

US Retail Lender Case Study: A Proven Track Record



Background

- ▶ A leading \$10 Billion Regional Bank/Lender, originating residential mortgage loans for portfolio and sale into the secondary market.
- ▶ Case Study pertains to Mortgage Operations in the Prime and Non-Prime Market segment.

Business Case

- ▶ This customer like others had a decentralized front & middle offices, resulting in problems with consistency and control.
- ▶ They struggled with keeping control over fixed costs during market fluctuations, and tended to yield a higher than industry cost-per-loan ratio.
- ▶ They continuously battled to remain competitive and adapt to the ever changing industry environment.
- ▶ For 10 years, lenders have been partnering with Genpact to provide a complete end to end back office solution.

Key Problems Identified

- ▶ High fixed costs.
- ▶ Challenges in the quality of customer service.
- ▶ Managing market volatility.
- ▶ Excessive sales influence over processing and underwriting.
- ▶ Quality control and compliance issues.
- ▶ Process inefficiencies and ineffective technology.
- ▶ Inadequate tracking and pipeline management.

Process Improvement Actions

- ▶ Replaced expensive mortgage originators with a centralized team. In the retail environment, existing bank branch personnel were trained to handle walk-in opportunities.
- ▶ Established greater communication between lender staff and customers.
- ▶ Focused on improving existing Conversion and Turn-Around Times.
- ▶ Replaced inadequate LOS systems with Genpact's proprietary Loan Officer Live (LOL) web based software.
- ▶ Implemented robust quality and compliance standards.

Business Impact

- ▶ Genpact took this leading Retail Bank/Lenders front and middle office operations and transformed them to an entirely centralized back office.
- ▶ Allowed the lender to focus on its core products.
- ▶ Allowed the lender to focus on building customer relationships.
- ▶ Eliminated overhead and fixed costs, improving their competitive position.
- ▶ Neutralized the impact of the mortgage market volatility.
- ▶ Provided better customer service results.
- ▶ Gave lenders the ability to rapidly adapt to new compliance requirements, products, and process requirements.
- ▶ Extensive reporting allowed convenient managerial oversight.

Genpact has saved this client millions of dollars by reducing their fixed costs by as much as 90%!