

An Experian case study



Leeds Building Society

Leeds Building Society
cuts mortgage decisions
in principle to 11 seconds



About this study

Increasing operational efficiency, scalability and speed of decisions, Leeds Building Society has seen immediate business change and value after implementing Experian's PowerCurve Originations platform. The society will benefit further from the flexibility to expand, adapt and control future requirements, including climate risk strategies and more.

Leeds Building Society has been on a transformation journey, with a vision to improve mortgage processing and digitally enhance the customer experience.

The society's main aim during this transformation was to develop a new, modernised digital front-end application for mortgage broker customers, harnessing more automation to enable greater operational efficiency. In doing so, it needed to incorporate various complex controls and constraints required by the different areas of its business.

At the same time, the society wanted to improve decisioning speed and quality, not only to support existing products, but also to drive future growth by developing new ways to support customers, particularly in under-served markets.

Central to all of these objectives was the integration and implementation of a flexible, scalable and efficient decisioning system.



The challenge

Leeds Building Society was looking to:

01

Replace and enhance front-end broker customer interfaces and lending journeys.

02

Automate over **80% of lending criteria** (delivering over 200 rules and 30 document requirement options).

03

Deliver **straight-through automation** for lower risk lending cases.

04

Change and monitor risk controls in a more **agile and focused** way, e.g. an improved underwriter allocation model with bespoke screens identifying specific areas of risk to review.

05

Deliver decisions in principle at **speed**.

06

Invest in its Credit Risk delivery function teams' **abilities and skills** (small, discreet changes to be implemented live within 24hrs).

07

Expand into new markets, products and granular risk data requirements (e.g. climate change and fraud risk integration into lending decisions) rapidly. This required a flexible solution and degrees of architecture control with an appropriate support model.

08

Operationalise data, analytics and workflows simultaneously.

09

Drive **greater efficiencies** across business functions.

10

Improve the customer journey by removing friction, increasing speed and enabling better, personalised communication with a diverse range of customers, especially brokers.



5 ways Experian helped Leeds Building Society meet its goals:

Leeds Building Society already had a group of skilled professionals in charge of driving IT and decisioning across the business. The society didn't want to replace this structure, but rather better equip and enable its teams to lead business improvement by expanding existing decisioning capability.

Experian worked with Leeds Building Society to provide a centralised decisioning architecture the business could control, own and develop itself, while also benefiting from continuous consultancy support. The solution connected all parts of the business into a single-source decisioning strategy and orchestration platform.

The project enabled many core functions to be improved and business objectives to be met.

Over the next few pages we delve further into how the Society achieved their ambitions and goals.



1. Transforming the digital customer journey

The variables within a mortgage journey are complex, so the building society wanted to improve the application process, whether via a broker (or in the future directly with the customer), without creating additional friction or risk.

The society was looking to integrate fraud and identity controls, bureau feeds, affordability checks and create additional data variables from internal and external sources and more, bringing them into a single process flow powered by a centralised decisioning architecture.

Experian's PowerCurve Originations, with the added strategy management module, was the answer. Our decisioning platform enabled Leeds Building Society to connect all the components of the back-end application process to create a seamless, automated journey that reduces operational risk and improves client and broker communications – all of which supported the end goal of a quicker, more engaging and efficient digital customer journey.

As a result of this streamlined process and seamless configuration between back-end and front-end technologies, decisions in principle can now be made in just 11 seconds. For more complex applications requiring more detail, the society can now carry out additional checks faster and with minimal customer input.

