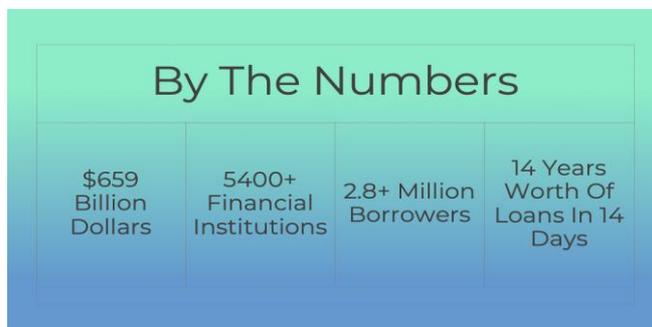


SOCIAL COLLABORATION:

BANKS KEY TO SERVICING PPP BORROWERS DURING COVID

Boss Insights has stood at the forefront of the US Governments' \$659 Billion Dollar Paycheck Protection Program (PPP) and learned one thing: **COLLABORATION IS EVERYTHING.**

TAKING STOCK



In March 2020, two thirds of the world's population, 2.3 billion people, went into isolation. In order to address the pandemic, the economy had to come to a halt. The world is in uncharted territory and the banking industry is at one of the epicentres. Governments have been working around the clock to see us

through. The CARES Act and PPP is the centrepiece of the US government's strategy for supporting small and medium businesses. With \$659 Billion dollars approved by the SBA, over 5400 financial institutions registered to approve over 2.8 million businesses in less than two months. That's over $\frac{1}{3}$ of the US financial institutions participating in this program. In the first round of funding, the SBA processed 14 years worth of loans were approved in 14 days ([USA Today](#)).

The program has not been without its challenges. Already there are cases of fraud, reports of large businesses taking loans over small businesses, inequity on the representation of small businesses in large cities in particular because there are less community banks per capita ([CNBC](#)), and difficulties that banks have had when it came to connecting to the SBA that caused twitter to explode.

The PPP highlighted another urgent need: rapid collaboration between companies solving the challenges of the day. The task before bankers, government, fintechs, large technology players and advisory firms was to accomplish bringing a model to the market in weeks, not years.

JOURNEY TOWARDS COLLABORATION



Boss Insights was founded to empower lenders to measure businesses on their merit. It's built by technologists and bankers to get the best of both worlds. Because of this, we saw a large capital need coming in March and like so many others, offered free technology to support lenders so that they could support their business clients ([Forbes](#)).

Overnight, Boss Insights added a CARES/PPP module to the business lending platform. The platform was built to enable any type of lender to automate any type of business loan. Because we originally solved for infinite combinations rather than the specific problem at hand, we were able to adapt to empower the PPP lenders to support their borrowers in under a week.

However, technical capability alone does not and will never lead to the offering being provided to borrowers on its own.

Even with the perfect solution, there's still the pesky matter of vendor compliance to get through. If there is a hero in this story, it would be the collaboration people are willing to exhibit. It's another reason that is not a normal time in market.

Typically, when a fintech sells to a bank it's a 6-24 month process. The guidance is that the fintech needs to address an acute pain point. That's not enough though, because in the bankers' mind, the road to adopting that solution includes a legal, security and market review. In short, that's a lot of inertia to overcome.

PPP has changed things. There has been much more willingness to be open in dialogue and bring decision makers into the virtual rooms in real time. Boss Insights has been humbled by the amount of collaboration we've experienced with the banks who are singularly focused on solving this problem for their borrowers. The acute focus led to fast alliances. We've gone from 2 year sales cycles to 2 weeks. Bankers are not the only ones willing to partner at this time. Oracle has demonstrated incredible agility to deliver innovative solutions to their client base on a proven technology platform. Boss Insights will be announcing upcoming partnerships with other ecosystem players shortly.

THE LATEST IN PPP: WHERE DO WE STAND NOW

What's been sorted out to date, is limited to the application and approval of these loans. The next problem to solve is more complex: calculating forgiveness for borrowers and reducing exposure for lenders regarding the SBA guarantee. There has a lot of



coverage regarding how challenging the forgiveness calculation will be for borrowers and lenders creating confusion and fear in the market ([American Banker](#), [Forbes](#)).

FinTechs have risen to the challenge created by fluctuating SBA guidelines as they work to keep up with the changing market. The road most commonly taken by fintechs, however, requires borrowers and bankers to fill out and process hastily created forms in the hopes of collecting the right data to apply for SBA's forgiveness. This means they will need to manually redesign the forms and revise fields to ask borrowers for data when guidelines change.

While many are asking themselves how to plan for a reality that could change with the next publication of new legislation, this heightens the need for agility in a software platform. The platform should be robust enough that it can alter the information gathered to what is required at any given time.

The reason Boss Insights took this robust and adaptable approach to a lending platform is that the platform was built to handle rapid change and collaboration. The goal being to enable any type of lender to automate any type of business loan. It's because of that, we were able to adapt to empower the PPP lenders to support their borrowers in under a week.

Supporting lenders empowers them to support businesses. Businesses are the economic engine of the future. Governments led the charge showing the rest of us that we need to support businesses in this time of need. It's collaboration between industry players that has enabled businesses to leverage that support. Recently, we were asked if there one thing we hope we can hold onto after things 'return to normal'. The answer is simple: **More Collaboration.**

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