



By B.J. Bounds
Senior marketing
communications specialist
Calyx Software

Promote Compliance with Technology

As rules change, automated systems can keep mortgage operations in line

With all the change the mortgage industry has endured lately, many brokers have struggled to ensure their employees comply with new regulations. If you are a business-owner, you should lead and encourage employees in a way that improves their performance and increases your company's profitability and growth. You also should play a vital role in ensuring your entire operation functions efficiently and consistently. Keeping everybody on the same page with regard to compliance and business processes is vital to maintaining an audit-friendly operation.

Establishing new procedures or modifying existing ones can be accomplished using the support of technology. Basic standardization on many levels starts with using loan-origination and processing software. You can create a business-process flow that enforces compliance based on how you do business.

If your system is networked, for example, you should have all the necessary tools at your disposal to designate employee access to certain screens and fields and to implement appropriate business rules. If you create your own templates, added security for access and editing also is crucial. Templates are customized loan files that are pre-populated with information that's typically fixed for each borrower's file. By

using templates, users can easily navigate the loan process.

None of your rules or templates, however, will yield the desired impact if you neglect to secure access to your system and its components. Part of the beauty of a flexible loan-origination system is your ability to determine access points throughout the system. Initial access should be on an authorized basis, and you should have control over internal functions within your software.

Not all users should have access to all areas of a borrower's loan file. Specific access rights should be assigned to individuals and groups. This yields better data integrity and control over loan files, templates, screens, fields, databases and reports.

You should be allowed to search the pipeline for loan and activity-status updates at any time. This level of security and visibility is especially important if you have employees who work in different offices or from home. By using rules and flexible systems, you can customize your work flow to suit your business processes and modify user behavior.

Managing business processes can begin easily with rules you create within your loan-origination system. These rules can dictate appropriate accessibility or

completion of particular screens or fields within each loan file.

With action-based rules, you can block certain actions based on file status or individual loan fields. You also can require that users complete additional fields before performing other designated actions.

You also can use templates to populate typically stable costs so that fees are consistent and accurate. Centralized template management and distribution enables users to access templates tailor-made to accommodate company policies and procedures.

Using templates and rules, you can set up either hard stops or soft stops to guide user behavior. Hard stops will prevent users from continuing unless they meet mandated conditions and can force them to complete certain fields before continuing. Soft stops include reminders and instructions for users but don't interrupt their activities within the loan file.

Brokers who use technology in conjunction with a companywide strategic policy will strengthen their compliance and that of their employees, as well. ●

B.J. Bounds is the senior marketing communications specialist for Calyx Software. In addition to media relations and copywriting, Bounds is a contributing author to the Calyx Software blog, CalyxCorner. She has more than 10 years' experience in sales and corporate marketing with a focus on technology that spans several industries. For more information on Calyx Software, contact (800) 362-2599, or visit www.calyxsoftware.com or www.calyxcorner.com.