

# 2021 and Beyond: Managing Operations in a Post-Pandemic World



Hosted By:   
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**MAY 6**  
12:30 p.m. – 1:30 p.m.

**Perry Hilzendeger**, *President of Servicing, Home Point Financial*

**Scott Holzmeister**, *SVP, Early-Stage Default, ServiceMac*

**Wes Iseley**, *Senior Managing Director, Carrington Holding Company, LLC*

**Vanessa Lindow**, *Co-CEO/Co-President, Community Loan Servicing, LLC*

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# Speakers

## MODERATOR:



**STEVE GREENFIELD**  
General Manager  
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**PERRY HILZENDEGER**  
President of Servicing  
Home Point Financial



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SVP, Early-Stage Default  
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**VANESSA LINDOW**  
Co-CEO/Co-President  
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# MANAGING OPERATIONS IN A POST-PANDEMIC WORLD

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**WES ISELEY**

Senior Managing Director  
Carrington Holding Company, LLC



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**PERRY HILZENDEGER**

President of Servicing  
Home Point Financial



# Communicating Quickly

## Informing & Educating Customers

- **Clear, transparent & consistent communication**
- **Multichannel engagement creating ease & convenience**
- **Deliver informed choices**

## Expanded Capacity

- **Introduced automation via application software**
- **Quickly implemented assistance programs**
- **Increased staffing while leveraging remote work**

# Multiple Customer Journey Paths

## Homeownership Platform

- Speed to Service
- Refocus of Resources
- Strategic Road Map
- Touchpoints: 16,000

## Call Center

- Consistent Experience
- Strategic Road Map for Outreach
- Third-Party Staffing
- Touchpoints: 3,500

## IVR

- Speed to Service
- Refocus of Resources
- Strategic Road Map
- Touchpoints: 16,000

## Written Communications

- Consistent, Clear, Transparent
- Pre- & Post-Programming

# Capacity Management During Pandemic

## Increased Staffing

- Home Point hired 2,000 people in 2020 while having over 95% of associates working from home
- Expanded operations staff helped us provide great service to new and existing customers

## Investment in Technology

- Adopted low-code tools to accelerate IT through automation
- Improved data integrity and accessibility, allowing us to learn more about customer preferences



# Poll Question #1

# Q:

What concerns you most preparing for the post-moratorium servicing operations?

- a) Clarity of Guidelines
- b) Time to Implement
- c) Resource Constraint
- d) Liquidity
- e) No Concerns





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Co-CEO/Co-President  
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# The Customer Journey

**THEN**



## The Customer Journey Evolution: Key Factors

**FACT:** The amount of online consumer transactions increases every year.

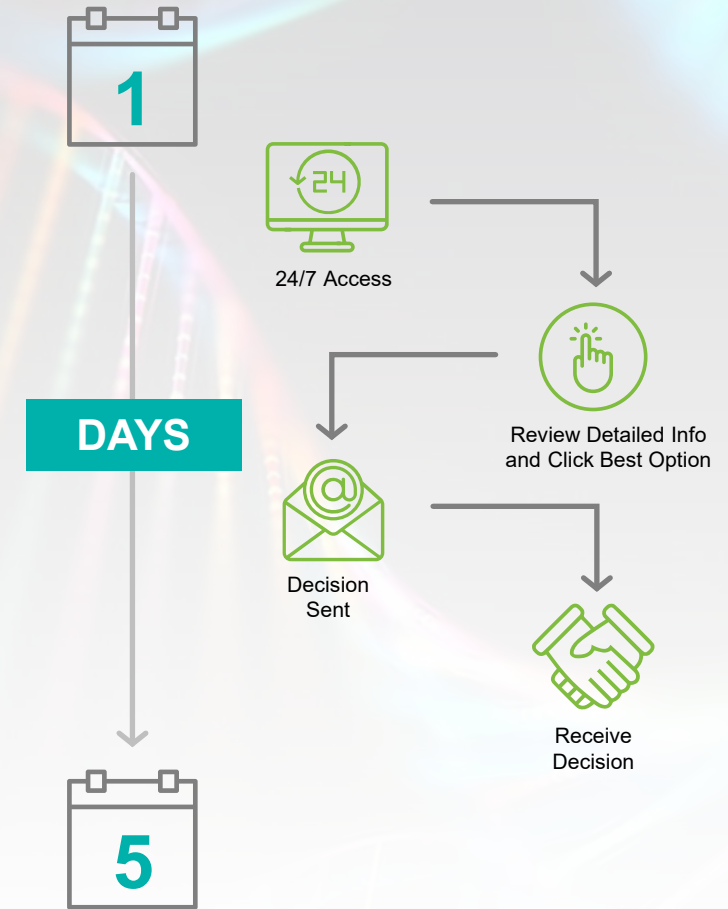
**FACT:** Every year, more customers expect/prefer “touchless” interactions with companies they use.

