

The System's Just a Starting Point:

High Performance Service and Support Critical to Vendor Selection

By Tom Peterson

When deciding on IT investments and service provider relationships, most financial institutions place the greatest focus on the functionality performance they expect to gain as a result of the investment. But the truth is, the quality of a bank's experience with any solution will be determined as much by the level of support it receives from the provider as by any technology or service provided.

Once a new system has been implemented, institutions need to know that any questions or issues – be they operational, technical or otherwise – will be addressed effectively, accurately and in a timely fashion. A faulty service and support relationship with a vendor can turn the most functionally robust technology solution into a frustrating failure. On the other hand, a dedicated and experienced support team can make for one of the most beneficial relationships a servicing organization can have.

That being the case, it is extremely important that lenders evaluate vendors on the quality of the ongoing service and support they provide. Obviously, they want to seek out service providers that go the extra mile by instituting high performance service and support methodologies on a cultural level and using technology to increase their efficiency.

Experience Equals Satisfaction

It's unfortunate, but the reality of many customer service operations is that their customers are less than satisfied with their performance. Support calls are often routed through multiple levels of personnel, forcing callers to reiterate their situation over and over before – hopefully – reaching someone with the knowledge and/or the authority to address the issue. Put bluntly, this is unacceptable in the financial services industry, where downtime equals money.

That's why it's crucial that the servicing organization have a clear understanding of what sort of approach their service or solution provider takes in terms of customer service and to make sure it understands what to expect. Is Level 1 support routed through a call center staffed with hourly employees that act as a firewall to weed out low-level support requests? Or does the partner staff its support team with mortgage industry veterans to ensure the quickest and most appropriate response to all client problems? From the servicer's perspective, the difference between these two approaches can be startling.

The company that provides high-level support to anyone who calls offers a distinct advantage in that callers immediately connect with someone who can actually help them. By staffing customer service with experienced subject matter experts that have a strong servicing background – in addition to experience with the provider's offerings – they demonstrate their commitment to customer service excellence.

Of course, not all problems are kind enough to occur during normal business hours. That makes it very important for vendors to provide 24/7 service, with the same level of professionalism and experience it brings to its working hour operations. While the provider won't always be able to resolve issues immediately since some problems take some time to be properly addressed, the customer service team should always be top-notch, regardless of the day or the time. Only then can servicers be assured that their issues will be addressed quickly and effectively.

Ultimately, servicers should be confident that its people can reach – and ideally develop an ongoing relationship – with the support team. As relationships develop between the institution and the partner's customer service staff, so does trust between the two parties.

A Crucial Relationship

The vendor's service and support coverage is also a critical factor in the customer service equation. What is the ratio between support staff and servicer clients? The lower that ratio, the more personal attention each client will receive. Ideally, whenever the servicer calls in, they should be reaching the same contact point within the vendor's organization, they will know each others' names and there will be a shared understanding of the servicer-vendor history and any issues which may have come before.

The vendor should also appoint a dedicated service executive to oversee the entirety of the servicer's support needs and be sure that the overall service experience is satisfactory. This person will act as a direct conduit between the servicing organization and the vendor, beyond the customer service personnel the institution would contact for immediate support. It's a relationship that can go a long way toward anticipating any potential issues and addressing them proactively.

To that end, the best service providers' support teams will be engaged early on in the implementation process, rather than getting a “hand-off” after a system goes live. When the solution is ultimately in production, the support team will have a personal understanding of everything that led to that point and can help proactively address any potential issues and help ensure the servicer is getting the most out of the system.

Preparing for the Worst

As we saw again during last year's string of hurricanes this past season, one of the most important qualities a service provider partner must possess is a detailed business continuity plan. In the event of a natural disaster or some other emergency situation, the servicer should have peace of mind knowing that – even if the power goes out on its end – the partner organization will continue to provide services unhindered.

A provider that takes a high performance approach to client service and support will have a strong business

continuity plan that includes early communication with customers in advance of storms or as situations evolve. This is imperative to provide the assistance that is needed to minimize confusion and ensure minimal disruption. In the event of situations such as the approach of a hurricane, the vendor should monitor the trajectory of the storm and provide clients with regular updates and information on triggers like a switch-over to a back up location for customer service operations. Likewise, the servicer should expect their vendor to follow up after an event has passed to make sure their customer's operations are quickly returned to normal.

Obviously hurricanes are not the only potential disaster which could impact business continuity, and unfortunately, most do not carry the same advance warning. Fires, blackouts, tornadoes and any number of other events could bring business to a halt if the service providers do not have, and follow, a disaster recovery and business continuity plan that continues to serve the institution's needs. It's important to note that lenders should also be certain their service providers have sufficient degrees of redundancy and geographical dispersion for its data stores and key technologies.

Future-Forward Service and Support

Just as the servicing organization looks to vendors for the technological tools to increase efficiencies in its operations, it should also expect vendors to access and implement tools that help its own operations be efficient and effective. For example, through advanced telephony systems and automatic escalation procedures, servicers that reach out to the customer service organization will be guided to the right person at the right point in the issue, eliminating the need to constantly re-relate the problem each step of the way and increasing the chance for a speedy resolution.

As the industry grows ever more complex, it's critical that the service provider's customer service team stays in step with changes. Much of the activity we've seen recently in default, for instance, simply wasn't an issue as recently as three years ago. Continuing consolidation in the servicing sector has compounded operational headaches. And the potential regulatory shake-up we're facing is sure to bring new challenges.

The situation in the mortgage industry is incredibly fluid right now, and any number of significant market and regulatory changes could be coming down the pike. The partner's staff must be capable of assisting lenders with all of these changes, and more.

Finally, from a customer service standpoint, the partner's staff should do whatever is within their ability and opportunity to assist the lender in finding the most streamlined, automated and cost-effective way of doing business. After all, that – as much as providing any software or service – is the central role of a trusted partner.