How a managed data room brings organization to business performance data

While improving your organization's approach security, searchability, auditability and shareability

No one sets out to make chaos. But the truth is, a lending firm's ability to automate and standardize how you ingest and manage documents hinges on the ability to rapidly organize information in a centralized source. Doing so with efficiency and effectiveness brings down risk.

Most teams begin with the best of intentions. New workflows to organize, sort, tag and store the incoming external data all start out promising. But whether due to increased volume, inconsistently applied practices or incompatible systems, it's difficult to find lending companies of any size that haven't felt the pain and cost of achieving their information organizational goals.

Examples of chaos include frantic searches for misplaced documentation; sourcing older, incorrect file versions; checking multiple places,such as email folders and laptops, hoping to find what's needed; or learning borrowers were oblivious to a reporting requirement because the last request notification email went straight to their junk folder.

It's clear that getting what you need on time makes work better for everyone. So why isn't it that simple?

Challenge 1: How to securely manage client information?

To accurately assess risk, lending firms require a steady stream of borrower documentation for both the loan's origination and for ongoing monitoring. In most instances, existing workflows to acquire this data are neither secure nor reliable. As human-driven processes, they combine emails, phone calls, text threads, and cloud or back-end filing systems organized in an ad-hoc way, and all driven by checklists. Misspelling an email address, sending a message when an employee is absent, or firing off messages to a dormant account can send the whole process into a black hole.

That's not even scratching the surface on confidentiality issues that arise when clients attach and send sensitive business documents to an external email, trusting the lender to handle them properly. Often, borrowers lack clarity as to where their documents have gone, or if they've even been received, which creates yet more follow-up. This status quo costs time for both lenders and borrowers while eroding the willingness of individuals to participate.

Challenge 2: How disorganization increases risk

Is there anything more frustrating than being unable to find a needed document with a compliance analysis deadline looming? Sometimes the file has been saved with the wrong naming convention. Or it's in the wrong folder. Every compliance officer has had that day where once you find the file you needed, you discover three different versions of it with no idea which one is correct.

Relying on human processes to correctly tag, sort and store documentation spawns inconsistency. It slows your ability to evaluate risk, which means fewer deals will be completed, and may contribute to low morale and burnout.

Challenge 3: Sharing isn't caring

At a typical lending firm, a loan monitoring workflow touches numerous departments. From the client representative to the underwriting team, and from compliance to management to auditors—there's no shortage of people who need up-to-date, organized loan data. In these scenarios, sharing updated documents (and even their status) with other vested internal parties becomes a secondary challenge. You're sending an email to get the files, another to actually send them, a third to update the parties involved and, more often than not, a reminder email to get everyone to follow-up. And that's assuming no one compromises the file or sends it to the wrong stakeholder.

Challenge 4: Where does the qualitative stuff go?

Lenders know that financial compliance data and key performance indicators (KPIs) drive how you manage risk and lead to a successful lending practice. But the qualitative correspondence surrounding those KPIs are often the difference makers in evaluating a successful lender-borrower relationship. Being able to easily access the conversation and commentary between parties surrounding a loan agreement—especially when corrections to reporting is needed—differentiates good from great lending practices.

This commentary is usually captured within the body of email correspondence. It's up to individual employees to copy and paste important discourse into a parallel system aligned with loan tracking. You've likely spent precious hours frantically searching an inbox trying to find the commentary to help you puzzle out where you stand in a complex relationship.

At FlowPoint, we build precise, automated solutions to help you solve these organizational issues.

Solution 1: Request and Safely Ingest Incoming Client Data

FlowPoint automates and standardizes all documentation requests, facilitates their uploading, and tracks your borrowers' progress through dashboards. With the platform, you don't have to send documents through email. Clients using our secure portal can simply upload their sensitive information.

They'll also get confirmation that a submission has been received, may view its review status, and will be informed r if it has been accepted. They can also receive messages and make corrections with the same security and ease. As an added benefit, the borrower may view your joint history of all the documentation and commentary surrounding their business with your lending practice, finally giving real transparency to both parties.

Solution 2: Keep your docs in the right place, at the right time

Using an intuitive tagging and time-stamping system, FlowPoint gives your entire lending team on-line access to a centralized client hub of relevant portfolio documentation. We remove your reliance on human adherence to ensure documents are in the correct hub. And with a standardized labeling process, your days of madly searching for information are over.

You can also eliminate key employee risk.Sick or out of office days no longer mean that a questionnaire, template or document won't arrive on time. Documents no longer sit on individual laptop hard-drives, pending labeling and movement based on an ad-hoc human response, giving everyone more transparency. And the longer you work with FlowPoint, the more value you'll derive as you grow an intuitive and searchable audit log, which is also centralized to all relevant stakeholders.

Solution 3: Easy Sharing

The same complications that plague acquiring documentation recur when sharing borrower information within lending teams. Different teams have different needs for said documentation, and often it's that trusty old email thread with attachments that acts as the vehicle for knowledge exchange with all the security and organizational foibles outlined above. FlowPoint is designed to make easy, secure and controlled sharing feasible across parties, be they internal or external. You can assign viewability by individual document, borrower, borrower group or at the aggregate portfolio level.

While the underwriting and compliance teams may have full access, the system can designate other stakeholders with time- or scope-limited access, including your executive team, board of directors, auditors, or investors.

Solution 4: Reign in the chaos with version control and messaging

FlowPoint gives you full version control over how you store and manage each version of a document. The platform will also highlight the most recent version of any given document to make life easier for your stakeholders. You can avoid confusion and ambiguity, confident that you've always got the most up-to-date document—and the best available data.

The FlowPoint platform will also control and manage all of your messages surrounding the loan documentation. Stored and tracked in the same shared audit log, these conversations will be viewable to all relevant parties, helping to create an auditable trail that ties together the qualitative and quantitative information surrounding a lending contract. This transparency benefits everyone connected to the loan monitoring workflow.

Summary

What's the full benefit of information organization? Real transparency between all parties creates deeper conversations, better client relationships and more productive teams.

FlowPoint helps both lenders and borrowers view, share and access key performance data so both parties can focus on building value.

Next time, we'll explore how the FlowPoint platform helps improve client sentiment during reporting to help drive up compliance overall.

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