

# Automated underwriting program

Improve lending efficiency and increase profitability



In today's business climate, it is imperative for financial institutions to make better, faster lending decisions to stay competitive and meet customer needs. An automated underwriting strategy enables organizations to make consistent, accurate and quick decisions — all while providing customers with a positive application experience.

## Manual underwriting challenges

Manual underwriting systems and processes pose many challenges. With a manual approach, financial institutions are burdened with high costs associated with making changes and limited access to data and resources to analyze, develop and design new underwriting strategies.

A variety of factors can negatively affect loan portfolio profitability, including low automatic approvals, high levels of approved-not-funded applications, large volumes of manual review, inconsistency across lending decisions, and the inability to meet the real-time demands of millennials and mobile banking channels.

## Automate underwriting processes effectively

Experian's automated underwriting capabilities can address the problems associated with manual underwriting. With an automated approach, organizations can experience higher profitability by reducing the number of manual reviews, shortening decisioning time and increasing the number of cross-sell engagements with customers. To maximize these returns, the most effective processes need to be implemented.

The following questions must be asked:

- Are we accessing the right data?
- Are the right analytics being used?
- Do we have the most effective strategies in place?

## Expert consulting and analytics

With an average of 20 years of industry experience, Experian's consultants ensure that automated underwriting strategies have maximum effectiveness by leveraging a range of analytical techniques and data assets.

The Experian consulting engagement model determines the optimal approach to implementing an automated underwriting system. The model includes:

- Project management: Collaborative strategy planning meeting with all key stakeholders
- Information gathering: Evaluate and select data assets to segment the client base, and then identify and apply the most predictive attributes to the underwriting strategy

- Strategy design: New rules for automated decisioning are created and manual underwriting procedures are redefined to create a strategy that ensures optimal results
- Strategy implementation: Leveraging Experian's Decisioning as a Service<sup>SM</sup> software, the new underwriting strategy is implemented in the loan origination system

Experian's consultants ensure that the new automated underwriting strategy produces optimal revenue growth by reducing the number of manual decisions made, determining the right decision with speed and accuracy, and providing cross-sell and up-sell opportunities to the right customer at the right time.

### Experian's Global Consulting Practice

Experian's business consultants provide clients with exceptional strategic credit risk-management insight, detailed enhancement opportunities and deployment strategies. The consultants ensure consistency through their deep business subject matter expertise, client familiarity and proven client-engagement methodology. Experian's consultants build a strong partnership with clients, at all levels, to deliver a balanced portfolio of improvements, ensuring plans are implemented and benefits realized. Clients then are fully equipped and empowered to enhance and sustain profitability and focus on their business.

To find out more about automated underwriting program contact your local Experian sales representative or call 1 888 414 1120.