

US Mortgage Lender Case Study: Post Close File Audit:



Background

- ▶ A US-based Mortgage Lender, originating residential mortgage loans and then selling them into the secondary market.
- ▶ Case Study pertains to Mortgage Operations in the Non-Prime Market segment

Business Case

- ▶ In Post Close File Audit, the audit of the Loan Files containing all mortgage documents is done by Genpact associates to ensure that files are complete and accurate so that funding of the loan is done by client which sells these loan files in the secondary market to Investors.
- ▶ The Genpact team was reviewing 20 loans a day while the customer expectation was of 25 loans per agent every day. The process accuracy was at 91%.

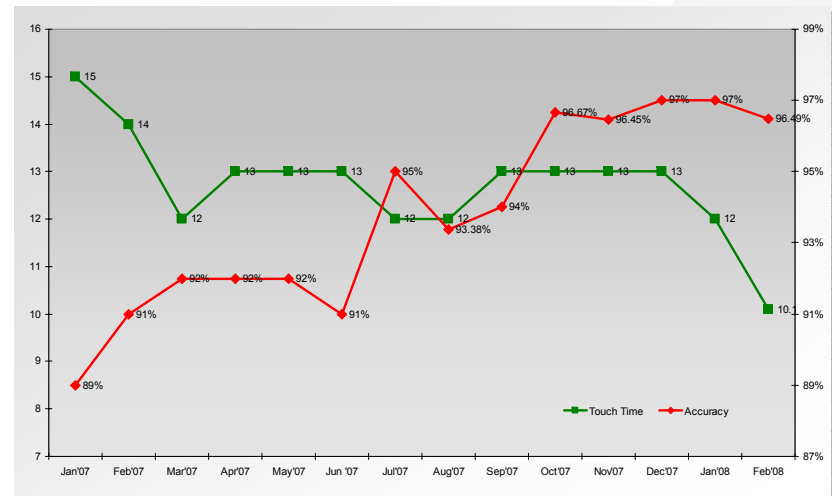
Key Problems Identified

- ▶ Inter operative variance.
- ▶ High error rate on account of non standardization.
- ▶ Different work types which increased complexity and touch times.

Process Improvement Actions

- ▶ Elimination of elements. Analysis of all review elements revealed duplication of certain review elements.
- ▶ Operations Rigor Inter operative variance reduced through
 - Operations Checklist
 - Visual Management
 - Hourly process tracker
 - FTE level hourly tracker
 - Performance evaluation criteria

Touch Time / Accuracy Trends



Agent Productivity ↑ **25%.** **Process accuracy** ↑ **89% to 97%**

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