PROHANCE

Leading with Productivity:

How Workforce Analytics is Transforming the Mortgage Industry

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Abstract

The mortgage industry operates within a high-stakes, compliance-driven environment where efficiency and precision are essential. This paper examines how ProHance, a leading workforce optimization platform, addresses the unique challenges in mortgage operations. By enhancing workforce visibility, streamlining processes, and boosting compliance, ProHance empowers organizations to achieve operational excellence and elevate customer satisfaction.

Introduction

Technology has transformed the mortgage lending process, streamlining application processing, document verification, and underwriting—but people are still at the heart of successful mortgage operations. To thrive in today's competitive lending environment, mortgage businesses must invest in their workforce, prioritizing people-centered tools and technologies that help teams perform at their best. Workforce analytics solutions like ProHance are proving indispensable in helping organizations improve efficiency, increase productivity, reduce errors and process loans faster, while improving customer service. This paper introduces ProHance as a comprehensive solution to overcome key industry challenges, deliver measurable productivity improvements, and enable mortgage companies to stay competitive.

In recent years, advances in automation and data analytics have led to major improvements in turnaround time, risk assessment and trend prediction. However, when it comes to mortgage team performance and efficiency, there is still considerable potential for progress. With many employees and outsourced teams working remotely, the majority of mortgage companies lack true visibility into their workforce operations. As a result, they could be losing hours of productivity per day, per employee—ultimately translating to millions of dollars in losses per year. Facing challenges like high operational costs, a complex regulatory environment and projected growth in origination volumes, leading to a need to hire more staff, mortgage companies can no longer afford to overlook operational inefficiencies. ProHance can help mortgage leaders unlock productivity within mortgage teams, reducing costs and improving efficiency.

Mortgage companies that use ProHance for workforce analytics find an average of 30 to 40 percent hidden capacity within their existing teams, enabling them to improve operations without hiring additional staff. While most managers expect employees to put in between seven and eight hours of productive work per day, ProHance data shows that at the time software is first implemented, the average employee is only working three to four hours per day in applications or tasks classified as productive. Using this data, managers can make informed decisions to increase productivity across their workforce, without the need to hire additional staff. The data also showed considerable variation between the highest-performing and lowest-performing workers. By providing training, re-balancing workload distribution, and assigning more work to teams with available capacity, companies who use ProHance are able to increase productivity by an average of 20 percent.

Let's take a closer look at how ProHance addresses the top challenges facing the mortgage industry today and helps mortgage teams be more efficient and effective.

Industry Challenges

When it comes to operational efficiency, the top challenges that hinder mortgage teams are:

- **High Operational Costs**
- **Complex Regulatory Compliance**
- **Workforce Productivity Concerns**
- **Customer Experience Issues**

Traditional solutions often fall short in addressing these interconnected issues, creating a pressing need for a robust analytics-driven approach. We'll examine each challenge in more detail below.

High Operational Costs

Mortgage lenders already face high operational costs—and recent trends indicate that these costs are growing. According to a 2024 study by Freddie Mac. the cost to originate a loan in Q3 2023 averaged approximately $11,600, reflecting an increase of about $3,000, or nearly 35%, since 2020.[1] The top reasons given for these costs included inflation, time-consuming manual processes, and the high costs of staffing and outsourcing. Predicted interest rate decreases are another potential driver of costs. The Federal Reserve cut interest rates by a full percentage point at the end of 2024, bringing the target rate to 4.25-4.5 percent.[2] The Mortgage Bankers Association projects that it will cut interest rates three more times in 2025, stabilizing at 5.9 percent by the end of the year. Based on this data, the Mortgage Bankers Association forecasts an increase in total mortgage origination volume to $2.3 trillion in 2025 from the $1.79 trillion expected in 2024.[3] Anticipating these changes, many mortgage companies are considering an increase in staffing, to account for higher loan volume.

ProHance can help mortgage companies reduce operational costs in several ways:

Automation Opportunities

ProHance highlights repetitive tasks like data entry for potential automation, reducing manual effort.

Detailed Utilization Reports

By understanding how resources are utilized across the workforce, managers can identify areas in need of performance improvement, enabling targeted corrective actions to reduce overhead costs.

Resource Right-Sizing

ProHance provides data to support right-sizing staffing levels, ensuring costs align with operational demands. Administrators can clearly see how work is allocated across teams, and make data-driven decisions about when to increase staffing or rebalance workloads.

Vendor Management

For companies that work with outsourced teams, ProHance provides transparency into third-party performance, ensuring contracts deliver maximum ROI and uncovering gaps or excessive billing practices.

