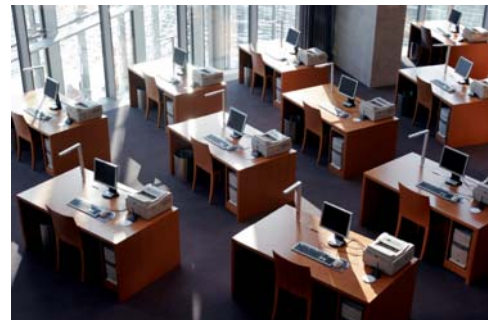
May 2009

In this issue we cover the following topics:

- Sopra releases home working module
- Evolan Collection Manager P@tric's integration with call centers
- Feedback from Sopra Arrears Management events in April
- Sopra Group – Leading European software vendor (don't just take our word for it)

## ***First to Offer Loans Servicing from Home***

There are fundamental changes coming to banks back-office working practices; Sopra Group is delighted to be able to offer full loans servicing capability - from home. With current home working mostly limited to basic off-line administration tasks like Microsoft Office applications, Evolan's new development permits secure loans back-office servicing irrespective of the user's location.



Based on high customer demand, we have collaborated closely with a long standing customer to develop the @Home extension module to the Evolan ComponentBanker Service Centre product (available for the international market, implemented in multiple countries and recently harmonized with Dutch market and BPO requirements).

## **Flexibility and Agility**

The loans business, like most other banking sectors, experiences varying workloads throughout the calendar year. The peaks and troughs in activity can cause a major headache to business owners who need to staff to maximum levels in order to meet the demanding Service Level Agreements (SLA's) that drive the workload process. Consequently, banks demand results from their employees who may need to be coerced into overtime at short notice. This can be problematic as staff may be reluctant to work late in the office, but would be prepared to do overtime at their convenience. People are happier to work at home from 20:00 to 23:00, but balk at working late and getting home at 22:00. These rules also apply to busy bank customers who may also prefer to be contacted outside of normal banking hours. It is increasingly common practice for bank clients and debtors to be contacted at their convenience; such flexibility obligates the need for Home Working capability to ensure the highest service levels.

The current financial crisis notwithstanding, in coming years it may prove hard to attract and retain highly skilled staff. Banks are increasingly looking for ways to offer flexible working conditions and a combination of office & home working is more attractive to applicants as well as a tool for retaining quality staff. Enabling work from home also opens the door to an increased use of part-time staff as well as off-shore agencies that can be called upon to handle those peaks in processing.

Costs can be reduced as home working affords lower staff numbers and reduced office maintenance. Traditionally, banks must maintain fully staffed offices working at below full utilization most of the time. With home working banks can reduce staffing levels and still maintain service levels at peak periods. Once freed from the nine-to-five mentality, staff is measured on task completion resulting in higher productivity rates.

### **Centralize or Decentralize Securely**

Over recent years the banking sector has experienced many mergers which result in the need to restructure business lines in an effort to increase efficiency and reduce costs. Centralizing diversified operations is greatly assisted with the option to allow staff to work remotely without the need for major office upheavals. With security paramount, we have overcome the security concerns to prevent unauthorized transactions, whether intentional, coerced or accidental. Transaction permissions are strictly controlled based on a user's group and role in that group, coupled with the task in hand. Throughout the process the @Home module maintains a 4 or 6 eyes policy prohibiting a single user from unilaterally making unauthorized payments. Some tasks may be considered too sensitive for @Home users to access and can be prohibited from outside of the office. With a suite of automated daily software control tasks checking for inconsistencies and irregularities, the @Home provides the underlying security to facilitate safe home working.

### **Taking Full Control**

Sopra's work @Home is an optional module for the Evolan ComponentBanker Loans product. Evolan ComponentBanker Loans is a leading packaged lending solution for retail lenders. It services a domestic or regional clientele offering advanced business solutions to help deploy next generation applications quickly and efficiently. Evolan ComponentBanker Loans covers all aspects of sophisticated loans management for the entire loan life cycle (consumer loans, mortgages, SME lending, etc.).

As a high productivity lending solution it is entirely process driven. Administration staff, depending on role/team permissions, are automatically offered all relevant tasks and their associated documents in real-time using an inbox for task management within the various roles and teams. Sopra has extended our established lending product with the choice of home working based on Virtual Private Network in combination with Citrix technology.

Evolan ComponentBanker Loans offers a fully digitized back-office document archive coupled with automated task lists based on workflows. All documents are seamlessly linked to their respective tasks and the roles/teams that can manipulate and view them. This is augmented by increased performance metrics based on those tasks and workflows. Employees, as well as management, can review real-time task rates for office or home completed tasks, all in conjunction with the SLA's to ensure full compliance.

### **Live and Running**

The Evolan ComponentBanker Loans @Home module is fully tested and is in production at Dexia bank Belgium. With a fully digitized document archive, Dexia runs its entire mortgage back-office operation on Evolan with performance measurement increasing efficiency and the bottom-line.

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### **Collections Management Integration with Call Centers**

Evolan Collection Manager P@tric, the leading European package for negotiated and court-ordered debt collection and arrears recovery, has recently been augmented with much closer, more seamless call centre integration.



