

HomeBanc ranks at the top of the financial industry for excellence in customer service. But the price of this level of customer service is high, so HomeBanc set out to streamline its operations through the use of the latest data capture technology.



# Capturing Savings and Efficiencies

HomeBanc streamlines operations

By Austin McKenzie

HomeBanc Mortgage Corporation ranks at the top of the financial industry for excellence in customer service. The price of this level of service is the high cost to produce loans, which negatively impacts profits. As such, executive management directed all department heads to find ways to streamline their operations. Setting out to find the savings and efficiencies needed, the 60-member post-closing department examined its operations and realized that it had numerous manual processes in place. These antiquated procedures were time consuming and costly.

Initially, the department processed 2,300 mortgage loan applications per month, averaging 300 pages in length for a total of 37,500 duplex pages. This high volume of mortgage applications consists of 160 different document types taken from five different loan packages: FHA/VA, Conventional, Second mortgage and LIBOR loans. Initially, the cycle time to process these loans from signature to funding spanned 22 days.

In addition to the time required, HomeBanc also faced the high cost of manually processing these documents.

Each year, the company spent \$414,000 to copy files in addition to document storage/retrieval and document shipping costs. To meet the goals and expectations set forth by the executive team, automation of the process was inevitable.

## Integrated Data Capture and Document Imaging

The post-closing department's goal was to reduce the cycle time and increase the number of applications processed each day. The department developed a phased approach to re-engineer business processes through automated data capture technology. After researching the

### Firm in Focus

Atlanta-based HomeBanc Mortgage Corporation is one of the largest retail mortgage lenders in the Southeast and has ranked among the top online mortgage lenders in the United States.

#### The Challenge

Processing high volumes of mortgage applications while increasing customer service and reducing cycle time.

#### The Solution

- Cardiff TELEform
- Hyland OnBase Imaging/Workflow System
- Canon DR-5020 Scanners

#### The Results

- Achieved full ROI in first three months
- Process 60,000 duplex pages per day totaling 120,000 indexed images
- Reduced total operating costs by 10% annually
- Reduced application processing time from 22 to 15 days
- Eliminated annual cost of \$414,000 to copy and file documents

various technologies available, HomeBanc decided to implement a solution based on Cardiff Software's TELEform as the platform for form development and high-volume data collection and integrate this product with Hyland's OnBase workflow and document imaging system.

"To exceed the expectation of our customer service, it was critical to implement a solution that would take HomeBanc to the next level," says Tim Neer, senior vice president of Post Production. "After thorough analysis, we selected the Cardiff/Hyland solution because of its high-volume capabilities, its scalability and its ability to recognize documents in a high-volume environment."

At the time each customer applies for the loan, the loan information is entered into Liberty FiTECH, which generates the loan documents of pre-packaged VMP documents as well as HomeBanc standard documents. The legal documents are then completed by the closing attorney and the customer. The closing attorney then sends the documents back to the post-closing department where HomeBanc begins the post-closing procedure to acquire funding of the loan. The documents are scanned and processed in TELEform, and the data is extracted automatically. TELEform then passes the indexed forms to the Hyland Imaging module, which stores the documents as images within a high-capacity storage container and triggers a workflow process that sets the loan package for distribution to the quality control team and automated rules engine for data verification.

"In creating a solution for HomeBanc Mortgage Corporation, we really needed to focus on speed, accuracy, identification and workflow," explains David Moore, president of eiConsulting, the consulting firm that engineered the solution for HomeBanc. "TELEform allowed us to build the most efficient system to satisfy HomeBanc's specific needs while delivering highly accurate recognition of text at speeds that enabled a tremendous productivity boost."

**Return on Investment, Improvements**  
 "We have realized full ROI within three months," says Neer. "We significantly reduced the costs associated with manually processing our mortgage loans, thereby improving profits immediately. In the first five weeks of implementation, we increased the capacity for number of loans per month from 2,300 to 3,500 loans."

Initially, HomeBanc reduced its cycle time from 22 days to 15 days, and it has a new

goal of five days or less. The post-closing department can now process 60,000 duplex pages per day, totaling 120,000 images per day. As a result, HomeBanc has reduced its total annual operating costs by 10% due to the elimination of copying and storage costs. The company also removed the high cost of copying and filing documents as well as a \$750,000 expense that was allocated to build out the facility to accommodate the number of staff to manually process files.

But perhaps the most important benefit is the improvement to customers. "We have

increased customer satisfaction significantly after implementing the new solution," says Neer. "With a quicker funding process, the loans are funded faster and the solution will have a major impact on the growth and profitability of the company with the goal of processing twice as many if not three times as many loans through the system."

*Austin McKenzie is a staff writer with "DOCUMENT." For more information about TELEform, visit [www.cardiff.com](http://www.cardiff.com). For more information about HyLand's OnBase product, visit [www.onbase.com](http://www.onbase.com). ■■*

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