**FACT:** 66% of customers report that the most frustrating aspect of customer service is waiting on hold or repeating information to different people.\*

**FACT:** Speed to result and efficiency in process remain critical to a positive customer sentiment.

**FACT:** Most customers lose patience after 10 minutes.\*

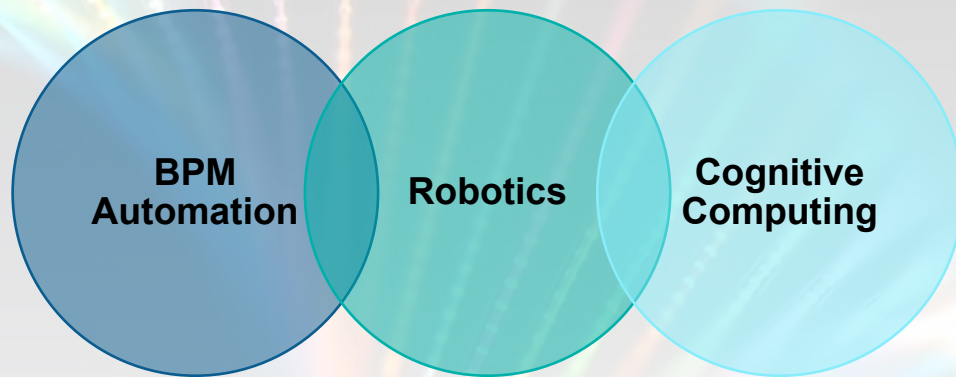
**NOW**



\* HubSpot Research Consumer Customer Support Survey, Q2 2018



# Digital Process Automation



- Dynamic Case Management
- Workflow
- Rules

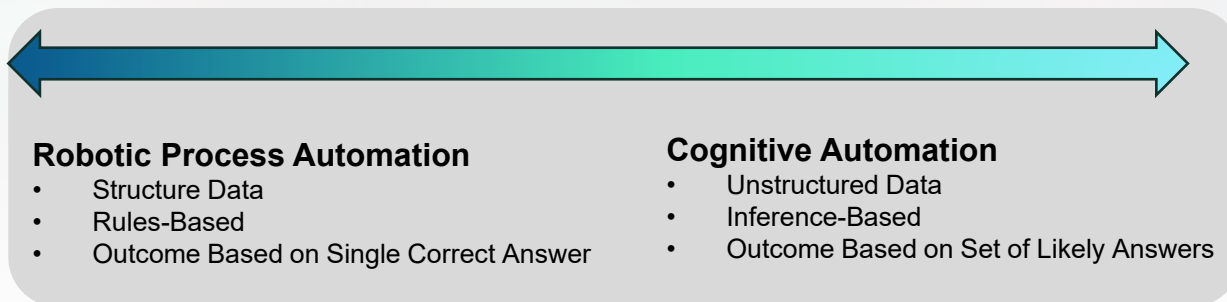
- Robotics Desktop Automation (RDA)
- Robotics Process Automation (RPA)
- Workforce Intelligence

- Artificial Intelligence / Machine Learning (ML)
- Predictive and Adaptive Analytics

**Digital process automation** is a necessary catalyst in establishing and maintaining high marks in customer experience by concentrating on key trends, customer preferences and value proposition for live processes.

