

Best-in-class customer experience through home buying transformation

Pega-based property valuation solution for
home loans



The home buying business was highly competitive. One of the critical success factors was to provide a superior home buying customer experience with a differentiated offering to the customers. The banks look to adopt automation and digitally-led initiatives to improve end-user journeys and reduce the time to sanction.

The client is a large multinational bank in the Asia Pacific Region. The bank faced a number of pain points in the home lending valuation process – a critical element in the lending life cycle. A customer's loan application and pre-application valuation process were tightly coupled led to a dearth of flexibility for lenders and brokers. HCLTech understood the needs of the client and came up with simple and scalable solutions leveraging our expertise in the solution framework of PEGA. The solution worked to provide improved business benefits and optimization of processes within the organization.

The Challenge

Inadequate processes leading to higher sanction time and lesser customer satisfaction

Property value assessment is a crucial step in the loan process. this crucial step in the lending life cycle presented a number of challenges for the bank. Due to the close relationship between a customer's loan application and the pre-application appraisal procedure, lenders and brokers lacked flexibility. There were multiple channels for external valuation initiation which were mostly manual. This led to an aggregation of duplicate requests and additional operating expenses. A lack of synchronization between the pre-application and downstream process required manual intervention which led to higher cycle-time for valuation leading and sanction delays. There was an absence of an internal source of truth to ensure better leveraging of valuation reports during the permissible period of 6 months.

The client was in need of implementing new technology and framework to streamline the valuation process and shorten the sanction time

The Objective

Aiming to digitally-empower processes to improve efficiency

HCLTech worked its magic for the client –starting with setting up some priorities. The client's objective was to be able to deliver the best home buying customer experience. They wanted to transform the home-buying distribution network and simplify the home loan life cycle. We also wanted to target the process inefficiencies and increase the reusability of valuation data. We aimed at implementing a digitally driven valuation process to reduce operational risk and drive informed business decisions through customized reports. Furthermore, we wanted to Fully integrate property valuation ordering and fulfillment methods directly through valuation partners to make the entire process seamless.

The client believed HCLTech to be a reliable partner as we are a pivotal player in the Digital Process Automation (DPA) space and have decade long relationship with PEGA. We have the relevant expertise & avenues to embrace transformation programs and fast-track DPA adoption in the customer landscape.

The Solution

Implementing simple frameworks to improve business activities

A scalable Pega solution is built on the Enterprise Pega Platform with two key components - a robust Pega Workflow solution supported by a dynamic Pega Decision Engine to fully automate the valuation process. The solution framework built by HCL is now being extended to automate all processes and approval flow in the end-to-end Home Lending cycle, and a centralized decision engine to house & manage all Home Lending rules. Our solution played a key role in providing seamless integrations with external parties and valuation firms. It also takes care of the end-to-end execution of the valuation order starting from its creation to reports and configuration of files. It provided the bank with the capability for property valuation to be done through associated pricing models that utilize an internal valuation database as needed as well as maintain a repository of valuation data and related documents.





The Impact:

Supercharge profits and customer delight with simplified solutions

The solutions not only streamlined the internal processes and integrated the valuation systems, but they also put the client on a growth path and improved user experience while dealing with home loans. Through the optimization of the valuation process, the value added to the business was increased by 75% and by more than \$10.25 million per year. The framework also worked to thoroughly eliminate duplicated valuation requests saving time and effort. It also enabled end-to-end integration of valuation initiation and fulfillment. One of the main concerns for the client was the time that was consumed during sanction, but after the implementation of our solutions, the time was reduced by 3-5 days. With the new framework and solution in place, the bank no longer had to worry about overcomplicated processes or time-consuming errors. Armed with simplified procedures and automated systems, they can move forward on the path to unhindered growth and enhanced customer engagement.

For any queries, please reach out to us at digitaltransformation@hcl.com