

CASE STUDY

Ascendus: Supporting the small business ecosystem with intelligent credit



Products

**Business Term Loans,
Startup Business Loans**

State

New York

Assets size

\$200mn

Loans lent to

25,300+ businesses

About the Client

Ascendus is a New York-based online business lender that offers a range of financial products to small and medium-sized businesses. In the three decades of its founding, Ascendus has lent over \$255 million to more than 25,300 small businesses nationwide. The organization's mission is to provide access to credit to the underserved sections of society across race, gender, ethnicity, and financial status.

The Business Challenge

In the aftermath of the pandemic, small business owners were especially affected adversely by restrictions. Stats suggest that 1.4 million to 2.1 million of them (25 to 36 percent) closed permanently as a result of the disruption from just the first four months of the pandemic.

Businesses were especially financially fragile in the light of unprecedented disruptions in supply chains. As such, the ability of businesses to obtain capital and expand and grow during the recovery phase was extremely critical.

In this scenario, Ascendus was looking to boost approvals for a larger number of businesses by having a complete picture of their stability and creditworthiness and providing a superior lending experience with increased auto-decisioning with shorter turnaround times.

Ascendus wanted to further streamline its existing lending processes in order to expand credit coverage and identify and support businesses. The creditworthiness of such businesses was difficult to assess using bureau data of the leadership teams alone.

- Need for additional insights to approve small businesses
- Low approval rates in lending portfolios
- Decisioning was limited by reliance on limited data sources
- Wanted to have greater control and customization of the credit decisioning model
- Ascendus was using Salesforce CL Originate for their loan origination and wanted a solution that would integrate directly with their origination setup and ensure friction-free decisions

"Giving small businesses the chance they deserve.."

"Our company's first loan was \$500 to an immigrant mother, who had lost her job and wanted to start her Mexican food cart for her former co-workers. One cart became two and two carts became a restaurant. Scienaptic's AI-powered credit decisioning platform empowers us to say "yes" to many more borrowers like her who have potential to be great entrepreneurs but just need that initial financial support. We are able to automate our loan decisioning and make advanced loan decisions much faster""



Paul Quintero, CEO, Ascendus

How Scienaptic AI helped

Deploying Scienaptic's AI-powered credit decisioning platform helped Ascendus in updating its existing credit risk algorithm and reducing the emphasis on judgmental underwriting while ensuring a better portfolio quality.

Leveraging Scienaptic's AI-driven lending platform helped Ascendus overhaul its decisioning process. With Scienaptic's intelligent decisioning cloud, Ascendus automated their lending process with pre-configured APIs, AI-driven models, and a LOS integration kit to integrate seamlessly with existing origination infrastructure. Using data from a diverse set of data sources helped the Ascendus team to gain deeper insights into determining creditworthy businesses.

The key takeaways of the deployment were:

- Automated scoring and loan decisions using pre-built scorecards
- Utilization of alternative data sources to increase approval rates
- Reduced decisioning turnaround time with AI underwriting
- Integration with **Salesforce CL Originate** for end-to-end loan origination, processing, and decisioning.

The Scienaptic Impact



30%

increase in approvals to small businesses



1000+

data points to assess applicant quality



Reduced reliance on personal credit to assess creditworthiness

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