



An End-to-End Tool for Managing and Growing Business

Perspectives By Don Covey, Managing Director of Origination Technology, Lender Processing Services



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In every lending shop across the country, origination professionals generate and track leads and activities to build their book of business. At the same time, every lending manager tries to track the leads that are generated to make sure that the right person is working each lead to maximize the opportunity to win the business. The entire process is watched and evaluated by the management team to make sure the organization generates sufficient leads overall, has the staff to effectively manage and follow up with those leads, and ultimately, closes more busi-

ness through marketing activities.

Customer relationship management (CRM) technology is hardly a new concept, having played an active role in a wide range of industry segments since the mid-1990s. While CRM projects have ranged from highly successful implementations to those that failed to launch, there are certainly tremendous benefits that can be gained from the accurate ongoing management and use of customer and prospect data.

As with so many other systems that are designed to collect, store and utilize data, traditional CRM solutions are generally built so information that is painstakingly collected and entered into the CRM system for use by an individual or business unit is frequently not integrated with other systems. In effect, the data is isolated within the CRM system for exclusive use by the business units or individuals that 'own' the data, and often includes duplicate entries that can degrade the accuracy and value of the data.

For mortgage originators, the ability to leverage customer and prospect contact information, track lead sources and analyze important information like customer product preferences, current interest rates and so on is extremely powerful. At a minimum, it allows originators to more effectively identify, incubate and ultimately close promising leads from diverse channels and referral sources. It is also very important to help lenders stay compliant.

Lenders must consider five key areas when determining what systems or solutions can help them most effectively manage their customer and prospect data for optimal results:

- **Lead management capabilities**
- **Ease of integration with disparate systems**
- **Marketing controls**
- **Status and tracking capabilities**
- **Compliance**

Working with Generic Solutions

Today, originators often use a combination of solutions such as Salesforce.com, ACT, Goldmine, or a variety of generic contact management solutions that are available on the market to manage their leads and communicate with prospects. All of them typically tie into the Microsoft suite of products to produce documents, lists and other information that enables the kind of standardized marketing campaigns that can be implemented using the generic suite of products.

These generic solutions all have some sort of functionality for planning tools and contact management. While some integrate campaign management with other marketing tools, those are often in separate stand-alone systems. Most will tie to one of the Microsoft suites to produce lists or actual docs to be shipped out to the consumer.

Unfortunately, these multiple systems and solutions serve their respective functions, but do not communicate with one another. This is where the cost of siloed customer and prospect data starts to climb dramatically. In fact, a CRM solution that captures this essential information forces organizations to invest in multiple systems and applications to effectively manage information and implement their marketing communications strategies; and worse, it is often done differently in each department that contacts customers. One division might have contacts in three different platforms. Multiply that by the number of business units that are doing essentially the same thing with a different combination of solutions, and it is difficult to know who is reaching out to what leads and how.

The key to this dilemma is to expand the definition of CRM to a more inclusive and cross-channel Enterprise Customer Relationship Management (ECRM) solution. The associated benefits and opportunities for originators are impressive.

Managing a Wealth of Information

An integrated ECRM system not only enables lenders to capture leads from multiple channels, but it also provides extensive management capabilities. For example, leads can be segmented by zip code and automatically routed to managers to review and assign to loan officers or sales agents.

ECRM also facilitates cross selling by allowing leads to be captured from across the enterprise, whether they come through a completed online prospect form, a discussion with a personal banker, a conversation with the call center or even a passing comment made to a consumer loan officer. Referrals from any department can be routed directly to the appropriate mortgage loan manager or sales agent for immediate follow up.

Integration Brings Opportunities

Today, it's possible to utilize a Web-based ECRM system that exists outside of the business unit or silo, and pulls data and referral sources from any number of different channels – both inside as well as outside the institution. ECRM enables interoperability across the entire enterprise, integrating tightly with a variety of lender systems and channels to ensure a seamless user experience and a total view of the customer.

The benefits of such integration should be clear. Lenders with robust, enterprise-ready lead management solutions gain distinct competitive advantages over the competition. Loan officers, sales agents, call center reps and authorized partners can utilize industry leading tools to achieve a streamlined, highly efficient approach to lead management – one that helps ensure that each lead is professionally managed and tracked, boosts productivity and efficiency and reduces compliance risk.

Such an ECRM system can be capable of handling millions of potential mortgage loan leads from multiple channels, including lender Web sites, branches and many other referral sources – including internal and external sources.