Regulatory Compliance

Mortgage companies operate in a highly regulated industry, necessitating meticulous process adherence. Failure to follow regulations can lead to severe legal and financial consequences, including large fines and substantial reputational damage. To mitigate these risks, mortgage businesses must develop standard operating procedures, provide ongoing training to staff, and check all documentation to prevent or correct errors. ProHance improves regulatory compliance by providing the following benefits:

Audit Trails

ProHance automatically documents work activity, providing accurate logs that can be used as audit trails to ensure regulatory compliance. This helps mortgage companies to meet compliance standards with minimal effort, and avoid fines or delays due to improper documentation.

Policy Enforcement

Managers gain visibility into daily work operations, allowing them to check whether employees have taken the proper steps to process loans. This assures adherence to standard operating procedures, and helps to prevent costly errors.

Remote Work Location Verification

Employers can verify the geographic location data where work was performed, ensuring teams are working from locations that comply with regional regulations.

Workforce Productivity

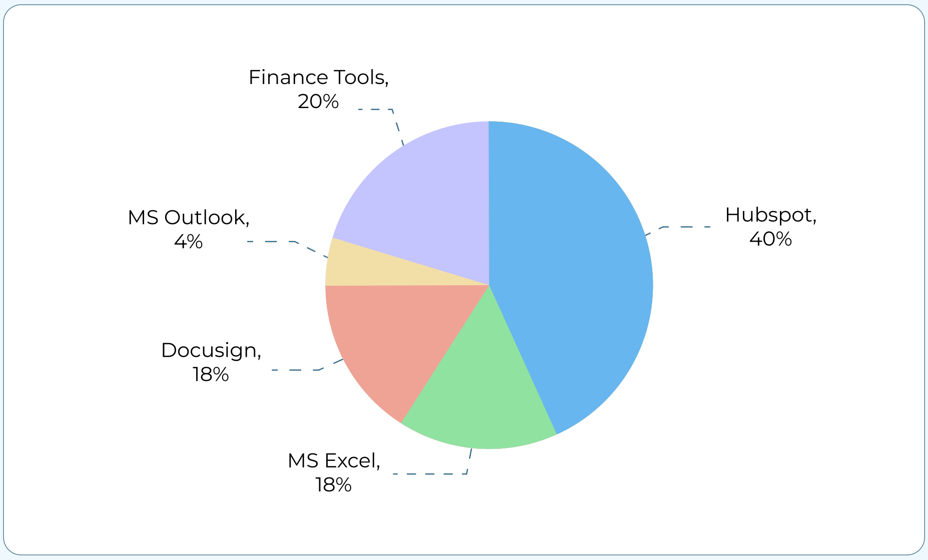
Beginning with the COVID-19 pandemic, many employees began working from home—and mortgage companies also began to rely more heavily on outsourced teams. While these changes brought flexibility and improved work life balance to employees, they have also led to a lack of visibility into workplace productivity. Prior to the pandemic, only 7% of employees worked from home, but by October of 2020, that number had risen to 55%, according to the Bureau of Labor Statistics. Since then, it's been steadily dropping—to 43% in January 2022, and 35% in 2023. However, with more than one-third of employees still working from home, measuring productivity remains a key challenge.

Managers want to know if employees are engaged and productive at work—and recent data shows they may have reason for concern. According to Gallup's most recent survey of U.S. employee engagement, only 33% of employees said they were engaged in their work in 2023, while 16% of workers were actively disengaged. This marks a significant decline since 2020, when engagement peaked at 40 percent. The change is important because each point gain or decrease represents about 1.6 million full-time or part-time U.S. employees. It also represents substantial costs, as Gallup estimates that unengaged or disengaged employees cost the nation approximately $1.9 trillion in lost productivity.

ProHance helps companies measure and improve productivity through:

Activity Monitoring

ProHance tracks workforce activity in real-time, helping identify bottlenecks and inefficiencies in processes.

