Pink Elephant

OPERATIONAL EXCELLENCE THROUGH PROCESS INTELLIGENCE

Transforming Credit Applications with Process Mining

How a financial institution gained visibility, reduced process friction and prioritized automation.

EXECUTIVE SUMMARY

From process complexity to actionable insight

A financial institution was experiencing long cycle times, cancellations, rework and limited visibility across its credit-application process. Process Mining reconstructed the actual flow from operational data, exposed the highest-friction phases and connected process behavior with business value.

High volume	Extended	Material	Positive
Credit applications analyzed	Average total cycle time	Cancellation exposure	Automation business case

01 · THE CHALLENGE

Understanding how credit applications really moved

The workflow involved document capture, data entry, central review, onboarding validation, underwriting, contracting and follow-up across branches, sales teams and central operations. Leadership needed evidence-based answers: Where did cycle time accumulate? Why were applications cancelled? Which activities caused rework? What should be automated first?

The issue was not only designing a future process, but understanding the process actually executed every day.

02 · DATA-DRIVEN DIAGNOSIS

Making the current state visible

CURRENT-STATE DIMENSION	GENERAL OBSERVATION	BUSINESS IMPLICATION
Process volume	High-volume credit-application flow	Recurring patterns could be identified through operational data.
Work in progress	Material workload remained active in the process	Open cases consumed capacity and delayed outcomes.
Cancellations	Concentrated in early review activities	Potential loss of capacity and commercial opportunity.
Inactivity closures	Some cases remained open for extended periods	Long-running cases ended without a successful outcome.

Cancellation analysis showed a strong concentration in early review activities, particularly during central opening review and onboarding validation. The detailed percentages and volumes are intentionally withheld as confidential information.

03 · THE SOLUTION

Digitizing documents and automating initial data capture

The priority initiative was to digitize documentation and automate the initial completion of credit-application fields. Branch documents would be sent directly to document-management repositories, while OCR would read digital files and populate required fields at the start of the process.

The analysis identified central opening review and BSC onboarding review as the main opportunities for improvement. These phases became the initial focus for reducing cycle time, capture errors and rework, while keeping confidential operational volumes and timing details undisclosed.

04 · FUTURE-STATE SCENARIO

Quantifying the improvement opportunity

INDICATOR	CURRENT STATE	FUTURE-STATE DIRECTION	EXPECTED IMPACT
Average total cycle time	Extended	Shorter	Faster credit-application resolution
Process effectiveness	Below target	Improved	More successful applications
Closed applications	Capacity constrained	Higher throughput	More applications completed
Cancelled / inactivity-closed	Material exposure	Reduced	Lower leakage and abandonment
Closed-application cycle time	Longer than desired	Streamlined	Improved customer experience

05 · BUSINESS CASE

Connecting improvement to value

The business case considered workforce effort across central operations, sales teams and branches, together with the cost of manual capture, document handling and rework.

The initiative was expected to materially shorten priority phases through fewer capture errors and less rework. The reference analysis indicated a positive and relatively rapid return on investment; confidential assumptions and payback details are intentionally withheld.

06 · PRIORITIZED ROADMAP

Investing where value and speed intersect

The improvement portfolio included parallel underwriting of early onboarding phases, earlier applicant profiling, automated field completion, BPM optimization and a predictive model to support credit applications.

Complementary qualitative initiatives addressed customer-experience redesign, policy evolution for document scanning outside branches and real end-to-end measurement.

07 · OUTCOMES AND LESSONS

A repeatable model for credit-process transformation

The analysis created a common fact base for operational and business decisions. Expected benefits included shorter cycle time, higher process effectiveness, fewer cancellations, better document quality, lower manual effort and improved customer experience.

> **Transformation outcome:** see the actual credit-application process, understand its root causes, act on the highest-value opportunities and measure whether the improvement lasts.

Overall averages were not enough; segmentation exposed the real opportunity. Process Mining became actionable when linked to cost, workforce effort, abandonment risk and response time. Automation was prioritized together with process and policy changes, rather than as an isolated technology initiative.