



## SAS® Credit Scoring for Banking

*Faster, cheaper, more flexible scoring for confident decisions*

As any credit manager in the banking industry knows, controlling risk is a delicate business. Too much credit exposure can lead to high default rates and charge off percentages; not enough often means lost business and revenue.

Assigning scores to new credit applications as well as existing accounts helps to manage this balancing act, but there are serious limitations to many current credit scoring strategies. Outsourced strategies often lead to long development cycles or high annual expenditures. Makeshift in-house scoring strategies often lack the ability to access the data needed to either enhance market segmentation or proliferate scorecard development, and credit managers have no effective way to identify how much potential income or loss rides on their decisions.

In addition, once credit scores are obtained from a third party or legacy system, a lack of streamlined reporting can prevent managers from disseminating this vital information to employees in a timely way, keeping staff from making timely decisions on their own.

In order to curb bad debt and maximize financial performance, banks need the ability to assess the credit worthiness of customers quickly and confidently. Then they must distribute that information efficiently throughout all customer-facing business functions and credit systems (including originations-acquisition, account servicing and collections).

### **Control bad debt with better credit scores**

Combining SAS' award-winning data management, analytic and reporting capabilities, SAS Credit Scoring for Banking enables lenders to rapidly develop, validate, deploy and track credit scorecards faster, cheaper and more flexibly than any outsourcing alternative, thereby controlling credit exposure and minimizing opportunity costs.

SAS Credit Scoring for Banking provides application and behavioral scoring for virtually all consumer lending products — including cards, installment loans and mortgages — to assess and control risk within existing consumer portfolios and to improve acquisition strategies. Through enterprise data access and collection and predictive analysis you'll get a better understanding of the specific risk characteristics and subsequent attributes that lead to delinquency, default and, ultimately, bad debt.

Armed with this knowledge, lenders can improve credit decisions on both the originations and servicing side of the business to reduce credit losses and boost performance.

### **Keep it in house**

SAS Credit Scoring for Banking delivers comprehensive capabilities that give consumer lenders control over credit losses. The solution provides in-house capabilities for risk data collection, segmentation, credit scorecard



development and reporting that is faster, cheaper and more flexible than a cost-prohibitive and often unresponsive outsourcing strategy. SAS Credit Scoring for Banking provides:

### **Superior risk data collection and management.**

Easily access and match all prerequisite third-party bureau, application, billing-payment and collections data. Perform enhanced market segmentation and functional alignment. Build an easy-to-access, consistent, robust data mart powered by integrated data extraction, householding/deduplication, mapping and loading capabilities.

### **Faster, cheaper, more flexible scorecard development.**

SAS Credit Scoring for Banking enables rapid in-house development, validation and implementation of application and behavioral scorecards. It also facilitates improved time to market performance as well as enhanced market segmentation and pricing strategies that are aligned with the bank's risk tolerance, thereby controlling bad debt and streamlining account servicing and application scoring processes.

### **Unequaled performance reporting.**

With SAS Credit Scoring for Banking you also receive a litany of web-based scorecard stability and portfolio performance reports — including delinquency, roll rate, vintage, override and final score reports. You can detect and preempt scorecard instability and deliver performance information to executive management and regulators. Reporting is efficient as well as powerful, due to a dynamic engine that surfaces and routes all performance-related information to the appropriate credit managers.

### **Comprehensive banking intelligence**

SAS Credit Scoring for Banking is available as a component of SAS Banking Intelligence Solutions, a suite of software and services that combine award-winning analytic and data warehousing technology with decades of industry experience. Through proven pre-built processes, techniques and models, SAS Banking Intelligence Solutions speed up both implementation and results — yielding significant returns within months, not years.

SAS Banking Intelligence Solutions provide powerful intelligence for many aspects of your business, including marketing automation, credit scoring, risk management, performance management, anti-money laundering and customer retention.

### **Expertise you can count on...today and tomorrow**

SAS has long been recognized as the provider of the most reliable, proven analytical expertise in the world. We deliver comprehensive solutions for the management of strategy, risk, customers and channels — all tailored to the banking industry's needs. In fact, more than 1,100 banks worldwide use SAS solutions, including 97 percent of banks on Fortune's Global 500.

Whether you're focused on one facet of your business or committed to improving performance throughout your enterprise, SAS can help you maximize profitability, minimize risk and achieve competitive advantage. For more than 25 years, SAS has been giving customers around the world *The Power to Know*<sup>®</sup>. Visit us at [www.sas.com](http://www.sas.com).



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