



## Loan Tracking Software Eliminates Need to Hire More People

### *Start-up, American Microloan, Moves Away from Excel Spreadsheets and Saves \$70K*

American Microloan, founded in 2001, provides short-term working capital financing to hundreds of Visa/MasterCard merchants, many of which are restaurant owners. What differentiates American Microloan is that their customers agree to pay daily interest on their loan as a percentage of their daily credit card sales which saves them money over the life of the loan; it's a very unique business model that stands out in a sea of competing factor-type financiers. Yet, American Microloan's unique business model needed a unique technical solution to match. As the business grew, employees were mired in Excel spreadsheets, working well into the night manually tracking all the daily loan transactions. Early attempts with database developers proved fruitless. It wasn't until Bright Network Solutions took the time to truly understand their complex business model did they save \$70K they would have spent on hiring new Excel-savvy employees.

### Solution-at-a-Glance

**Company:** American Microloan

**Industry:** Short-term Capital Financing

**Problem:** Complex business model. No pre-packaged software fit their need. Mired in Excel spreadsheets, their processes were getting too labor-intensive to effectively grow with their increasing customer base.

**Solution:** Automate the most labor-intensive aspects of their processes first to save time and mitigate human error. Create a central database around business model to effectively track customer payments and interest.

**Products and Technologies:**

- MS Access
- MS SQL Server Database

**Timeframe:** 6 weeks

**Money saved:** \$70K/year

### The Challenge: “Find a Developer Who Can Understand Our Business Inside Out”

American Microloan knew what they had to do—build a loan tracking system. They knew no pre-packaged software could meet their needs, and that their business had outgrown Excel spreadsheets. In fact, Woochae Chung, Managing Director of American Microloan (Microloan) had already tried to work with a technical

consultant, but the resultant system failed to accommodate the many facets of their complex business needs. “Our previous developer just didn't ‘get it’ or wasn't willing to take the time to understand. I needed to get a system in place or faced hiring more people to keep up,” says Chung. He knew it would save time and money to have a technical lead who knew their business from the inside-out. Chung's technical

consultant search continued online where he found Bright Network Solutions (Bright Network). Turns out, Bright Network was a perfect fit for his business needs. Ray D'Andrade, owner of Bright Network, specializes in helping organizations from various industries automate their business. He has years of experience helping many small to mid-sized businesses save money and increase their productivity through the custom software development of Microsoft technologies. Understanding the larger context in which his work will bring value to an organization is D'Andrade's specialty.

### **Building a Loan Tracking System from Scratch**

When D'Andrade started working with Microloan, every customer had their own Excel spreadsheet. Each spreadsheet tracked a customer's daily loan interest and payments. If a customer missed a payment or they had insufficient funds, fees had to be applied specific to that account and the interest had to be recalculated for the life of the loan. Since interest is calculated *daily*—not monthly like other loans—daily data updates are critical. Obviously, Microloan needed a central database to mitigate their reliance on Excel spreadsheets.

After D'Andrade “ramped up” on Microloan's business, he worked to build a system around their business model. He imported the existing data from Excel spreadsheets into a new loan tracking system using Microsoft Access as the front end to a Microsoft SQL Server database. D'Andrade often recommends Access for small businesses. Access can be used as a database, or as a “front end” to a larger database, such as SQL Server. “Access is a great tool for small businesses to get up and running fast. Many developers don't realize its great power for its low cost. Microloan wanted to stop manual reporting quickly, so Access was a best bet in this application,” explains D'Andrade. Plus, Access provides a solid upgrade path once a system matures and is ready for a more robust, and costly, front end—like Microsoft VB .NET. As the business demands outgrow Access capabilities, a customer only has to

upgrade their front end, not their database. Data integrity is maintained.

In six weeks' time, including hardware/software purchases, design, implementation, personnel changes, testing and training, Microloan was up and running. The new system centrally holds all customer loan and contact information, interest calculations and payments as entered through their own interface. For approximately \$11,000, Microloan had a new loan tracking system that streamlined their internal processes immensely. “What used to take more than 30 hours per week is now done in five. The system paid for itself in a few months,” explains Chung.

**“ What used to take more than 30 hours per week is now done in five. The system paid for itself in a few months. ”**

### **Progress forward**

Today, Microloan has more than doubled their number of customers, and they continue to enhance their system to fit the way they work. Recently, they asked Bright Network to help them automate the emailing and faxing of 80% of their customer statements; they now only mail to customers that require a hard copy. Other new system enhancements are on the horizon to free employee time for more business critical functions. “The best news is that we are able to handle more customers without hiring more employees—that saved us at least 70K,” says Chung.



Visit [www.brightnetwork.com/experience](http://www.brightnetwork.com/experience) to read more about Bright Network's accomplishments.