- Mortgage servicers who anticipate the needs of their clients and proactively provide relevant information to them, typically around payment options and loan modification, had more favorable rankings.\*
- The online experience must be able to meet customer demands by providing enough information and making it as accessible as possible to keep customers off the phone.\*

\* JD Power 2020 U.S. Primary Mortgage Servicer Satisfaction Study, July 2020



## Robotic Process Automation

- Structure Data
- Rules-Based
- Outcome Based on Single Correct Answer

## Cognitive Automation

- Unstructured Data
- Inference-Based
- Outcome Based on Set of Likely Answers

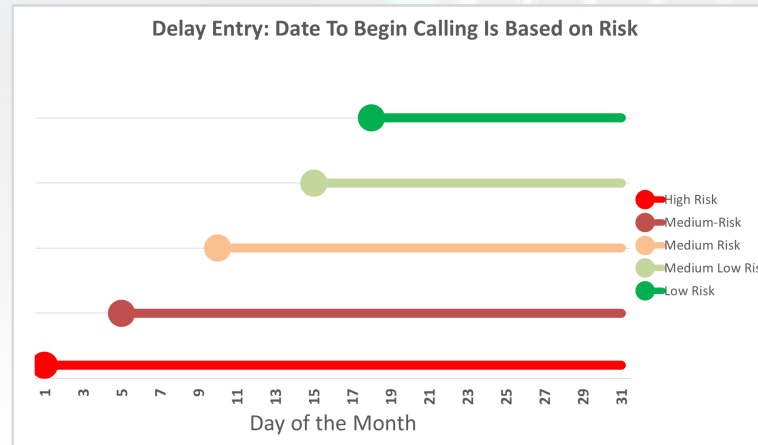
# Cognitive Computing

**Cognitive computing** through machine learning (ML) can help mortgage servicers improve rudimentary processes that can instantly improve customer experience and portfolio performance and reduce cost. Here is an example of an ML test case that answers the question: How do we use risk when dialing?

## Before

- ✗ Increased resource need to execute on outbound calls
- ✗ Increase outbound call attempts
- ✗ Unsuccessful QRPC
- ✗ Increased risk of RTW
- ✗ Poor CX

The ML outcome reduced outbound efforts needed by up to 30% (in certain segments) via full implementation of delay entry strategy.



## After

- ✓ Decreased resource need to execute on outbound calls
- ✓ Decrease outbound call attempts
- ✓ Successful QRPC
- ✓ Decreased risk of RTW
- ✓ Improved CX



# Poll Question #2

# Q:

Which of these digital business tools does your servicing organization use?

- a) Robotic Process Automation (RPA)
- b) Intelligent Automation (IA)
- c) Machine Learning (ML)
- d) None of the Above
- e) All of the Above



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SVP, Early-Stage Default  
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# CFPB Direction

- April 1, 2021 Bulletin Warns Servicers “Unprepared Is Unacceptable.”
- “Our first priority is ensuring struggling families get the assistance they need. Servicers who put struggling families first have nothing to fear from our oversight, but we will hold accountable those who cause harm to homeowners and families.”
- 1.7 million borrowers will exit forbearance programs in September and the following months with many a year or more behind on their mortgage
- CFPB will focus on how well servicers are:
  - Being proactive
  - Working with borrowers
  - Addressing language access
  - Evaluating income fairly
  - Handling inquiries promptly
  - Preventing avoidable foreclosures

# Fraud in the Pandemic

## Fraud for Profit vs. Fraud for Housing

### Top 3 States for Mortgage Fraud Risk

- New York
- Nevada
- Florida

### Drivers of Fraud in 2021

- Insufficient Supply of Affordable Housing
- Rise in Interest Rates and Change in Purchase/Refi Mix
- New GSE Guidance on Financing Investment/Second Homes

### Types of Pandemic Fraud

- Occupancy Fraud
- Forbearance Fraud

MORTGAGE  
FRAUD



# Servicer Actions Needed to Prepare

- Understand Focus of CFPB
- Ensure Staffing and Capacity to Handle Volumes
- Review and Modify Servicing Policies and Procedures
- Employ Automation to Expediate the Processes and Allow for Self-Service Where Possible
- Install Dependable Pipeline and Timeline Reporting
- Understand All Workout Options Available to Homeowners Ending Forbearance
- Establish and Manage SLAs
- Always Err on Side of the Customer
- Be Able to Tell the Story

# Q&A





**THANK YOU  
FOR ATTENDING**

