Merged Institutions Successfully Implement Encompass in 60 Days

Profile
- Chemical Bank (Talmer Bank and Trust + Chemical Bank, merged 2016)
- Midland, Michigan
- $17.6 billion in assets
- 246 branches

Challenge
Implement Encompass and train 350+ people on the new system in just 60 days.

Encompass Benefits
- Built-in compliance tools
- Configurable to an institution’s specific needs
- Automated processes
- Increased efficiency and loan quality
- System fine-tuned prior to rollout

The challenge
Chemical Bank was a respected, expansive, 100-year-old Michigan institution with more than 150 branches, but lacked presence in the southeastern part of the state. Talmer Bank and Trust was a seven-year old institution that had quickly grown from a single-branch to a 1,500 employee, near $7 billion organization, with branches throughout southeastern Michigan and northeastern Ohio. When these two institutions decided to come together, it was the perfect match.

The merger, which was announced in January of 2016, transformed these two entities into a 255-branch, $17B powerhouse, operating under the Chemical Bank brand. Of course, with any merger of this magnitude comes a technology alignment. Talmer was already an Encompass user, with an automated workflow and customizations in place. Chemical Bank had just completed a year-long search for a new mortgage loan origination system to replace its legacy system, which fell short in the areas of compliance and efficiency.

“By the time the merger was announced, we had already decided to move to the Encompass platform. We loved the fact that Ellie Mae said that compliance was their North Star and they’ll always build the system with that focus,” explained Marcy Lindhout, senior vice president, director of mortgage banking at Chemical Bank. “When we learned that Talmer was already using Encompass, and had already done a lot to optimize the system, it was a big win for both of us.”

Of course, choosing a solution was only part of the challenge. Lindhout and team now had to implement Encompass throughout legacy Chemical Bank, train 350+ people on the system—and accomplish it all in just 60 days.

Utilizing “Health Check” for maximum optimization
Since the beginning, Talmer management was committed to utilizing Ellie Mae’s “Health Check” system on an ongoing basis to ensure they were getting the most out of Encompass.

“Our Health Checks are less of an event and more of a philosophy for us. It’s a continual program of going back to the whiteboard to create an environment of constant improvement,” explained Erin Palmer, executive managing director, mortgage operations at Chemical Bank, who was part of the Talmer legacy. “With the merger approaching, this optimization had to go on overdrive.”

With this in mind, prior to the actual implementation, the banks engaged Ellie Mae to take an in-depth look at the system, to identify anything in the existing workflows or configuration that could be done better.
“With Encompass, we get more done, and we have greater peace of mind.”

Marcy Lindhout
Senior Vice President,
Director of Mortgage
Chemical Bank

Orchestrating the implementation

“Our Ellie Mae project manager had the streamlining and cleansing expertise to jettison anything that wasn’t mission critical. That focus, and the ability to shift work to Ellie Mae’s ‘ninja coders,’ enabled us to solve problems quickly, in the timeframes that mattered to us,” Palmer said.

In many ways, bank leadership used the implementation as a way to bring the entire team together.

“Both Chemical and Talmer have very small training departments, so if we were going to get 350+ people on a new system all at the same time in 60 days, we had to get creative,” Lindhout said. “We set up screen sharing capabilities and something we called ‘branch buddies’—a phone-a-friend concept where new users at Chemical could call more experienced users who had their same jobs at Talmer,” said Palmer.

“The help we got from Ellie Mae and the dedication of our internal team made all the difference,” Lindhout said. “When you look at the timeframes, the implementation could have been a catastrophe, but it wasn’t at all. I don’t think it could have gone any better; it was definitely the smoothest implementation I’ve been a part of.”

The results

By handling system enhancements up front, sticking to a proven implementation methodology and committing time and resources to the project, Chemical Bank and Ellie Mae delivered beyond expectation.

Deadlines Met

The go-live deadline was met, in just 60 days, without delay. Although some areas are still working through a learning curve, Chemical Bank closed its first loan on Encompass in just 22 business days.

Minimal Post-implementation Issues

“When I think of what marked this as a successful implementation, what jumped out to me was the lack of significant post-implementation problems. We measured our help calls after we rolled out in mid-September, and the majority of those were things like, ‘I lost my credentials,’ or ‘I can’t remember my password,’” Palmer said. “When you look at it, a whole lot went right, and most of what went wrong we could fix with a phone call.”

Increased Productivity and Peace of Mind

“When I was searching for a replacement LOS, I heard that Encompass was pricey. But, you have to look at the value that price offers. We no longer have issues with compliance, so we have peace of mind,” Lindhout said. “We’re also more efficient. On Encompass, Talmer closers were handling four or five loans a day; 80 to 100 every month. On our previous system, Chemical closers were handling one or two loans a day, without the compliance safeguards we have now. With Encompass, we get more done, and we have greater peace of mind.”

Which is exactly the kind of value proposition that Encompass and the Ellie Mae family of solutions has to offer the mortgage industry.