Securityplus FCU Increases Monthly Loan Volumes by 25% and Reduces Time to Close by 16 Days with Encompass LO Connect

The challenge
Securityplus Federal Credit Union (FCU) was founded in 1938 to serve the financial needs of employees of the Social Security Administration. Today, it’s one of the largest credit unions in the state of Maryland, now chartered for a membership that includes anyone who lives, works, worships, or attends school in the city of Baltimore.

Although Securityplus had offered mortgages for a decade, until recently, it wasn’t a well-known service. If a member was interested, he or she could print an application, and either bring or email it to the institution. The loan officer (LO) then entered the information into Encompass®, and typically spent two to three hours getting everything ready to move the application through the process.

When Tony Taranto, Lending Manager for Securityplus FCU, was brought in to build Securityplus’ mortgage lending division, he saw an opportunity to optimize the process. “I looked at how our LOs were spending their day, and how much of their time was spent on activities that didn’t make money,” explained Taranto. “To take an application, move a loan forward, or even answer a borrower’s question, they had to be at their desks, when they needed to be out, generating business.”

To address this challenge, Tony’s team looked at a number of technology solutions that would enable his LOs to take applications on a mobile device. The solution had to be secure, easy to use, and offer a breadth of LO functionality.

The solution
“LO Connect gives our LOs the freedom to work from anywhere,” Taranto said. “Now, they can take applications, pull credit, and get preapprovals using nothing more than their mobile devices. So, they can attend more open houses, meet with real estate agents, and even strike up conversations at social events and start the loan process right there.”

According to Taranto, as soon as his LOs saw the solution, they “welcomed it with open arms.”

“Encompass is certainly the most robust LO enablement solution that I’ve seen on the market. As an extension of Encompass, LO Connect gives our LOs all the automation inherent in Encompass, but with a streamlined design that’s tailored specifically to the LO’s workflow,” Taranto explained.

Now, LOs can easily see any new online applications on their mobile device, so they can follow up when they’re out in the field. Everything automatically flows into Encompass, eliminating the need for any manual data entry. And, if an existing loan needs an LO’s attention, he or she can respond immediately, a capability that’s vital to customer satisfaction, retention, and word-of-mouth marketing.

After careful due diligence, Taranto chose Encompass LO Connect™ to enable his sales team to reach a new level of productivity.

Results
• Saved 3–4 hours per loan officer per application
• Saved 6–8 hours in overall production time per loan
• Increased volumes by 2–3 units per loan officer per month
• Reduced time to close from 30 days to 14 days
• Increased LOs’ revenue-generating activities by 50% overall, and out-of-office activities, like open houses, Realtor visits, and relationship building, by 30%
“We’ve saved six to eight hours in production time per loan by eliminating what used to be dead time.”

Tony Taranto
Lending Manager
Securityplus Federal Credit Union

until they’re back in the office. I can’t put into words how significant that’s been to boosting productivity and ultimately transforming our business.”

If LOs meet prospective borrowers, they can not only start the application, but also pull credit and quickly generate different loan scenarios, capabilities Taranto believes are essential for converting more prospects into buyers.

“Any time you make prospects wait, the better the chance they’ll lose interest or get advice somewhere else,” Taranto said. “Leveraging LO Connect’s mobile service ordering capabilities, we can get prospects committed and, by presenting loan scenarios with cash to close details, start building trust. They can quickly see how responsive we are, how professional we are, and that we’re looking out for their best interests.”

The results

Within three months after launching LO Connect, Securityplus began to see a significant lift to their business across a number of areas.

Saved time

In the past, the only way loan officers could take applications or manage their pipelines was by sitting at their desks. That meant the institution’s underwriters and processors spent a part of their days waiting for the LOs to come back to the office and get them the information they needed to keep loans moving forward.

“When LO Connect, our LOs can quickly submit applications, respond to underwriter or processor requests, reissue loan estimates, or handle eDisclosures and change of circumstances wherever they are,” Taranto said. “By eliminating what used to be dead time, we have saved six to eight hours in production time per loan.”

Increased loan volumes

Because Securityplus LOs can originate loans, pull credit, and present different payment scenarios wherever they are, without heading back to the office, they’re able to generate more loans.

“Our LOs are now generating two to three more units per LO every month, which makes them more successful and our mortgage business more profitable,” Taranto said.

Increased time spent on business-generating activities

One of Taranto’s initial goals was enabling his LOs to spend more of their day building their books of business. LO Connect delivered.

“We’ve seen at least a 50 percent increase in revenue-generating activities overall, and a 30 percent increase in our LOs’ out-of-office activities, like attending open houses or real estate agent visits,” Taranto said. “Our LOs are no longer handcuffed to their desks.”

Reduced time to close

The increase in staff productivity has had a dramatic impact on Securityplus’ time to close.

“Since we started to use LO Connect, we’ve reduced our average time to close from 30 days to 14 days—in part because we can now get the files from our LOs to our processors and underwriters faster,” Taranto said.

Ultimately, all of this efficiency means a more successful organization.

“It’s August, and we’re already at 75 percent of a very lofty sales goal, with four months left in the year,” Taranto said. “A major factor behind this success was our ability to quickly adopt LO Connect to make our LOs more accessible and productive.”