

FOR IMMEDIATE RELEASE**Fintech chief: Credit rating, accurate records can help SMEs improve access to loans**

Having a firm understanding of financial risks plaguing one's business and keeping accurate financial records are keys to SME recovery from the pandemic-induced economic downturn, according to the founder and chief executive of a Philippine-based financial technology company.

"SMEs really face a lack of access to credit, bank loans, and financing in general, moreso now in the midst of a global pandemic. We believe this is mainly because of the asymmetrical information that presents itself both to the banks and to SME owners," Lia Francisco, founder and CEO of fintech CreditBPO, said.

Francisco said the information banks and other financial institutions want in order to make a good credit decision on whether or not to lend to SMEs was just not available.

"SMEs should know what they look like, should know their own credit profile, and should know their own credit risk rating," she pointed out. "It's not a widely held belief that what an SME owner does and how he manages his company has a direct impact on credit rating."

She explained that many SMEs did not realize the importance of business metrics or keeping accurate records, both of which contributed to the information gap and the poor growth of SMEs and stagnant SME lending by banks.

Francisco said the need for a reliable financial rating solution—one that would show SMEs how potential lenders see them and allow banks to filter business loan applications with positive ratings to make faster credit decisions—could easily address these concerns.

"We run this through our proprietary software in order to generate what we call the CreditBPO Rating Report, which contains the SME's credit risk rating and actionable insight specific to their company," she said, adding that the recommendations "can improve an SME's understanding of how to improve their business thereby improving their access to bank loans."

Francisco explained that as long as banks have sufficient information about an SME's financial risk at the outset then increased lending to SMEs wouldn't be far behind.

She said CreditBPO would start matching SMEs who order their financial rating report with their network of banks and other lenders to help jumpstart the lending ecosystem.

CreditBPO is a pioneering financial technology company and developer of the CreditBPO Rating Report®, a Report-as-a-Service risk assessment, benchmarking, and rating solution used by banks, corporates, and government on commercial borrowers, vendors, suppliers, and partners.

For more information on how CreditBPO can help your SME or bank in bridging the financial information gap and [ramping up your business loan process](#), please visit creditbpo.com or email info@creditbpo.com.

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