

# COMMERCIAL LENDING: WHAT LIES AHEAD

**Q&A with Dale Glajchen, vice president, head of solution management , Commercial Lending, FIS**

*Understanding the forces shaping the future of commercial lending becomes crucial for stakeholders aiming to thrive amidst the challenges and opportunities ahead. We sat down with Dale Glajchen, vice president, head of solution management, Commercial Lending to explore these elements and the strategic pathways that can lead to success.*

## **What are some of the key factors shaping the future of commercial lending?**

The commercial lending landscape is being redefined by a complex interplay of factors that go beyond economic pressures, regulatory enhancements, and technological advancements. The push towards a more sustainable and responsible lending practice, driven by both consumer demand and regulatory bodies, is also shaping the future. Lenders are increasingly expected to incorporate environmental, social, and governance (ESG) criteria into their lending decisions. Furthermore, the rise of fintech companies and the evolution of digital banking platforms are introducing new levels of competition and innovation, forcing traditional lenders to rethink their strategies and offerings. These combined factors are creating a dynamic environment where agility, innovation, and strategic foresight become key to navigating the future successfully.

## **How are technological advancements impacting commercial lending practices?**

Technological advancements are not just shaping the operational aspects of commercial lending; they are also redefining the very core of customer relationships and product offerings. For instance, the use of artificial intelligence (AI) extends beyond automation and into the realms of personalized customer service and predictive analytics, enabling lenders to offer tailored products and anticipate borrower needs before they arise. Additionally, the advent of open banking frameworks is facilitating a more collaborative ecosystem where lenders can leverage third-party data to provide more comprehensive and competitive services. These technological shifts are fostering a more interconnected, efficient, and customer-centric commercial lending landscape.

## What is the role of data-driven decision-making in commercial lending?

In the realm of commercial lending, data-driven decision-making transcends traditional risk assessment to encompass a broader spectrum of strategic planning and customer engagement. Through advanced analytics, lenders can identify emerging market segments, tailor products to meet the nuanced needs of diverse industries and create predictive models that not only anticipate loan defaults but also identify potential growth opportunities within their portfolio.

This approach enables lenders to proactively manage their portfolios, adjusting strategies in real-time based on market fluctuations or changes in borrower behavior. Furthermore, leveraging data for decision-making empowers lenders to engage in more meaningful ways with their clients, offering insights and advice that can help businesses grow sustainably. In essence, data-driven strategies are transforming lenders from mere providers of capital to valued partners in their clients' success.

*As lenders continue to navigate technological advancements, regulatory changes, and data-driven decision-making, it becomes apparent that adaptability, strategic innovation, and a keen focus on customer-centric approaches are essential for thriving in this dynamic environment. The insights shared here underscore the importance of staying informed and proactive in leveraging technology and data analytics to meet the challenges and seize the opportunities that lie ahead in commercial lending.*

**Modernize your commercial lending technology today.**