Streamlining Operations

From an operational perspective, employing an ECRM system brings significant additional benefits as well. A key benefit over traditional CRM is ECRM's ability to seamlessly integrate with the lender's existing, disparate technology – including channel solutions as well as origination and servicing platforms.

Through this integration, an ECRM system is not only able to capture leads and cross-sell referrals from anywhere within the organization, but it can directly populate the origination system with borrower information when prospects convert to borrowers. Likewise, integration with the servicing system lets loan officers identify current and previous mortgage customers for whom more favorable mortgage terms are available, or who may be willing to provide a referral.

Reaching Customers Efficiently and Effectively

Whereas having access to the wealth of data an ECRM system provides is extremely beneficial in its own right, without the proper means to facilitate communications with prospects and customers, it would still fall short. Fortunately, this is an area where ECRM systems really shine.

An integrated ECRM system gives lenders and their approved partners easy access to highly professional marketing materials and campaigns. Meanwhile, the institution can monitor the type of correspondence that goes out to consumers, and how often consumers are 'touched' to make sure it is compliant with regulatory requirements.

This also allows institutions to better control the timing of marketing messages and ensure they are not contradictory. ECRM solutions enable lenders to make sure that campaigns are in-sync with each other and locked down with the right offers at the right time.

Sales agents gain the ability to effectively communicate with prospects through compelling, targeted messaging that is approved by the lender's marketing department and conforms to corporate brand standards. They can also take advantage of convenient, user-friendly features like customizable templates that allow users to include elements like a personalized photo and specific contact information. This capability makes it easy to co-brand materials with authorized partners.

The lender can better maintain the integrity of its brand and

has the assurance it needs that any products or offers meet corporate standards, while also allowing partners to add their own pre-approved logo and other customizable elements to help both parties fully leverage the relationship.

In addition, an integrated ECRM system enables users to subdivide leads on criterion such as zip code, current mortgage status and particular interests, and then easily launch highly targeted campaigns that are customized to their leads.

First time homebuyer leads, for example, can be set up to receive educational materials on the various aspects of the mortgage process. Or, loan officers can use the system to identify previous customers whose loans fall above a certain interest rate, then set them up to automatically receive direct mail about refinancing when interest rates fall.

A Powerful Tool for Growing Business

Fully integrated ECRM makes it easy for users to effectively communicate with leads about the topics they are most interested in so the lender is at the very top of mind when they are ready to take the next step, whatever that may be. It helps sales agents stay productive and allows them to select the targeted messages their customers and/or prospects will receive over time.

In addition, when prospects request a contact from a representative, the system can immediately send out an automated email confirming the receipt of the request and alerting the sales agent that a lead is ready for direct contact.

All in all, an ECRM system can be a powerful tool for lenders' mortgage sales forces to remain compliant with do-not-call/do-not-solicit databases and keep their data secure from unauthorized access or downloading; communicate with timely, effective messages to their leads; and cross sell referrals they receive from across the entire enterprise.

ECRMs that are integrated with disparate systems across the organization can help originators slice and dice customer information to identify the most targeted leads; access professional marketing materials that can be selectively customized with the agent's name /and/or targeted product or package offers; and effectively set up and implement marketing campaign strategies.

By leveraging the lender's own operating systems, ECRM provides a complete, end-to-end relationship and sales management tool that can deliver tremendous benefits such as lower cost of operation and greatly improved sales results. It can also dovetail into the origination system itself when a lead becomes a customer, transferring appropriate information directly into the associated fields in the origination solution while saving time and increasing accuracy.

Ultimately, as the market makes its recovery and starts the turn toward increased origination activity, a robust ECRM is exactly the type of solution that can provide institutions with an all-important competitive edge and powerful engine for growth.

Don Covey serves as Managing Director of Origination Technology of Lender Processing Services. In this role, he is primarily responsible for the Empower loan origination system and the Customer Relationship Management platform. Mr. Covey rejoined Lender Processing Services in Nov. of 2004 as Director of New Sales for the Mortgage Servicing division, having been with the company for seven and ½ years in the early 1990's. During that time, he worked as New Product Development Manager, Major Accounts Sales and senior vice president of Client Services for the originations division. After leaving the company in 1998, Covey successfully grew the businesses of Cybertek, Decade Systems and experITy as the National Business Development Manager for each. MT

