

# **Oracle® Banking Recovery**

Functional Overview

Release 2.7.1.0.0

**F16199-01**

March 2019

Oracle Banking Recovery Functional Overview, Release 2.7.1.0.0

F16199-01

Copyright © 2011, 2019, Oracle and/or its affiliates. All rights reserved.

This software and related documentation are provided under a license agreement containing restrictions on use and disclosure and are protected by intellectual property laws. Except as expressly permitted in your license agreement or allowed by law, you may not use, copy, reproduce, translate, broadcast, modify, license, transmit, distribute, exhibit, perform, publish or display any part, in any form, or by any means. Reverse engineering, disassembly, or decompilation of this software, unless required by law for interoperability, is prohibited.

The information contained herein is subject to change without notice and is not warranted to be error-free. If you find any errors, please report them to us in writing.

U.S. GOVERNMENT END USERS: Oracle programs, including any operating system, integrated software, any programs installed on the hardware, and/or documentation, delivered to U.S. Government end users are "commercial computer software" pursuant to the applicable Federal Acquisition Regulation and agency-specific supplemental regulations. As such, use, duplication, disclosure, modification, and adaptation of the programs, including any operating system, integrated software, any programs installed on the hardware, and/or documentation, shall be subject to license terms and license restrictions applicable to the programs. No other rights are granted to the U.S. Government.

This software or hardware is developed for general use in a variety of information management applications. It is not developed or intended for use in any inherently dangerous applications, including applications that may create a risk of personal injury. If you use this software or hardware in dangerous applications, then you shall be responsible to take all appropriate failsafe, backup, redundancy, and other measures to ensure its safe use. Oracle Corporation and its affiliates disclaim any liability for any damages caused by use of this software or hardware in dangerous applications.

Oracle and Java are registered trademarks of Oracle and/or its affiliates. Other names may be trademarks of their respective owners.

This software or hardware and documentation may provide access to or information on content, products and services from third parties. Oracle Corporation and its affiliates are not responsible for and expressly disclaim all warranties of any kind with respect to third-party content, products, and services. Oracle Corporation and its affiliates will not be responsible for any loss, costs, or damages incurred due to your access to or use of third-party content, products, or services.

# Contents

---

- Preface** ..... 4
  - Audience ..... 4
  - Documentation Accessibility ..... 4
  - Related Documents ..... 4
  - Conventions ..... 5
- 1 Overview** ..... 7
- 2 Key Features of Recovery** ..... 9
  - 2.1 Seamlessly Receiving Charged-Off Accounts Information ..... 9
  - 2.2 Best-in-Class Interactive User Interface ..... 9
  - 2.3 Operational Dashboards ..... 10
  - 2.4 In-House vs Recovery Agency Allocation ..... 10
  - 2.5 Vendor Commission Tracking ..... 10
  - 2.6 Interest Computation for Accounts in Recovery ..... 10
  - 2.7 Expense Tracking for Charged-off Accounts ..... 11
  - 2.8 Payments Processing for Accounts in Recovery ..... 11
  - 2.9 Transaction Reversal ..... 11
  - 2.10 Account Status ..... 11
  - 2.11 Risk Indicators ..... 11

# Preface

Oracle Banking is a one-stop solution for a bank for its core banking operations, across retail and business banking operations. It is designed to help banks respond strategically to today's business challenges, while also transforming their business models and processes to reduce operating costs and improve productivity across both front and back offices.

Oracle Banking provides a unified yet scalable IT solution for a bank to manage its data and end-to-end business operations with an enriched user experience. It is a composed set of different modules wherein each of the modules is serviced by a set of services and other subsystems.

This preface contains the following topics:

- [Audience](#)
- [Documentation Accessibility](#)
- [Related Documents](#)
- [Conventions](#)

## Audience

This guide is intended for the users of Oracle Banking Recovery.

