New Regulations and the Economy Act as Catalysts to Drive Streamlining of Processes in the Mortgage Industry, a New Genpact Study Shows

Even though more than 75% of respondents believe their processes to be effective, 90% report they are likely to re-evaluate their workflow processes and technologies in the next 12 months

NEW YORK, Dec. 5, 2012 /PRNewswire/ -- A study sponsored by Genpact Limited (NYSE: G), a global leader in business process management and technology services, has found that new regulations and a challenging housing recovery environment will require mortgage providers to improve and streamline processes in the mortgage lending lifecycle. The research sought to determine key challenges and priorities facing the mortgage industry by surveying banking and mortgage professionals about their current and planned workflow technology solutions and processes, in addition to the systems used by loan servicers throughout the loss mitigation cycle.

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More than 300 decision makers from single-family residential mortgage origination and servicing companies participated in the study, including banks, non-depository mortgage banks, credit unions, and mortgage specialty servicers. The research found that the dynamics of changing regulations, evolving technology and process improvements continue to have an increasing impact on the mortgage industry.

More than three in four originators and servicers generally believe that their current processes and technology are effective. Nonetheless, 91% indicate that they are still likely to reevaluate their processes in the next 12 months and 90% are likely to improve their technology to enhance workflow management to be more effective in the new and more challenging lending environment.

For those respondents who describe their company's current workflow systems as ineffective, they cite a number of factors: labor-intensive manual systems, outdated and slow technology, multiple systems, and lack of integration, as well as lack of scalability, support, and workflow management. In addition, manual workflow processes and technologies present numerous challenges to loan originators and servicers who need to improve response and processing times to keep up with higher volumes and production levels.

In line with these findings, in the near future, manual and semi-automated systems may be less pervasive. Paper worksheets currently account for two-thirds of servicers' loss mitigation efforts, while 88% of servicers use semi-automated spreadsheet templates. Nearly 50% of servicers currently use commercial off-the-shelf automated decisioning engines for their loss mitigation efforts, and 37% have developed custom automated decisioning engines. However, only 20% of servicers said they plan to use manual or paper worksheets and 10% said they plan to use spreadsheets twelve months from now.

When asked about the likelihood of their companies considering business process and technology management services to manage all or part of their workflow processes, 77% of respondents indicate they are likely to consider these solutions.

"Outdated workflow technology and multi-touch, paper-based processes are inherently inefficient, creating the increased potential for bottlenecks and processing errors causing most professionals in the mortgage origination and servicing sectors to reevaluate current practices," **said Matt Woods, president, Genpact Mortgage Services.**

"Our research shows these professionals have significant interest in utilizing business process and technology

management services for their company's workflow as well as to support their overflow capacity during peaks in business. With this in mind, mortgage lenders and servicers must reassess processes to better navigate the current environment of a sluggish housing market and a challenging regulatory environment," **Woods added.**

Genpact engaged the Research practice unit of SourceMedia, the publisher of American Banker, to undertake this research engagement. The full reports on the findings can be accessed at the following link: Streamlining the mortgage lending lifecycle using innovative technology solutions and improved business processes.

About Genpact

Genpact Limited (NYSE: G), a global leader in business process management and technology services, leverages the power of smarter processes, smarter analytics and smarter technology to help its clients drive intelligence across their enterprise. Genpact's Smart Enterprise Processes (SEP^{SM}) framework, its unique science of process combined with deep domain expertise in multiple industry verticals, leads to superior business outcomes. Genpact's Smart Decision Services deliver valuable business insights to its clients through targeted analytics, reengineering expertise, and advanced risk management. Making technology more intelligent by embedding it with process and data insights, Genpact also offers a wide range of technology services. Driven by a passion for process innovation and operational excellence built on its Lean and Six Sigma DNA and the legacy of serving GE for more than 15 years, the company's 60,500+ professionals around the globe deliver services to its more than 600 clients from a network of 74 delivery centers across 20 countries supporting more than 30 languages. For more information, visit www.genpact.com. Follow Genpact on Twitter, Facebook and LinkedIn.

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