Automated Processing and Financial Analysis

The Covarity solution for commercial loan monitoring and analysis measurably improves loan portfolio health and performance. By delivering the insight and control that working capital lenders need to profitably grow their commercial portfolio – while reducing risk and enhancing borrower service – Covarity enables clients to enjoy improved competitiveness, reduced costs and richer client experiences.

Covarity Professional Analysis Modules seamlessly extend Covarity Credit Monitoring Essentials, with enhanced processing, monitoring and analysis functionality for the exact needs of specific commercial portfolio segments.

“The number one benefit of Covarity is a better quality loan portfolio derived from greater productivity and better quality risk management.”

Frank Kennes
Vice President, Credit, Libro Financial Group

Process Automation for Measureable New Monitoring Efficiencies

Managing receipt and analysis for thousands of financial documents based on regular loan reviews is a time-consuming, process-intensive operation that most financial institutions are striving to improve. The goal is clear and achievable: enhanced, profitable growth and better risk oversight for every loan type in the commercial portfolio.

The Covarity Automated Financial Analysis Module brings new levels of processing efficiency and productivity to the credit operation. Financial documents provided by clients can now be automatically and electronically received and spread; the data they contain is analyzed against the terms of their loan obligations.

An interactive and online Commercial Client Portal – branded to meet the corporate design standards of the bank – allows clients to submit financial documents from all major accounting packages or financial systems.

Financial statements and supporting non-financial documents can be processed to calculate ratios in support of covenant-monitored and margin-based (ABL or borrowing base) loans. Data from submitted documents are automatically interpreted and spread or classified to generate the analysis needed for the credit analyst. With new efficiency and accuracy, loan reviews can be completed without needless hours spent tracking down client documents and keying data into spreadsheets or multiple legacy systems.

The result? Financial institutions using Covarity benefit from dramatic reductions in time and resources required for successful loan reviews, facilitating a strategic focus to improved account development and other value-added initiatives.
In addition to the benefits for lenders, the Automated Financial Analysis Module expands and enhances the bank’s interaction with commercial clients. Borrowers are able to connect to the bank online – at times that are convenient for them – with clear guidance on what documents are required of them, and when.

The Commercial Client Portal includes a number of reporting tools – augmented with appealing, useful visuals – that have proven value for enhanced service that increases loyalty of commercial clients.

The Commercial Client Portal includes:
- Monitoring requirements
- Current loan limits
- Submission histories
- For covenant-monitored loans, trending of key metrics in income statements and balance sheets
- For margin-based lending (ABL or borrowing base loans), trending of the client’s available credit and borrowing base values – eligible and ineligible collateral – over time

▲ Automated Financial Analysis
Automates the end-to-end processing of financial data while extending value-added tools for to clients for insight and analysis.

Expanding the Engagement Model for Commercial Clients – Online Access and Value-Added Services

Business-friendly reporting extends and enhances the bank service offering with a spectrum of financial trending and reporting capabilities.