Loan Origination in MFI – Functional Enhancements Testing

VSM Software (P) Ltd

Overview

MFIs provide financial assistance to the underprivileged sector in Urban and Rural areas of India for their economic upliftment. In order to cater to this segment of customers, MFIs have automated their Loan Origination Processes and transactions are done using Hand Held Machines at a predefined Customers' Place according to their availability.

Business Need

Our MFI Client has implemented Loan Origination Application on SFDC Platform, which is widely acclaimed throughout the world. They decided to implement a new hierarchical structure "Meeting Centre" to enable processing of large number of customers in a single phase.

This resulted in an enhancement of the existing Loan Origination Application with a new structure "Meeting Centre".

Enhancements

Under the new Structure, customers were associated with Meeting Centre for the purpose of grouping the beneficiaries. Each meeting centre then was linked to a Branch. Existing Customer data was to be migrated to the New hierarchical structure for further loan sanction process as well as for collection of future repayment instalments of the exisiting loans.

VSM was entrusted with the job of testing the new structure and the processes associated with Loan Sanction in the new application framework.

The following stages of the Loan cycle were identified for validating the changes effected in the Loan Origination Application:

➢ Testing of New Structure "Meeting Centre" for Maintenance Functions such as Creation, Updation, Linking, Deletion with proper validation
➢ Opportunity Creation – Joint loan application submission by a particular Meeting Centre
➢ File Tracker – tracking the movement of the loan application form from a Meeting Centre
➢ Credit Scoring and Credit Bureau Check – validate the eligibility of the applications recevied from the Meeting Centre. Any previous history of loans availment – will also be considered
➢ Regrouping, Deviation Approval – Regrouping of eligible candidates
➢ Sanction
➢ Disbursement of an application with Meeting Centre Details
➢ Meeting Centre-wise Demand List Generation

VSM's Role in the Project

VSM undertook the following activities:

➢ Study of the Change Request (CR)
➢ Understanding the Impact of the new structue on other Modules
➢ Documentation of the Test Scenarios
➢ Preparation of Test Cases and Sample Data
➢ Functional Testing in the Config environment
➢ Integration Testing with other stages/modules
➢ End-to-end Workflow Testing (Full cycle) from receipt of Loan Application till Demand List Generation and collection of dues

VSM adopted systematic approach in every stage such as Test Strategy Planning, development of Test Scenarios, Functional Test Cases, Test Data, SIT/UAT Test Cases, Execution of Test Cases and Rectificaiton of Bugs through continuous tracking & follow-up.

Benefits of the Solution

Our Structured Testing Practice has helped the MFI in releasing the New Application with enhancements on time, with accuracy of application behavior.