



# **Technology 101 for the Busy Executive**

**2008 MBA Annual Convention  
San Francisco, CA**



# Introduction

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- ◆ **Relevance of Technology – Why Tech 101?**
- ◆ **Rebuilding Trust**
- ◆ **Delivering Value**
- ◆ **Better Future, but a Different Future**
  - Ability to change/evolve
  - Separates winners & losers

# Broad Themes of Change

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## ◆ Context for technology

- Not technology for technology's sake

## ◆ Describe Technologies Leveraged

1.

**Customer Demands:  
Access, Flexibility,  
Speed**

2.

**Business Demands:  
Value & Partner  
Collaboration**

3.

**Everyone Demands:  
Trust, Reliability,  
Transparency**

4.

**Need to Protect  
Customers  
& Industry**

# Change Theme 1: Customer Expectations



## *Customer Demand for Visibility & Flexibility*

- ◆ Access to information & education (products, price, status, etc.)
- ◆ Self Service capability across all mortgage functions
- ◆ Expectations for speed, easy, quality
- ◆ E not P (Electronic not Paper transactions)
- ◆ Cross selling, bundling



# Customer Expectations Tech Enablers

1. Customers

2. Business Value

3. Transparency

4. Protect

## *eMortgage – The “Greening of Mortgage”*

- ◆ Evolution from Paper to Electronic
- ◆ Customer - Impacts & Value
- ◆ Company – Impacts & Value
- ◆ At the end: eNotes and registration
- ◆ Technology is Available – It’s the Change Program



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# Customer Expectations Tech Enabler

3. Transparency

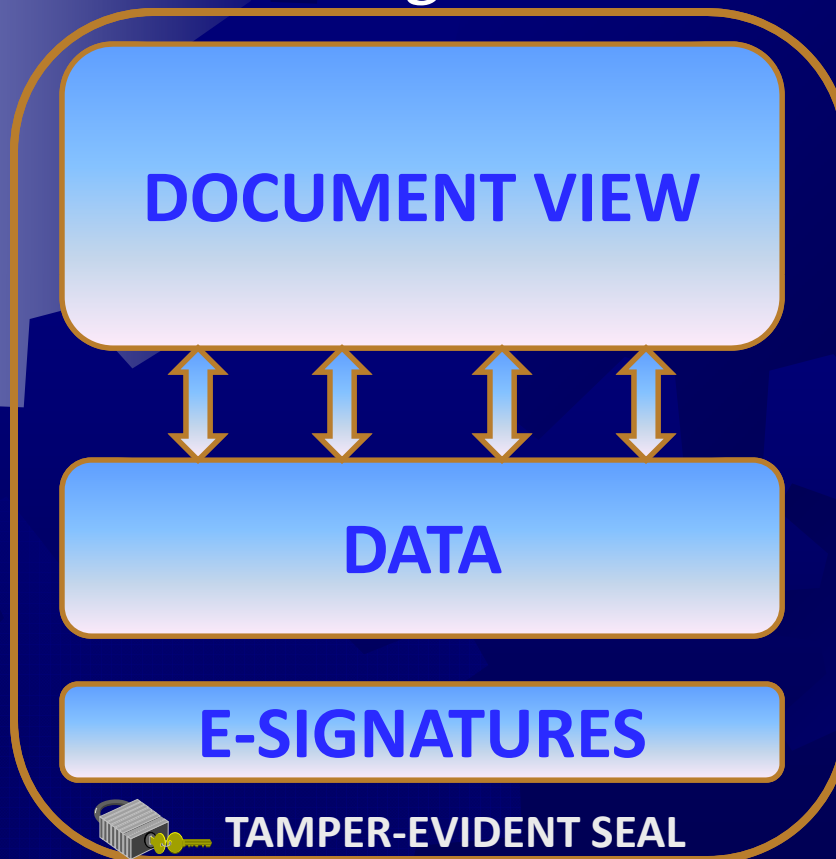
1. Customers

2. Business Value

4. Protect

## SMART® Documents and eSignatures

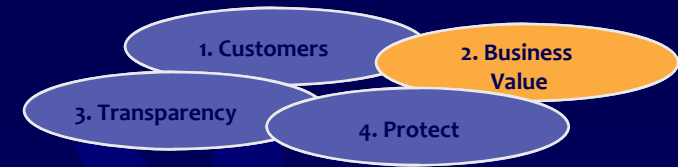
- ◆ SMART Docs® are the foundation
- ◆ How do eSignatures work?



