

## SAP Customer Success Story Banking – Mortgage Loans



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### AT A GLANCE

#### Summary

Crédit Logement – headquartered in Paris – is a joint venture set up by leading French banks. Crédit Logement specializes in guaranteed mortgage loans, processing over 240,000 loan applications yearly. The company implemented the mySAP™ ERP application to improve the flexibility and performance of its accounting and financial systems.

#### Web Site

[www.creditlogement.fr](http://www.creditlogement.fr)  
(French only)

#### Key Challenges

- Introduce best practices into accounting processes
- Improve traceability and monitoring of accounting procedures
- Reduce costs by automating previously manual tasks
- Facilitate data transfer between applications and production of reports, including statutory reports

#### Project Objectives

- Integrate new business processes into accounting and financial systems
- Introduce electronic document management to automate tasks
- Ensure the transparency of information flow
- Improve productivity through an ergonomic work environment

#### Solutions and Services

- mySAP ERP
- SAP NetWeaver® Business Intelligence component

#### Why SAP® Solutions

- Enable project goals to be met on time and within budget
- Supply a comprehensive, scalable enterprise resource planning application
- Offer market leadership experience
- Provide flexibility and facilitate information exchange with banking partners

#### Implementation Highlights

- Entire process, from planning to implementation, completed in 10 months
- Go-live accomplished over the course of a single weekend
- mySAP ERP enabled to interface with 12 other internal systems, significantly increasing the volume of fixed asset transactions

#### Key Benefits

- Increased productivity and regulated workload
- Improved decision making through better reporting capabilities
- Strengthened validation process with new purchase validation workflow
- Reduced errors by automating tasks and document management
- Facilitated statutory reporting processes
- Sped access to functions through improved ergonomics

#### Implementation Partner

Accenture

#### Existing Environment

SAP® R/3® software (functionality now found in mySAP ERP )

#### Third-Party Integration

- Database: Microsoft SQL
- Hardware: Compaq
- Operating system: Microsoft Windows NT

## CRÉDIT LOGEMENT

### Increasing Accounts Management Flexibility with mySAP™ ERP

Providing a step on the path toward property ownership for millions of French households, Paris-based Crédit Logement appreciates administrative efficiency. Given the typical statutory constraints of the loan business, the company realizes that transparency and rapid processing must go hand in hand with managing workload and controlling administrative costs. As part of the global restructuring of its IT systems, Crédit Logement implemented the mySAP™ ERP application. The implementation enabled the company to rationalize its accounting processes and monitor expenditure and purchases. This has been warmly welcomed by the employees involved, whose work has been made easier as a direct result.

### Balancing Response Time with Risk Control

The property financing market is growing rapidly despite considerable pressure; growth in 2004 was more than 22%. Crédit Logement exemplifies the balance of risk control with response time. The company has a commitment to respond to its clients' loan applications within 24 hours. Through the end of June 2005, the outstanding finances administered by this small business came to over €82 billion for 1.6 million loans, of which 240,835 were signed in that year alone. This type of performance, both in terms of volume and response time, is to a large part the

result of good relations and open exchange of information with the banking institutions. To make the most of what technology has to offer in facilitating the exchange of information, Crédit Logement has been working toward a global restructuring of its information and decision support systems since 2003. “Given the size of Crédit Logement and the nature of its business,” explains Michel Lavernhe, IT systems manager at Crédit Logement, “the important thing was to find partner suppliers committed to delivering a quality solution while respecting the deadlines and budget set.”

### **Improving Traceability and Reporting**

Crédit Logement’s accounting system was replaced halfway through this global restructuring, known as Mosaic. Owing to the prohibitive costs – or at times the sheer impossibility – of maintenance, the homegrown legacy system had become obsolete. In order to reduce administrative costs, Crédit Logement sought to remove – as far as possible – manual tasks and multiple entries, which can be frequent sources of error. By transforming and rationalizing document management, the new system would enable workload traceability and control and facilitate data transfer between various applications – a dozen of which related to the accounting system alone. In short, the aim was to provide employees with a work environment that combines productivity and ergonomics; all applications should be easily accessible within three clicks of the mouse, for example. The project covered general accounting, analytic accounting (purchases and fixed assets), supplier accounting (invoicing and payments), bank accounting (reconciliation), budgetary monitoring (budget, profit, and loss account), overhead monitoring, and the statutory reporting to which Crédit Logement, as a financial establishment, is subject.

### **Achieving Management Consensus**

After a complex process, Crédit Logement’s general managers, financial managers, and IT systems managers opted for SAP® software, together with an integration platform from Accenture. “Not only was the SAP proposal competitive in terms of cost,” says Lavernhe, “but for us, SAP software was perceived as the

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market standard and [SAP] as a reliable and long-term partner that could deal with future developments in our IT systems.” In addition to the standard functionality, the software provided scalability and the possibility of extending restructuring to accounting-related processes and, in particular, purchase monitoring. The departments involved in the decision placed great emphasis on being able to exchange information with other SAP clients in the same sector.

### **Addressing Core Business Needs**

The new solution, which was efficiently implemented in around 10 months using the Accenture integration platform, meets the needs of users in the accounting, financial, and purchasing departments. The mySAP ERP application helps with task automation and increased use of electronic document management. It provides the control and specific reporting functionality the financial sector requires be perfected under French regulations – all while helping to improve decision making and the

exchange of information with partner banks. The application has enabled implementation of a purchase validation workflow, proving that new functionality can be integrated easily from the moment mySAP ERP is installed. “We are very pleased with the outcome of this project, which included implementation of the solution within our budget and time constraints,” Lavernhe says.

Benefits extend from internal productivity to relations with banks, partners, and shareholders. Thanks to increased automation, fewer errors are made, less time is wasted, and more transactions are performed in real time. “Our shareholders are also extremely satisfied with the project and the progress made at Crédit Logement. This has helped us to move forward on other initiatives,” explains Lavernhe. At the moment, Crédit Logement is evaluating the possibility of implementing the consumer mortgage loans software available in the SAP for Banking solution portfolio to manage customer guarantee activities, a key factor in their daily business.

Crédit Logement now easily envisions how improvements can be extended to other functions through mySAP ERP. In fact, the company already has plans for the next stage in the Mosaic program, which will involve efficiently managing bonds – the core of the business and the basis of its relationship with its clients.

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50 080 903 (06/08)

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