



Crowe Horwath Straight Through Processing for Mortgage and Consumer Loans

Partner Solution

■ **Target Industry**

Banking and Financial Markets

■ **Business Applications**

Consumer Lending

Mortgages

■ **Products**

*IBM FileNet Business Process
Manager*

IBM FileNet Content Manager

IBM FileNet eForms

Business Challenge

In a highly volatile consumer and mortgage lending industry plagued by fluctuating origination volumes and increased demands for quick closings and improved customer service, the reliance on manually-intensive, paper-based processes is enough to place a stranglehold on bottom line performance and customer service quality for even the most agile institutions.

Traditional methods of shuffling and processing paper documents – from customer documents such as W-2s and tax returns to third-party documents such as appraisals, titles, and flood certifications – and the use of physical storage cabinets and facilities slows customer responsiveness. These issues also make it difficult for lenders to focus on sales opportunities or enhance customer loyalty through customized product offerings, thus limiting revenue potential. In addition, the continued burden placed on limited staff resources to chase down critical documentation and execute repetitive, low-value tasks increases workloads and operational costs, hindering profitability and high standards of service delivery.

Rising regulatory and compliance mandates are also forcing organizations to reevaluate internal processes and implement more effective audit and business activity monitoring procedures to mitigate operational and compliance risk.

Solution

A recognized leader in delivering enterprise content management (ECM) and business process management (BPM) solutions, Crowe Horwath developed its Straight Through Processing for Mortgage and Consumer Lending (STP-MC) solution to automate and streamline the entire lending process, enabling enterprise information access both within and outside the organization, and ensuring greater accuracy and improved customer service levels.

Based on IBM's ECM suite of products, STP-MC is a sophisticated solution that provides dynamic workflow and rules-driven processes, and integration with existing document origination and loan servicing systems, to create a unified platform that speeds loan processing times – from origination to post-closing – while dramatically improving overall business performance.

The STP-MC solution electronically captures every document associated with the lending process from origination through post-close processing, whether faxed, mailed, or emailed. Supporting information can be retrieved from customer relationship management (CRM) systems and/or those for loan origination and servicing, allowing for review and authorization. Loan information can be automatically transferred to loan documentation



and loan servicing systems, reducing manual touch points that lead to lost documentation and costly errors.



Third-party documents including credit reports, appraisals and flood certifications can be automatically ordered and retrieved through electronic systems integration, dramatically improving underwriting and document preparation processing times and accuracy.

Business and routing policies help automate transaction and exception processing. Workflows can be automatically triggered based on the type of loan and type of collateral to ensure execution per policy. Perfection of collateral is tracked with alerts generated for items past due.

The STP-MC solution provides management with a real-time view of work status, including work in process, work waiting to be processed and the time each task is taking. Work can be automatically routed to various locations based on type of work, time of day, work load, or any attribute of the loan.

Value Proposition

By deploying STP-MC, lending institutions benefit from the combined value of ECM, which delivers accelerated decision-making capabilities, shortened mortgage loan origination cycle times and enhanced customer service levels, as well as the following additional benefits:

- Improved operational efficiency through staff redeployment, reduction in duplicated efforts, faster loan processing, and improved data integrity;
- Improved customer satisfaction and loyalty with automated customer updates;
- Increased management control and awareness through immediate, secure access to loan applications status;
- Consistent and transparent underwriting and documentation processes, ensuring compliance with regulatory requirements including Sarbanes-Oxley and Basel II;
- Time notifications and milestones, which help to effectively manage collateral and covenants, improve risk management and increase investor confidence by guaranteeing compliance with loan agreements.

Company Description

As one of the top 10 providers of consulting and assurance services in the United States, Crowe is recognized for excellence and innovation in a wide range of business competencies including risk management and performance improvement. Serving more than 900 financial institution clients, Crowe understands the key business processes in commercial and retail banking. Our seasoned consultants are skilled at adapting best practices to your unique needs.

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