

## What was the situation?

A nascent captive leasing organization specializing in medical equipment financing had suboptimal performance. Expectations of the parent company (global Fortune 50 corporation) were high:

- Provide an important sales channel for equipment manufactured by other divisions
- Provide additional source of revenue (financing revenue)
- Level competitive playing field as the top three competitors had captive financing organizations

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## What was done?

A project was launched over the next six months consisting of design and implementation phases during which the organization was transformed from a fledgling team of individuals with different agendas to a top notch leasing organization.

The project team implemented new processes for sales origination, lease administration, credit management, end-of-lease processing, dispute management and performance reporting. A new lease processing system was selected and configured so that it was capable of integrating the entire lease life cycle, from origination and administration to collections and end-of-lease processing. A new organization was built based on future competency requirements and anticipated deal flow.

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The results were exceptional: uncommenced lease backlog was reduced by \$120 million, dispute levels were decreased to 7%, securitization negotiations with bank consortiums was successfully executed. The organization was able to absorb subsequent organic growth without any problems. Ultimately in subsequent years an acquisition doubled the size of the lease portfolio, but the performance was kept at the highest levels without additional staff.

The project was showcased two years in a row on annual competitions for the most successful project in the company sponsored by the parent where it won first prizes both times.