

Introducing Flexibility to Asset Management

Customer Overview

The customer is a global finance company that provides leasing, lending and capital investment products and services to help business customers grow. The company is among the largest finance institutions in the world with more than a million customers across the globe. Its product offerings include equipment leasing and lending, inventory finance, fleet services and franchise finance. The customer's extensive global operations require that company's processes and client communications follow the sun around the world each business day.

Customer Challenge

The finance company's asset management team is responsible for valuing residuals and collateral for the global leasing and lending organization and handles over 10,000 valuation requests a year. The asset management team was using an internally developed asset valuation tool whenever possible but the tool was applicable for less than 5% of the valuation requests. The internal tool was problematic because the valuation policies were hard coded into the system. Any time a change in valuation policy was needed by the business, a change request was required by the IT organization. The inflexible nature of the internal tool resulted in outdated valuation policies and limited use of the tool. The asset management team was growing to handle the increasing number of requests since 95% of them had to be valued manually. The sales group was complaining that the turn-around time for valuation requests was unpredictable and lengthy. The resulting uncertainty and delay in the credit process was translating into business lost to competitors. A decision was made to research and select a system that would handle a significant percentage of the asset valuation requests. A key requirement of the system would be an ability to accommodate changes in market asset values without involving the IT organization.

Third Pillar Project

The finance company researched the asset valuation solutions available in the marketplace and Third Pillar was selected to implement EAVE (Enterprise Asset Valuation Engine). EAVE was chosen for its highly flexible rules engine and workflow capabilities which allow business users to modify valuation policies and business processes through a web browser. Third Pillar's EAVE allows any user across the globe to enter

Challenge

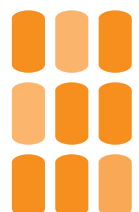
- Implement a flexible asset valuation tool
- Install a system to accommodate changes in market asset values

Solution

- Implement Third Pillar EAVE (Enterprise Asset Valuation Engine)
- Allow global user access to valuation requests via a web browser

Result

- Over 45% of eligible asset requests now handled automatically
- Greater consistency in residual and collateral valuations
- Increased lending and leasing deal wins



valuation requests into the system via a web browser. The requests are processed automatically by EAVE or handled manually by exception. The IT organization is no longer a bottleneck for adding or modifying asset valuation policies. An important feature of EAVE is an assignment mechanism that automatically matches users to tasks so that requests are load balanced and routed to the appropriate analyst. Another key component of the EAVE system is online and offline document management. EAVE utilizes barcode encoded coversheets, generated from the application, so that hard copy documents can be faxed or scanned into the system and associated with the related valuation request.

Customer Benefits

Implementing EAVE has yielded the finance company some impressive results. Before the implementation of EAVE, 99% of asset valuation requests had a two to four day turnaround. EAVE now handles over 45% of eligible asset requests automatically without any manual intervention. The requests that are handled automatically provide the desired information within minutes of the initial request.

Asset management analysts that had been handling individual requests manually now spend time maintaining and adding valuation policies and data. This has positioned the asset management team to handle an increasing volume of requests without adding headcount.

Now that almost half of all valuation requests are handled automatically through policies, there is greater consistency in residual and collateral valuations. This has translated into better performance on leasing deals where assets are remarketed.

The ability to easily update policies based on market events has allowed the customer to quickly adjust to changing market conditions that affect the value of collateral and residuals. Real time policy updating has emerged as a significant factor in managing the risk of each deal.

The finance company's sales team has benefited by winning more lending and leasing deals by offering its clients more predictable and rapid credit approvals.

Now that the sales team has more consistent and accurate asset pricing, they are able to compete more effectively for the best business opportunities and stay away from deals that cannot be won profitably.

Auditors now have the detailed asset data that they need to analyze risk return ratios. If their analysis suggests that collateral or residual policies need to be modified, these changes can be made rapidly.

THIRD PILLAR SERVICES

From consultation to implementation, Third Pillar offers a suite of professional services to make sure your investment surpasses expectations.

- Project Management
- Business Analysis
- Business Process Mapping and Re-engineering
- Software Configuration
- Software Customization
- Interface Development
- Implementation Services
- Architectural Consultation