## Documentation Accessibility

For information about Oracle's commitment to accessibility, visit the Oracle Accessibility Program website at <http://www.oracle.com/us/corporate/accessibility/index.html>

Access to Oracle Support

Oracle customers have access to electronic support through My Oracle Support. For information, visit <http://www.oracle.com/us/corporate/accessibility/support/index.html#info> or visit <http://www.oracle.com/us/corporate/accessibility/support/index.html#trs> if you are hearing impaired.

## Related Documents

For more information, see the following documentation:

- For installation and configuration information, see the Oracle Banking Platform Localization Installation Guide - Silent Installation guide.
- For a comprehensive overview of security, see the Oracle Banking Platform Security Guide.
- For the complete list of licensed products and the third-party licenses included with the license, see the Oracle Banking Licensing Guide.
- For information related to setting up a bank or a branch, and other operational and administrative functions, see the Oracle Banking Platform Administrator Guide.
- For information related to customization and extension, see the Oracle Banking Platform Extensibility Guide for Host, SOA, and UI.

- For information on the technical aspects, setups and configurations of Recovery, see the respective Collections technical documents.

## Conventions

The following text conventions are used in this document:

Convention	Meaning
<b>boldface</b>	Boldface type indicates graphical user interface elements associated with an action, or terms defined in text or the glossary.
<i>italic</i>	Italic type indicates book titles, emphasis, or placeholder variables for which you supply particular values.
<code>monospace</code>	Monospace type indicates commands within a paragraph, URLs, code in examples, text that appears on the screen, or text that you enter.



# 1 Overview

Oracle Banking Recovery covers the life cycle of a charged-off account and helps to manage the account in tracking interest levied, expenses incurred, and payments received throughout the life cycle of a charged-off account. It inherits all the capabilities of the Collections solution.

Key capabilities of Oracle Banking Recovery are as follows:

- Seamlessly receiving information of charged-off accounts from multiple hosts
- Best-in-class interactive user interface to manage accounts in recovery
- In-house vs Recovery Agency allocation of charged-off accounts
- Vendor commission tracking
- System of record capabilities for tracking interest and expenses on charged-off accounts
- Transaction reversal framework





# 2 Key Features of Recovery

Oracle Banking Recovery has all the basic building blocks of Collections, such as intelligent segmentation of charged-off accounts, case life cycle management, and queue management capabilities for charged-off accounts. It provides complete follow-up action results framework for actions performed on the charged-off accounts. It also provides task management for all the tasks created for charged-off accounts.

In addition, Oracle Banking Recovery provides system of record capabilities for charged-off accounts which allow charging of interest, raising an expense, and receiving payments on charged-off accounts. The complete accounting entries for any events on the charged-off accounts are logged in the appropriate general ledgers. Oracle Banking Recovery facilitates to track the efforts of recovery of charged-off accounts up to the point where no further recovery is possible.

This chapter describes the key features of Oracle Banking Recovery.

## 2.1 Seamlessly Receiving Charged-Off Accounts Information

Oracle Banking Recovery provides a framework for receiving all the required data of charged-off accounts from multiple hosts and multiple products. This data consists of borrower information, account information, charge-off related information, and outstanding balance information along with break-up of principal, interest, and fees.

The following data extraction methods are supported in Oracle Banking Recovery:

- Through online calls from Recovery
- Through online push from respective product hosts to Recovery
- Through end of day batch process

The charge-off account information is used for any further processing of accounts in recovery.

## 2.2 Best-in-Class Interactive User Interface

Oracle Banking Recovery provides interactive user interface to access the accounts in recovery. User is able to view all the critical information of charged-off account in recovery in a single glance. All the information is divided into logical groups and is presented to user in a precise manner.

The landing page has many significant widgets, such as:

- Payment Details
- Charge Off Details
- Balance Details
- Party
- Case
- Activity Log

The user can expand every widget to see detailed information. The charge-off account information is used for any further processing of accounts in recovery. The user actions are grouped logically to ensure that the user is able to perform different actions on the accounts in recovery.

## 2.3 Operational Dashboards

Oracle Banking Recovery provides best-in-class operational dashboard to present selected key metrics to management and key users. The dashboards are role based and are available to the user directly after successful login. Different dashboards are provided for recovery agents, supervisors, and managers. The dashboard gives a quick summary with drill down capability in order to explore each of the key metric. The dashboard can be preconfigured for each of the business role and adds significant business value to users at various levels.