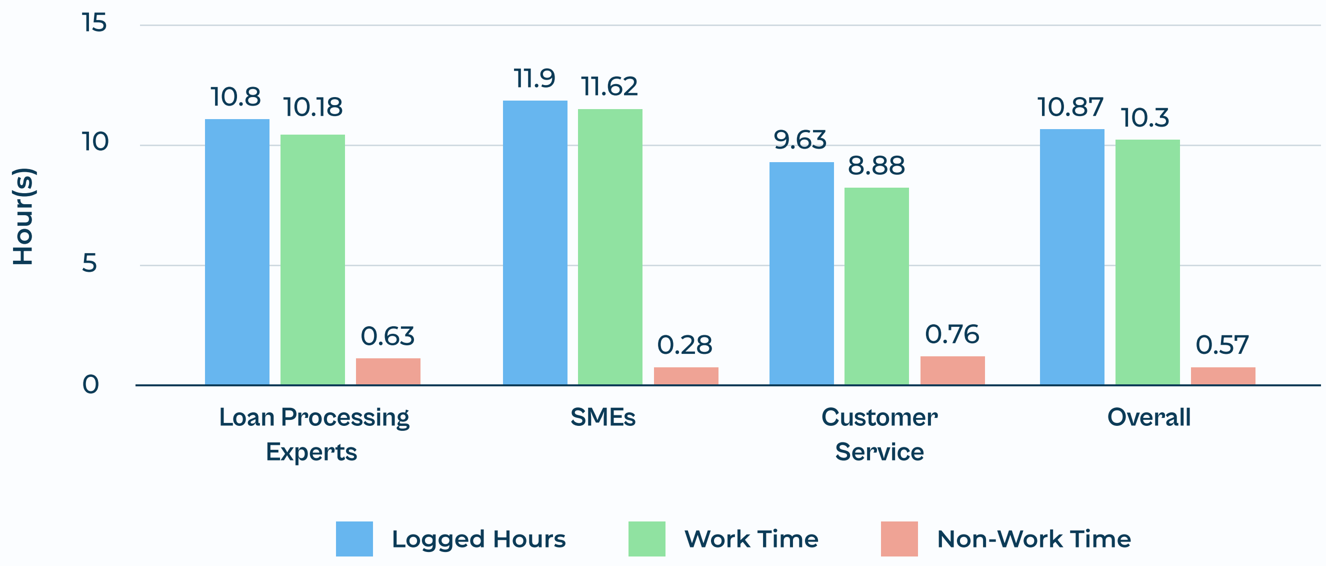


Idle Time Analysis

The platform also analyzes idle times, when workers are inactive. Understanding this data allows managers to redistribute workloads more effectively, ensuring optimal use of available resources.

Skill Allocation

Insights into employee skills and workload trends can guide better task allocation, reducing wasted effort and increasing productivity.



Customer Experience

Mortgage lenders want to provide customers with professional service, a smooth, error-free application process, and fast loan processing. When processing times are longer than expected, call handling times and escalations are high, or errors are made, clients may not feel satisfied with their service. As a result, they may be less likely to leave positive reviews, refer the company to friends, or return for future business. ProHance helps mortgage companies improve the customer experience by providing:

Real-Time Insights

ProHance provides real-time visibility into daily work, revealing how much time spent is spend within specific applications and individual loan files, and identifying bottlenecks or delays.

Standardization of Processes

With unparalleled access into team activity, mortgage business administrators ensure team members are following standard operating procedures, minimizing errors and rework.

Capacity Utilization

By analyzing workloads and idle times, administrators can better managers allocate resources, enabling teams to handle more files without additional hiring.

Turnaround Time

ProHance pinpoints delays and provides insights that can improve efficiency. As a result, teams are able to achieve faster loan processing and underwriting times, directly impacting customer satisfaction.

Error Reduction

Enhanced compliance reduces rework rates, leading to fewer errors and quicker resolution times.

The ProHance Advantage

The mortgage industry is already embracing technology to automate underwriting processes, assess borrower creditworthiness, verify documentation and provide a more streamlined experience. With ProHance, leading mortgage companies are also leveraging the benefits of technology to improve to help their people achieve greater success. Using ProHance, leaders can measure employee engagement, understand how tasks are being distributed across the workforce, and analyze efforts in real time. ProHance provides in-depth workforce analytics designed to empower leading mortgage lending companies with actionable insights that can transform operational outcomes.

Key benefits include:

End-to-End Workforce Visibility

ProHance's real-time monitoring and reporting capabilities provide unparalleled transparency, enabling managers to track task completion, identify obstacles, and ensure teams remain aligned to strategic objectives. The platform helps managers understand how time is being spent by their teams by tracking activity in real time, across tasks, tools, applications, and systems. The data addresses every aspect of workforce operations, from time and task management to collaborative meetings and phone calls, to performance outcomes. By categorizing activities as productive, non-productive, or neutral, ProHance provides clarity on work contributions at individual, team, and organizational levels. This enables organizations to identify underutilized resources and optimize workforce productivity.

