FINANCE / BANKING

Automation of **Bankruptcy Notification**

Information regarding bankruptcies is vital to managing business risk in a financial institution, especially if it is currently conducting business with the bankrupt entity. Gaining access to bankruptcy notification data soon after a declaration, updating all appropriate records, and informing internal decision-makers expeditiously regarding the bankruptcy are all critical. We helped one of the largest financial institutions in the world automate the entire process in record time, working closely with the client's technical and business process specialists. Beyond replacing a capability that was once a manual process, we also facilitated reduction in risk, catalyzed information dissemination and drove significant savings in at-risk funds.

The Problem

The client's business process related to managing bankrupty-related risks in its U.S. business had had evolved in complexity but remained predominantly manual. Information regarding a client's bankruptcy was received in paper form, and all related databases within the organization were then individually updated. This information, along with actions to follow consistent with the company's policies and procedures, were then disseminated internally to relevant individuals with oversight and decision responsibility for the bankrupt entity. This end-to-end process could take several days to complete at times. The longer it took, the greater was to the company.

The company decided to explore options to reduce this risk significantly. In particular, it was eager to explore how the current end-to-end process could be automated and catalyzed with information regarding the bankruptcy filing reaching concerned teams quickly and efficiently.

InfoVision's Solution

A cross-disciplinary team composed of InfoVision and our client's technical and business process specialists re-defined the end-to-end business process. Further, all the systems touch points were identified. Additionally, various data translation formats for various condition codes and non-monetary updates were developed. Once these were individually validated and approved by the team, InfoVision completed the entire development over a short delivery period, implementing the end-to-process, system-to-system data interchange, and also report generation and distribution.

The Impact

InfoVision empowered this client with the capability to

(a) Process bankruptcy events faster

(b) Automate processes and diminish risk by reducing processing time

(c) Enhance savings in at-risk funds

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