Keeping Pace With The Speed of Digital Transformation

How Semper Wisely Deployed Q2 Lending and Accelerated Go-To-Market By More Than a Year

Key Challenges

Data is the lifeblood of any financial institution (FI). That's why legacy enterprise systems – and adapting them for digital transformation – are the thorniest issues today for CIOs across the globe. As the backbone of nearly every transaction, these systems are a multi-year investment and something to be taken very seriously.

For Australia-based Semper – a non-bank lender specialising in $2M+ structured commercial debt facilities – its legacy system was becoming unwieldy. It struggled to keep pace with evolving regulatory standards and lagged in performing critical functions, such as providing transparency and verifiable lending models. It couldn't quickly scale to keep up with Semper's growing footprint and business delivery of bespoke lending solutions to small and medium-sized enterprises.

To address its legacy system's constraints, Semper searched for workarounds with outside partners to augment its capabilities. This meant stitching together multiple – and often incompatible – solutions. "What we were finding was that most available solutions required bolt-ons and additional components from other providers," explains Semper's Chief Operating Officer Andrew Hahn. "From a verification perspective, the divestment piece is critical as money flows to downstream investors. For this, we needed an end-to-end digital lending solution with existing, functional modules."

Recognizing that its future hinged on the ability of all component processes to quickly integrate– Semper carefully weighed its path forward. Creating a patchwork of solutions around its legacy system allowed Semper to tread water, but created incompatible update code, increased security risks, rising costs, and time management issues.

Q2

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About Semper

Headquarters: Sydney, Australia

> "We'll have more sophisticated offerings for our investors

Andrew Hahn
Chief Operating Officer, Semper

On the other hand, Semper knew that selecting the wrong option or partner could risk data integrity, create business disruptions, or a slew of other nightmare scenarios.

That's when Semper took its quandary to Q2, together they agreed to a side-by-side test of Q2 Lending – a modular, end-to-end, cloud-based lending solution – with its enterprise data solution to enable Semper to "let the two racehorses run" in a risk-free environment. Q2 created a test environment for Q2 Lending to ensure data accuracy throughout its modules without compromising Semper's existing software. Andrew describes the process by saying, "Ultimately, we were able to implement a parallel sandbox for all of the other extensions, allowing us to integrate with confidence knowing there weren't any calculation errors." Semper was able to observe and experience the capabilities of Q2 Lending in real-time, all while carefully running data checks.

The comparison revealed Q2 Lending's power. Its intuitive interface, flexibility, and fully integrated, end-to-end modules led Semper to go "all in" with Q2. Andrew describes Semper's decisioning. "To develop this product with our existing enterprise system was not impossible; but, with Q2, we got an innovative, end-to-end solution that covered all of our bases – regulatory, security, data, speed to market – and all at a fraction of the cost."

When fully deployed, Q2 Lending instantly made Semper's multiple processes simpler, faster, and more transparent. Choosing only the modules it needed, Semper took advantage of Q2 Originate™, Q2 Loan™, Q2 Marketplace™ and Q2 Portal™. As an unexpected bonus, Semper went to market 12-18 months sooner than its existing enterprise solution, saving an enormous amount of time and resources in the process.

Solutions

One solution, multiple modules

By consolidating many disparate solutions from multiple providers, Semper instantly streamlined its distribution process through a single vendor – an essential component in reducing troubleshooting, visibility, and traceability issues. "All of our modules talk with each other in a completely safe and verifiable way," Andrew says. "The last thing we want is one software provider shifting blame onto another if something goes wrong. With everything under the Q2 banner, we never have to worry about this."

Additionally, Semper has greater capabilities to let its business soar. "We'll have more sophisticated offerings for our investors," explains Andrew. "The Q2 Lending modules enable us to fractionalise loans into much smaller, discrete parcels that investors can choose. This was not possible before – and now that we know what the system is doing, and how it works, we know exactly how to create this output – and that's very exciting."

Today, Semper's modernised, flexible platform delivers easily-customised workflows, lightning-fast loan decisioning, reliable loan approval, verified and transparent underwriting, strict and agile regulatory compliance, and more, all under one unified umbrella. Semper's administrative burden is far lighter, security and compliance are enhanced, and the need for staff to rekeying data or conduct manual handoffs between departments is greatly reduced.

Long-term confidence

Andrew knows that making the switch to Q2 Lending is future-proof. "When you're dealing with any software provider, you have to ask if they'll be around in five years' time," Andrew says. "Q2's Cloud Lending modules are built on the Salesforce background code, so if we needed someone else in the future to pick it up, move it, and do what we want, we could. This is vital to maintaining long-term business continuity."

For more information about Q2 Lending, go to https://www.q2.com/product/cloud-lending.
Note that the older terms are used.