



BRIDGEWATER BANK

Bridgewater Bank streamlines PPP loan management with ServiceNow



PPP loans processed in 2 months



Reduction in workload per case file



Hours saved per day due to automation

Bridgewater Bank delivers banking services tailored to local small businesses

Running a small business is more than just a job to many. These businesses represent the dreams and effort of the owners and employees who work hard for customers every day. Bridgewater Bank understands what it takes to keep a small business running. It's a local bank serving businesses throughout the Twin Cities area of Minnesota with financial services that include lending, financing, and business banking.

"We're a bank founded by entrepreneurs for entrepreneurs," says Nick Place, Chief Lending Officer at Bridgewater Bank. "We've grown quickly through our commitment to providing expert banking services that are focused on the local level. We now have \$2.4 billion in assets and one of the lowest efficiency ratios in the U.S. thanks to our experienced, dedicated staff."

Demand for small business loans explodes as businesses struggle with economic impacts of COVID-19

Everything changed for small businesses in early 2020 when the COVID-19 pandemic hit. Business closures and stay-at-home orders impacted local businesses particularly hard, with many of them struggling to cover expenses and pay employees during the shutdown. To help mitigate the pandemic's economic effects, the U.S. government passed the CARES Act, which includes the Paycheck Protection Program (PPP) loans to help small businesses cover payroll costs.

Bridgewater Bank quickly got to work processing PPP loans for local businesses. Lending officers had to work around the clock to process loans, answer questions, and help local business owners get the answers they need as quickly as possible.

Industry: Financial Services
Location: Bloomington, Minnesota
Size: 165 employees
Partner: INRY

Challenge

Deliver necessary emergency funds to small businesses quickly and efficiently

Products

- ServiceNow® Financial Services Operations
- ServiceNow® Governance, Risk, and Compliance

Solution

Small Business Loan Management solution provides a central source of customer information and improves visibility with real-time updates on loan status



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Working on the Small Business Loan Management solution opened my eyes to what ServiceNow can deliver in such a short time.

Mark Hokanson, CTO, Bridgewater Bank

“Our lending team processed 950 loans last year,” says Place. “In just two months, we’ve processed close to 1,000 PPP loans. At our peak, we had 200 inquiries, and we were processing 60 loans a day. Since these are a new type of loan, many business owners had more questions about what information they needed to provide or what size loan they should request. Our lending team was working extremely hard, but the volume was highlighting inefficiencies.”

As a growing bank, Bridgewater typically used manual processes to manage workflows. Place used a simple spreadsheet to keep track of what loans his officers were processing and the status of each loan. When passing customer information among groups, loan officers emailed relevant information to other teams. While each officer had their methods for tracking work, there was no central system.

“As we’ve grown and hired more loan officers, it’s become harder to maintain visibility into all phases of lending,” says Place. “When we started processing PPP loans, I’d spend two to three hours every day trying to track the status of all loans in process. Given the constant changes and how fast everyone was working, our tracking spreadsheets would be quickly outdated.”

Bridgewater Bank turns to ServiceNow for an automated PPP loan management tool

Before the pandemic hit, Bridgewater Bank was in talks with ServiceNow and partner INRY about possibly adding ServiceNow® IT Service Management to its IT footprint. But with the onset of the COVID-19 pandemic, Bridgewater suddenly found itself with a much more pressing need for automation to reduce the load on its lending department.

“We knew we needed automation to keep on top of our PPP loans, but the last thing that we wanted was to make life harder on our loan officers by changing their workflows when they were busier than ever,” says Place. “We didn’t want them to have to learn a new system when they’re already working so hard. We needed an easy tool that could fit within existing workflows while giving us visibility through real-time status updates and central tracking of customer information.”

INRY and ServiceNow collaborate on the Small Business Loan Management solution

INRY saw an opportunity to use the Now Platform® to build a simple, streamlined app in record time. INRY reached out to developers at ServiceNow, and together they brought the Small Business Loan Management solution from concept to launch-ready in less than a week.

While Bridgewater Bank was excited to hear about a potential solution, it needed deployment on a tight timeline, taking advantage of the short window between the deadline for Phase 1 PPP loans and the start date of Phase 2 loan applications. ServiceNow and INRY created a demo over a weekend that used actual Bridgewater data. Bridgewater immediately saw the potential of the solution. Once the instance was set up, INRY had the app running in less than 24 hours. ServiceNow Financial Services Operations was also deployed to support the app launch and manage workflows.

“When I showed the app to departments, they were excited and could instantly see the benefits,” says Mark Hokanson, CTO at Bridgewater Bank. “INRY did a great job of guiding us through deployment and collaborating with our groups. The developers continued to work with us in the following weeks to create a solution that completely aligns with everything our teams needed in an app.”



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With ServiceNow and INRY, we enable loan officers to do more so that they can concentrate on supporting local businesses through the COVID-19 crisis.

Nick Place, Chief Lending Officer,
Bridgewater Bank

Small Business Loan Management solution improves loan visibility while working within existing workflows

With the Small Business Loan Management solution, Bridgewater achieves a low portfolio risk since it works within the existing lending process. The bank now has one location for loan, credit, and administrative teams to find information about customers and loans. Teams no longer need to interrupt busy loan officers to ask about a customer. Instead, they can check on loan progress in real time, look up contact information, and follow up with requests for additional information.

Several integrations make the Small Business Loan Management solution more useful and simpler for Bridgewater. The app uses single sign-on with Azure Active Directory. A streamlined Google Form allows customers to start an inquiry for PPP loans directly through the Bridgewater website. Information is automatically pulled into a customer record in the Small Business Loan Management solution, at which point Place can easily review the inquiry and assign it to a loan officer based on each officer's specialty or workload.

The app makes it easier for loan officers to stay organized, contributing to a reduction of up to 48% in workload per case file. It also reduces time usually spent by Place in manually updating loan status or passing customers to additional teams. For customers, the solution means that teams spend less time asking for redundant information, leading to a more streamlined, less stressful lending experience.

"Working on the Small Business Loan Management solution opened my eyes to what ServiceNow can deliver in such a short time," says Hokanson. "It maximizes value to the business by allowing us to get to work with a platform without needing to spend months and significant investment in developing a solution."

Bridgewater Bank discovers downstream benefits to centralizing customer loan information

The benefits of the Small Business Loan Management solution reach beyond the lending team. The app encompasses 11 roles in the loan approval process, integrating into workflows for senior leadership, credit analysts, loan administrators, and business services to provide seamless communication across teams and reporting for customers.

For instance, many PPP loan applicants want separate deposit accounts for these loans. The solution provides a way for the lending group to smoothly pass customers to people handling deposits to start setting up new accounts. Some applicants are also completely new customers of Bridgewater. Sales staff can use information about the company in the app to follow up with customers and suggest additional services that might help their business now or in the future.

"Bridgewater Bank is a top bank nationwide, and much of that is due to our employees," says Place. "Supporting our employees with smarter processes leads to greater productivity and happier employees and customers. With ServiceNow and INRY, we help loan officers to do more so that they can deliver greater value to the bank and our customers as everyone navigates the challenges of the COVID-19 crisis."