

# INCREASE FUNDING VOLUME

Project Goal: Increase Loan Closure Rate by 10%

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Of the approximately 2800 leads generated by loan officers (LO), only 800 are funded/closed: the origination process is performing at a 28% conversion level. The Six Sigma team is to increase percent conversion by 10% or 280 additional deals.

## **Business Case:**

### ***Customer Satisfaction:***

Understand issues that result in delays or withdrawals

### ***Revenue Generation:***

\$20 million of incremental funding volume

## **Six Sigma Improvements:**

- Identified 30% of deals were lost post issuance of Commitment Letter (CL) – customers did not sign and return them, hence deals were deemed “dead”
- Identified poor deal structure as root cause of not receiving signed CL:
  - LO were communicating unrealistic terms and conditions to borrowers
  - Underwriting would apply conditions to deal that were unexpected by borrower
  - LO were poorly managing borrower expectations

### ***Solutions included:***

- Implementation of new on-boarding and mentoring for loan officers – improve deal structure

## **Expected Benefits:**

- 20% increase in funding volume

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STREAMLINING FINANCIAL SERVICES