The current challenging lending climate reinforces the need for closer call center collaboration in all areas of collections. Banks are obliged to react swiftly when a customer falls into arrears, and if all customer information is automatically available, the customer gets the best advice on resolving the situation. All too often, the bank's front line call centre staff do not have all relevant customer information available. Evolan Collection Manager P@tric now collaborates with call centers to automatically route incoming customer enquiries to the staff that know their account and immediately opens the customer screen, greatly speeding up the process and improving the advisory capability. In addition, Evolan Collection Manager P@tric feeds task lists into the bank's call center for prioritization in readiness for processing the next day. The call center will start calling customers and when a connection is established, the customer screen of Evolan Collection Manager P@tric will be presented to available staff, so that they have the full overview of the customer, the contracts and the action history. From now on, when a customer calls the bank, or when the call center initiates the call, clients speak to someone who understands their predicament, with previous knowledge of the situation and all appropriate information available.

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## **Feedback from Arrears Management Events**

Late last month we hosted 2 events targeted high volume lenders in both Belgium and Holland. We are delighted by the excellent turnout with many major banks represented and enthusiastically joining in the open and frank discussions. We certainly went well beyond Sopra's market analysis with contributions from all participants.



Tom van der Geest from HypsoTech Consultants kicked things off with a discussion on the current impacts of Basel II and the complexity involved in handling the sharp rise in arrears with limited numbers of experienced staff that need to complete an increasingly complex task. Are the systems and processes scalable to meet demand?

Alex Van Den Broeck from Sopra then took us deeper into the intrinsic value of full and detailed process descriptions throughout the arrears process. Arrears management is a profit centre and consequently needs to generate revenue. Efficient process flows are central to maintaining efficiency and profit. Over recent years arrears management has not been a core bank priority given a rising and optimistic real-estate market with low default rates. With arrears steadily on the rise, process automation is a key tool matched by good process descriptions. Evolan Lending uses international best practices in arrears management and is the basis of our solution development.



Koloniënpaleis Tervuren

Historically arrears have been handled with a small number of generic scenarios; i.e. customer misses payment, write letter, write another letter if no response, then reluctantly take unwilling customer to court. Today's market demands more finesse. With the current global crisis and falling house prices, getting into arrears and being unable to pay does not imply unwillingness to cooperate. Banks are obliged to find more proactive mechanisms to keep people in their homes by considering multiple arrears handling scenarios.

We also showcased the Evolan Collection Manager product with a short presentation and demonstration. Evolan Collection Manager P@tric provides an off the shelf solution for the banking industry and is proven to:

- Considerably increase recovery rates and reduce their cost
- Enhance communication within bank and with 3rd parties providers
- Support both decentralized and centralized processing
- Increase productivity rates
- Customize processes easily due to the high level of parameterization



Euromast Rotterdam

Flexibility needs more complex process definitions that take other extraneous and mitigating factors into account. More skilled and expert staff operating on modern process-driven systems can handle greater complexity while also handling higher workloads. Remember, current staffing levels are based on the previous buoyant market conditions; today's market is very different.

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## **Sopra Group – Leading European Software Vendor**

The Truffle 100 ranking and analysis, published by the leading European venture capital firm Truffle Capital, helps to bring into focus Europe's dynamic software industry, which more than ever in these uncertain economic times holds out hope for creation of jobs and wealth.



Sopra is a long-term player on the European vendor software market as shown by Sopra Group being ranked 12<sup>th</sup> in the 2008 Truffle 100 list of top European software vendors. This position was up from 24<sup>th</sup> in 2007 and 31<sup>st</sup> in 2006; we are optimistic for further improved recognition in the 2009 ranking.

In addition to the European rankings, Truffle 100 also lists the top French software vendors and the latest 2009 numbers have been published with Sopra Group ranked second:

### Truffle 100 Rankings of French Software Vendors 2009

Rank	Company	Revenue from software 2008 (€m)	Total revenue 2008 (€m)
1	DASSAULT SYSTEMES	1,334.8	1,334.8
<b>2</b>	<b>SOPRA GROUP</b>	<b>312.6</b>	<b>1,129.5</b>
3	CEGID	214.0	248.5
4	LINEDATA SERVICES	160.7	160.7
5	GFI INFORMATIQUE	120.0	768.1
6	AVANQUEST SOFTWARE	116.4	116.4
7	GENERIX GROUP	75.0	75.0
8	ESI GROUP	70.2	70.2
9	CEGEDIM ACTIV (group)	60.0	62.2
10	BERGER-LEVRAULT	59.4	82.0

See full report and the complete table of top 100 French software vendors at [Truffle 100 website](#).

## Upcoming Event

**Evolan Arrears Forum France - 09:00-12:15 - 3 June 2009**

Tour Montparnasse Paris

Sopra event on Arrears Management for the French market.

[Click here](#) for more information on all Evolan events.



We hope that this newsletter has been useful to you and your organization. However, if you do not wish to receive future editions, please [click here to unsubscribe](#).

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