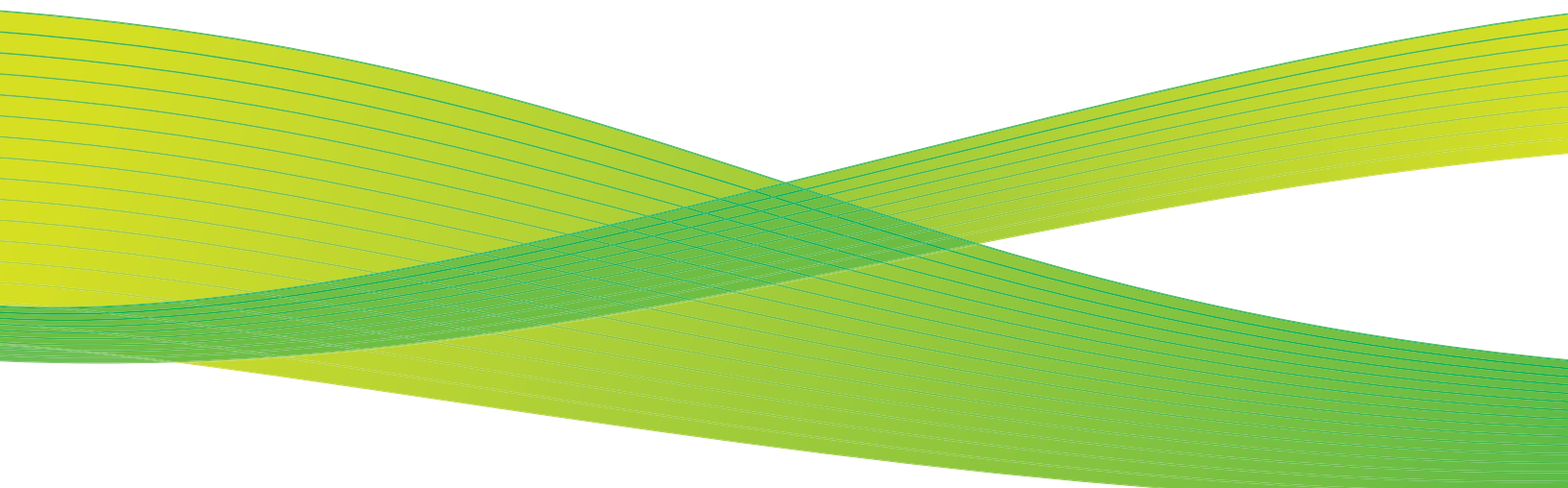


# Improving Services While Lowering Costs

Xerox partnered with a major U.S. bank to help them eliminate the fixed and variable costs of facilities, operations and customer care for a specialized loan portfolio by transitioning these assets to our service center.



## The Challenge

In 2009 we approached a leading U.S. bank seeking a innovative solution to help them more efficiently manage the costs associated with loan processing and customer care of a legacy loan portfolio. As discussions ensued, we uncovered many other factors that would indicate a broader outsourced solution might be in order:

- The regulatory environment dictated that new process controls and governance models were needed to ensure compliance.
- The recently opened customer care facility was not being used to capacity.
- The bank needed to establish predictable performance metrics from their legacy loan portfolio without drain on their resources.
- Quality customer care, brand integrity, and employee well being were very important – but were becoming too expensive to manage.

## The Solution

We offered a simple proposal — in a tiered approach, transition all of the day-to-day management of service operations and assets to us; freeing the bank to focus on new growth in core businesses, retain superior customer service, while with immediate reduction in cost of operations for the bank:

- We assumed operation of the bank's loan servicing activities, customer service, operations and collections in a manner seamless to the customer.
- Management of Call Center employees transitioned to us without disruption in day-to-day responsibilities or interruption in benefits.
- The client's brand integrity was retained in all customer-facing systems and communications, until notification could be sent directly from the bank.
- The next tier migrated data systems, networks and CRM systems to IT infrastructure.
- Under performing loan servicing processes were replaced by our innovations such as "e-sign", credit underwriting transformation, "Truth in Lending" disclosure, and default aversion and collections optimization.
- Improved security, transparency and compliance were achieved through digital imaging and "paperless" document management.
- We established new controls for all back-office processes, including regular "report card" or dashboards central to our account management and governance practices. Throughout the initial planning and launch stages, the bank received continuous communication from our dedicated project executives, who oversaw the project from end-to-end.

## Results

- Cost of operations were quickly reduced – while retaining the value of the loan portfolio.
- Newly defined service level agreements (SLAs) provided the bank with talent, consistency, scalability, better systems and support.
- A twenty percent reduction in defaulting loans without the cost of a collection agency.
- Increased call center service level metrics and higher customer satisfaction.
- Through new data capture and document management processes, the client met reporting and compliance requirements without stress on internal systems or resources.



For Xerox and this financial services client, outsourcing was no longer simply a single event or tactic to reduce costs; but a long-term collaborative business strategy that continuously improves efficiency, quality, and customer care.

"Our primary goal as a servicer is protecting our clients' assets and meeting regulatory compliance requirements while providing ongoing superior service to borrowers," said Meta Gonzalez, COO, Financial Services Group. "The biggest strength of our team is that we have an excellent track record of doing all of the above."

We provides outsourcing solutions to the largest lenders in the country supporting 15 million borrowers with outstanding loans totaling more than \$230 billion.