Optimized Productivity

ProHance transforms workforce productivity through real-time insights, workflow streamlining, and data-driven optimization. By tracking employee activity across workstations, it provides a clear view of time utilization, providing insights into time spent on critical versus non-critical tasks. It also identifies process bottlenecks, enabling faster workflows and smarter task allocation to balance workloads effectively and prevent burnout. Customizable dashboards and benchmarking features help set performance goals and foster alignment with organizational objectives. Real-time feedback and alerts allow teams to course-correct instantly, maintaining consistent productivity. Its capabilities extend to hybrid and remote environments, ensuring seamless monitoring and optimization across numerous work settings.

Enhanced Customer Experience

Through workflow optimization, mortgage teams are able to achieve faster processing times, directly enhancing customer satisfaction and improving Net Promoter Scores (NPS) and client retention rates. Customer benefits include:

Faster Loan Processing

ProHance identifies automation opportunities minimizing repetitive tasks, streamlines task allocation, and reduces inefficiencies in critical processes like loan origination, underwriting, and servicing.

Improved Employee Productivity

Optimized workloads give employees more time to focus on value-adding tasks, such as resolving customer queries or processing applications.

Contingent Workforce Management

ProHance provides visibility into vendor and contingent workforce performance, ensuring timely completion of external services like appraisals or title searches. Furthermore, with hourly billed contingent labor, ProHance can uncover the gap between time billed and the actual effort provided. Uncovering this hidden capacity allows for cost reduction by right-sizing the team or improving productivity by assigning more work to existing teams without increasing costs.

Use Cases in Mortgage Operations

ProHance is trusted by over 380,000 users in 25 companies, and partners with leading brands such as Cognizant, Tesco, HBC and JLL. While the platform is industry agnostic, it provides many benefits to mortgage clients. Some of the top use cases for ProHance in mortgage operations include:

Loan Origination

Efficient workforce utilization ensures reduced turnaround times during loan application processing. ProHance enables visibility into each stage, helping eliminate redundant steps and ensuring SLA adherence.

Document Verification

ProHance tracks the time taken for document collection, processing, and verification, highlighting areas where automation or training could improve throughput.

Vendor and Contingent Workforce Management

ProHance's analytics extend to third-party vendors, ensuring contracted service levels are met while optimizing vendor costs. This is particularly valuable for businesses with outsourced operations.

Loan Servicing

Through continuous monitoring of day-to-day servicing tasks, such as payment processing and delinquency management, mortgage team managers can reduce errors and improve the borrower's experience.

Measuring ROI with ProHance

Investing in workforce analytics can yield significant returns. Potential metrics mortgage companies can track include:

Reduction in Operational Costs	Productivity Gains	Compliance Risk Mitigation	Customer Retention
Improved resource utilization leads to cost savings.	Better time management boosts team output.	Lower fines and penalties due to strict process adherence.	Enhanced service levels reduce churn.

ProHance offers intuitive dashboards and comprehensive reports to showcase these results in real-time, enabling leadership teams to demonstrate value to stakeholders.

Steps to Integration

While the technology behind ProHance is advanced, implementing it is simple. ProHance is easy to install across employee stations and runs automatically in the background, as employees complete their daily work. It integrates seamlessly with existing software systems, and is simple and user-friendly. There are just four steps to integration:

1. Assessment
Define operational goals and identify key areas of improvement.

2. Implementation
Integrate ProHance into workflows with minimal disruption.

3. Training
Equip teams with the knowledge to leverage the platform's capabilities fully.

4. Analysis & Scaling
Use ProHance's insights to scale best practices across departments.

Case Study: Transformation of a Mortgage Industry Leader

One leading mortgage provider implemented ProHance across their loan origination and servicing teams. Key outcomes included:

25%
Reduction in Turnaround Time
Through the elimination of process inefficiencies.

30%
Productivity Increase
Teams leveraged real-time insights to prioritize tasks more effectively.

$1M
Cost Savings
The company reduced expenses through enhanced workforce utilization and vendor accountability.

Improved Compliance
Automated reporting minimized audit-related risks.

Conclusion

In today's rapidly evolving mortgage landscape, operational efficiency is not just a competitive advantage—it's a necessity. ProHance equips mortgage companies with the tools they need to adapt and thrive, turning data into actionable insights that drive growth. By choosing ProHance, mortgage businesses can achieve new heights in productivity, compliance, and customer satisfaction, ensuring sustainable success.

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Richard brings a decade of experience in workforce analytics, where he has focused on helping organizations better understand and optimize their teams through data. In the mortgage industry, he has implemented analytics solutions that give leadership teams clear visibility into their operations and help them make more informed decisions. His work combines technical expertise with practical business understanding, allowing companies to identify opportunities for improvement and measure the impact of their initiatives. Based in the Midwest, Richard continues to work with organizations to develop more effective, data-driven approaches to workforce management.

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