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With intensifying demand for data analytics in the mortgage industry, **business intelligence** and how to effectively leverage it continues to be a chief concern. Certainly the industry has no lack of data *per se*, but industry executives struggle with the best way to access and harness the right data at the right time to inform and enhance decision-making.

It's no secret that access to sufficient data, properly analyzed and presented, can make a tremendous impact on an organization's ability to manage operations, cut costs and improve customer experience. Yet, according to a recent report from industry analyst firm **Gartner Inc.**, a mere **36 percent** of managers state that they have the right information available to them to run their business to the best of their abilities.

In the mortgage industry, huge amounts of data are collected as a matter of course. However, without the right **analysis, reporting tools** and **simplified access**, even this wealth of information can't be effectively leveraged. In many cases, data overload can produce a sort of paralysis of analysis or worse, lead to erroneous conclusions and less than optimal decisions.

To better access and utilize data, mortgage organizations have tried everything from **manual modeling to rules-based applications** that use specific data points to trigger subsequent events. Unfortunately, many business intelligence applications require significant effort on the part of the organization in terms of customization, data exchange between platforms and applications, training of staff and complicated implementations of standalone applications that do not integrate with mortgage platforms.

A much better way forward is to employ a **business intelligence solution** that meshes well—by design—with core systems and processes the industry already depends upon. Even more importantly, users should be able to leverage the solution efficiently without the need for intensive and costly training.

### **Bringing It All Together**

Implementing a true business intelligence strategy is not simply a matter of extracting data from assorted platforms and applications and creating a few pie charts. Rather, it's about **accessing** the right data and turning it into something the organization can use to take action. Whether that action is something as simple as updating records in origination or servicing platforms or as significant as reengineering core processes for greater efficiencies, the key is to maximize the vast amount of data available to a mortgage organization.

Today, mortgage companies have data scattered—in different forms and systems—across the entire organization. As a result, it can be very difficult for mortgage executives to determine where the data they need resides. Complicating matters further, the same data often reside in multiple systems but with slight variations due to keying errors or other data integrity problems. Yet, to make sound decisions, everyone in the organization must connect with information that is relevant and appropriate for their individual roles and derive meaningful guidance from it.

A single solution is called for: one that **integrates** the mortgage company's own data and provides a **unified business intelligence platform** from which to perform analysis and generate reports. This would give lenders and servicers the ability to "slice and dice" both current and historical data, produce various customizable reports and analyses and then

access and distribute them easily, archiving the output for future reference. However, such a solution must not only seamlessly incorporate data from around the enterprise; it must also suit the needs of all the necessary parties within the organization.

### **All Things to All People**

With a unified, integrated business intelligence application in place, mortgage firms could choose to use standardized reports that deliver insight into common, core operational data, or develop customized reports and queries that meet specific needs or desires. Customized reporting can help in areas from fraud analysis and detection all the way to providing securitization analysis for the capital markets desk.

The possibilities are literally limited only by the type and depth of data available—including data from multiple internal and external systems—and the imagination. However, a business intelligence solution must serve the needs of **three classes** of business intelligence users in an organization: **basic**, **analytical** and **power users**.

**Basic users** need managerial and/or operational access to information, using reports but not necessarily creating their own. The key to putting business intelligence to work for this class of user is providing easy access to graphically rendered information that requires little to no training to use.

**Analytical users** have more complex needs, requiring tools that allow them to create output on demand, whether for their own use or for a group of users. This class of user will also use enterprise-level reports and templates. It's important to provide analytical users with easy-to-use, drag-and-drop tools for building reports or performing analysis. The analytical user will create output in multiple formats for different constituencies, in varying levels of visual representation.

**Power users** need the most robust functionality in that these users create the reports and analytics used by others, defining and scheduling enterprise-level standard reports used by both basic and analytical users. Reports and analytics to be used by the enterprise must be produced for multiple formats (**Excel, HTML, PDF**, etc.) and in a wide variety of visual representations to meet business users' needs. Therefore, power users need the flexibility and tools to develop objects such as report templates, style-sheets and both computed and pre-defined fields.

Perhaps more importantly, power users are those who look deeply into the organization's data, manipulating it, learning from it, running weighted average analyses, predictive modeling and forecasting. They need to have the utmost flexibility with the data, its analysis and reporting in order to glean actionable understanding from the information, and it is essential that the business intelligence application performs at this level.

A complete business intelligence solution must address the wide variety of needs within an organization, providing **robust functionality** to power users who need it while remaining easy-to-use and understand for basic and analytical users. The more people in the enterprise using the solution, the more impact it can have on operations.

The value of actionable intelligence is, after all, not limited to the hardcore analysts and data miners in the organization. For example, if it is made accessible and integrated into the desktop via a unified dashboard, it can dramatically impact the effectiveness of users and processes across all departments and divisions, roles and responsibilities, up and down the entire business chain.

### **A Unified Dashboard**

The key to maximizing the impact of a business intelligence solution in a mortgage organization is making sure that each user constituency has access to the tools and/or information needed to do their job: no more, no less. Equally important is making sure tools

and information are actually used and incorporated into the organization's overarching workflow.

For this to occur, a business intelligence application must be as flexible, yet targeted and user-friendly as possible. This can be accomplished through the use of customizable personal desktop "dashboards" for every authorized user of the system. From standard, graphically represented, "today-at-a-glance" reports to guided ad hoc creation of customized reports on the fly, the dashboard should have the capability to be tailored to the particular needs of the user.

It is also important that information can be presented in a variety of formats, both graphically and as raw data, in HTML, Excel or PDF formats. Data should be delivered in the format chosen by the user, subdivided by, for example, investors, loan type, default ratios, state, etc. Operational data should be matched against key performance indicators, summarized and then presented simply and visually for online viewing via the desktop dashboard. Reports should be searchable for keywords or particular values, particular pages isolated for printing and individual users' or entire groups' access to reports controlled.

When customized reporting is an option, a dashboard provides an easy way for authorized users to write queries and format reports, saving time and effort of exporting query results to other applications to format the data into graphical or management-type reports. Another benefit of a unified dashboard is elimination of the need to distribute reports, whether physically or electronically; everyone who needs access to a given report will be presented with it once logged on to his or her own dashboard.

In addition, a singular dashboard control point can provide robust scheduling capabilities for automating creation and distribution of output, saving time, effort and money while also increasing the organization's access to information. Combined with archived analysis, additional resources are saved by eliminating redundant effort when accessing previously created reports or running off multiple copies of the same report by multiple users. The unified dashboard allows reports to be run once and then provides current and historical views of the data, enabling analysis and trending from within a single application.

While it's clear that better business intelligence can facilitate better decision-making and therefore produce better results, many are unsure as to which of the many available business intelligence applications will best suit their organization. Forward-looking firms should be exploring their options today, looking for solutions that take the unique needs, data types and operating platforms of the mortgage industry into account and tailor business intelligence tools that will truly serve the enterprise with actionable results.