The dashboard provides information about:

- Number of cases allocated
- Break-up of cases
- Tasks allocated
- Key Performance Indicators

## 2.4 In-House vs Recovery Agency Allocation

Oracle Banking Recovery provides a framework for allocating the charged-off accounts to either in-house recovery team or recovery agency. The configuration allows allocating cases based on different attributes of charged-off accounts, such as days since charged-off, total outstanding amount, and product types. This ensures maximum efficiency in recovery operations and ensures the right set of team is working on right set of accounts. In addition, work allocated to recovery agency can be based on the roles they play in the operations.

A recovery agency can be on-boarded as:

- Primary
- Secondary
- Tertiary

The charged-off accounts can be allocated to agency based on the age of the charge-off or any other attributes of charged-off accounts.

## 2.5 Vendor Commission Tracking

Oracle Banking Recovery provides a framework for tracking the charged-off accounts allocated to vendors. The service level agreement with individual vendor can be tracked. This ensures the performance of every vendor is monitored and necessary corrective action is taken up as required. Commission percentage for vendor can be defined in the system and system provides the ability to calculate the commission for vendor on the accounts allocated to the vendor. This helps in paying the commission earned by vendor agency for the efforts in recovering the amounts from charged-off accounts.

## 2.6 Interest Computation for Accounts in Recovery

Oracle Banking Recovery provides system of record capability of charging the interest on the charged-off account. This allows in levying interest on the charged-off accounts at a default interest rate. The configuration allows specifying the interest plan which can be attached to the account. If lender does not want to levy interest on the charged-off accounts, they simply need to configure the interest plan accordingly. The interest cycle ensures the interest is calculated based on the provided interest rate plan at a pre-defined

frequency and the interest amount is added to the account. The interest bucket is available for viewing and tracking the interest amount.

## 2.7 Expense Tracking for Charged-off Accounts

Oracle Banking Recovery provides system of record capability of tracking the expense occurred on the charged-off account. This allows in adding the expense to the outstanding amount of charged-off account and viewing the added expenses. The expenses are tracked in a different bucket making it easy to view and track. The configuration allows if the added expenses need to be approved before it is added to the charged-off account. The approver can be a user of senior level to ensure that only right expenses are charged to the account.

## 2.8 Payments Processing for Accounts in Recovery

Oracle Banking Recovery provides system of record capability of accepting the payments for the charged-off accounts. This ensures any payment towards the account in recovery is applied to the account. The system also provides the capability to appropriate the payment received against every available bucket. The appropriation sequence can be defined to ensure the default applicability of payments. However, user with right authority can change the appropriated amount for each of the bucket. The payment information is tracked by the recovery system and can be made available as a part of customer account statements.

## 2.9 Transaction Reversal

Oracle Banking Recovery provides system of record capability of reversing a payment received for a charged-off account or an expense posted on the account. This ensures any erroneous payment made or a wrongly charged expense is reversed from the charged-off account.

The framework allows complete reversal capability to ensure system replays all the transactions posted to the account after the reversed payment or expense. The transactions are reposted to the account in the correct manner and all the buckets are adjusted accordingly. System adjusts the interest amount due to the reversed transaction. The reversed transaction and the interest adjustment entries are shown in customer statement as well.

## 2.10 Account Status

Oracle Banking Recovery provides the capability to track the system defined and user defined statuses of an account. System also has the capability to add a user defined status to an account so that certain actions like making a payment and adding an expense can be restricted on such accounts. Transactions can be posted to such restricted accounts with appropriate approvals.

## 2.11 Risk Indicators

Oracle Banking Recovery provides the capability to apply risk indicators on an account or a party. Risk Indicators are certain conditions on the basis of which an account can be blocked when those conditions are met. Applying risk indicator leads to the addition of a user defined status to an account so that certain actions like making a payment and adding an expense can be restricted on such accounts. Transactions can be posted to such restricted accounts with appropriate approvals.