

VENDOR SELECTION PROCESS

OVERVIEW

ADS Financial Services Solutions (ADS) was engaged to assist our client* in conducting a Request for Proposal (RFP) assessment to identify and assess vendors that offered a small business lending origination platform. As a result of this engagement, ADS helped our client navigate through a complex vendor selection process and recommended a viable vendor solution.

CLIENT

Our Client* has over \$140 billion in assets, making it one of the largest commercial banking holding company in the country. Our client has branches in over ten states, predominantly in the Northeast, and it has non-branch offices in more than 30 states.

SITUATION

Our client's small business lending group realized tremendous growth and acknowledged their existing system risked further potential business and competitive expansion. As a result, our client decided to upgrade its loan origination platform to:

- Adequately support the growth of their small business lending portfolio, and
- Fully automate and streamline their lending processes, making it more effective for branches and staff to support their growing customer base.

ADS was engaged to perform two main critical functions to assist the bank in reaching its goal:

1) Determine the appropriate vendor solution for origination of small business loans by:

- Defining business requirements with key bank stakeholders
- Creating a Request for Proposal (RFP) & submitting to designated vendors
- Creating evaluation matrices and performing vendor evaluation
- Performing a quantitative and collaborative evaluation process

2) Recommend the most desirable vendor and process strategy solution by:

- Defining the solution's impact to the bank's environment (operational & technical)
- Producing an implementation project plan per vendor solution into the bank's environment
- High level business case and Return on Investment (ROI) projection per vendor

CHALLENGE

The bank was faced with the challenge of selecting a new critical system that would impact and change their small business lending processes, gathering and documenting system and technical requirements, identifying vendors that offered the proper tools and would meet their operational needs, adhere to their budget constraints and implementation timelines; all while also undergoing a reorganization that required incorporating a new group into their planning phase.

See Approach on the next page.

For more information about
**ADS Financial Services
Solutions** visit:
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*For confidentiality reasons our client will not be named, rather will be referred as the client or the bank.

APPROACH

ADS thoroughly assessed the needs of the bank and determined that the following approach would be vital to the success of the project:

- 1) Identified and developed a consolidated view of the organization's business processes in the new working model
- 2) Defined functional, business and technical requirements in support of the new operating model
- 3) Researching vendors in the industry that were potential suppliers of solutions
- 4) Achieving active participation and ownership of the process amongst the business and other corporate teams critical to implementation
- 5) Building RFP vendor questionnaires, vendor demonstration scripts, and quantitative evaluation tools, and
- 6) Preparing a strategic recommendation for senior management

RESULTS

ADS helped the bank navigate through a complex vendor selection process and provided process strategy deliverables by providing an impartial view on the vendor selection process. At the end of our engagement, we provided two viable vendor recommendations and we provided process strategy deliverables. Our expertise and understanding of our client's environment and organizational structure was critical in assisting in the selection of a competitive solution for the small business lending area.

BENEFITS REALIZED

The approach ADS chose to capture and organize functional requirements not only assisted with being able to have requirements organized in an effective manner to proceed with the implementation process, but it also assisted in incorporating the new business group into the existing organization by understanding synergies and differences in processes. Tools provided by ADS during the process allowed for early capture of ROI metrics that would be realized if a particular vendor was chosen, furthermore these metrics were used in the creation of the final business case.

ADS was an integral partner to our client during this process as we:

- Understood the potential operational and technology of a new origination system,
- Uncovered potential system and operational impacts, and
- Our knowledge of the subject matter and RFP process ensured our client and stakeholders that they were presented accurate and in-depth information, which allowed them to make fully informed decisions.

ABOUT ADS FINANCIAL SERVICES SOLUTIONS

ADS Financial Services Solutions (ADS) has been serving the critical business and technology needs of leading financial institutions nationwide for more than two decades with operational consulting, systems integration, and business alignment services.

For more than 27 years, ADS has delivered hundreds of complex projects for leading financial institutions nationwide, ranging from operational consulting and systems integration to business alignment services. Financial institutions turn to ADS for our industry insight and leading edge technology experience. Our team is recognized by our clients for consistently delivering innovative, practical, and effective solutions, on time and within budget.

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