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## Change Theme # 2

# Business Value



## Business Demand for Efficiency & Value through Collaborative Value Chain

- ◆ Mortgage transactions are being decomposed to sub-providers
- ◆ SOA at the business level
- ◆ The World is Flat
- ◆ Outsourcing



# Business Value Tech Enabler



## MISMO – Universal Communication Framework

The MISMO Concept – A beautiful world of interoperability

### ◆ What is MISMO?

- Standardized data model
- Simplified communications, transactions with business partners

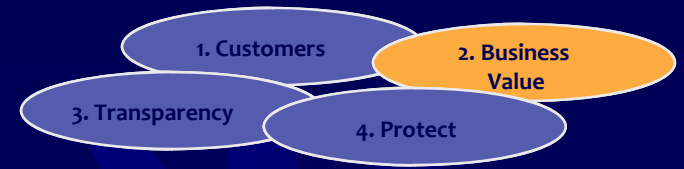
### ◆ What is XML?

- De facto language for e-commerce data
- Extensible – custom data is easy

### ◆ How do we make this work? (Work for Real!)

- Streamline internal data sources
- Adopt MISMO standards – strategic imperative for the future
- Join, participate – expand MISMO datasets

# Business Value Tech Enabler



## Service Oriented Architecture (SOA)

- ◆ What is SOA – Why is it important and valuable?
  - Interoperable modules
  - Standardized
  - Reusable
- ◆ Leveraging these concepts across components of the value chain



# Change Theme 3

## Accuracy & Transparency

1. Customers

2. Business Value

3. Transparency

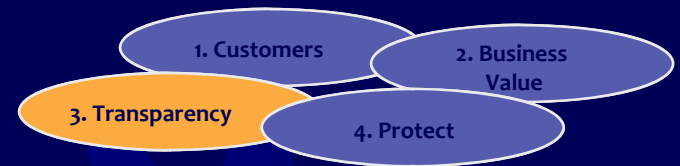
4. Protect

Demand to improve the trust, reliability, transparency of info

- ◆ Industry trust has been shaken
- ◆ Consumers, regulators, investors demanding transparency (across traditional industry boundaries)
- ◆ Accountability for high quality transactions will continue to increase



# Accuracy & Transparency Tech Enablers



## Enterprise Data Management Programs

- ◆ Data is a Strategic Asset
- ◆ Data Management
  - Accurate, consistent, transparent data
  - Enterprise alignment of many data sources
- ◆ Components of EDMP
  - Data Governance
  - Data Stewardship
  - Data Quality
  - Data Architecture
  - Data Standards
  - Data Security
- ◆ How can you leverage these for real value?

# Change Theme 4

## Protect Customers & Industry

1. Customers

2. Business Value

3. Transparency

4. Protect

### Protect Customers and Industry Information Security

- ◆ Identify theft is the fastest growing crime in the country
- ◆ Sophisticated international players target mortgage due to rich information base
- ◆ Fraud risk increases in tough markets



# Protect Customers/Industry Tech Enablers



## Information Security Programs

### ◆ What is an ISP?

- Comprehensive defense program
- Identify, manage, mitigate risks

### ◆ Key components

- Acceptable Use Policy
- User Access Controls
- Physical Controls
- Personnel Security
- Business Continuity Planning
- Compliance
- Third-party Provider Management
- Technology Security

### ◆ How can you leverage these programs for value?

# Protect Customers/Industry Tech Enablers



## Fraud Prevention Database

- ◆ Central repository of loan data from participating originators, lenders, investors
- ◆ Receives / forwards alerts of suspected fraud
- ◆ MBA participating with Industry Working Group (large lenders, GSEs)
- ◆ RFP open; responses due Nov. 7

## Summary Points and Takeaways

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- ◆ These themes are shaping the mortgage industry
- ◆ Technology is critical to the success of our industry
- ◆ Success requires a new level of partnering and skill set – The Business Architect
- ◆ Technology Gap – Must continue focus on being nimble/responsive



# MBA Technology Support

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## ◆ Ongoing Commitment

- Technology Committees
- MISMO
- SISAC

## ◆ Strong involvement, advocacy

- HOPE NOW
- ASF Project RESTART
- Fraud Prevention Database
- CMSA IRP

## ◆ Making a difference to the Industry

- Enterprise Data Management helps solve today's challenges
- MISMO standards save time & money
- eMortgages are the future of the industry
- Info Security is a fundamental necessity



## Session Q&A

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# Questions?

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