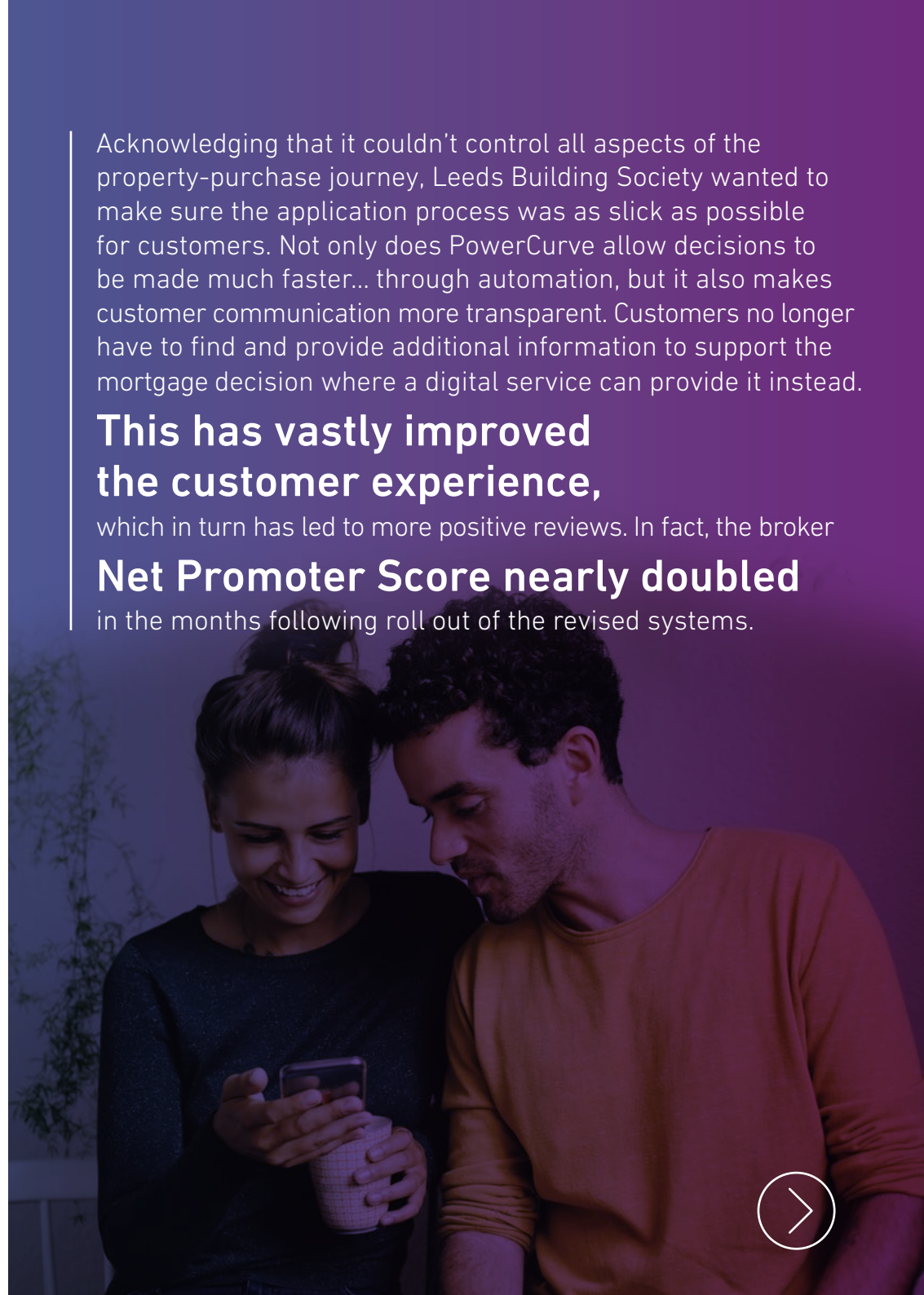
Acknowledging that it couldn't control all aspects of the property-purchase journey, Leeds Building Society wanted to make sure the application process was as slick as possible for customers. Not only does PowerCurve allow decisions to be made much faster... through automation, but it also makes customer communication more transparent. Customers no longer have to find and provide additional information to support the mortgage decision where a digital service can provide it instead.

This has vastly improved the customer experience,

which in turn has led to more positive reviews. In fact, the broker

Net Promoter Score nearly doubled

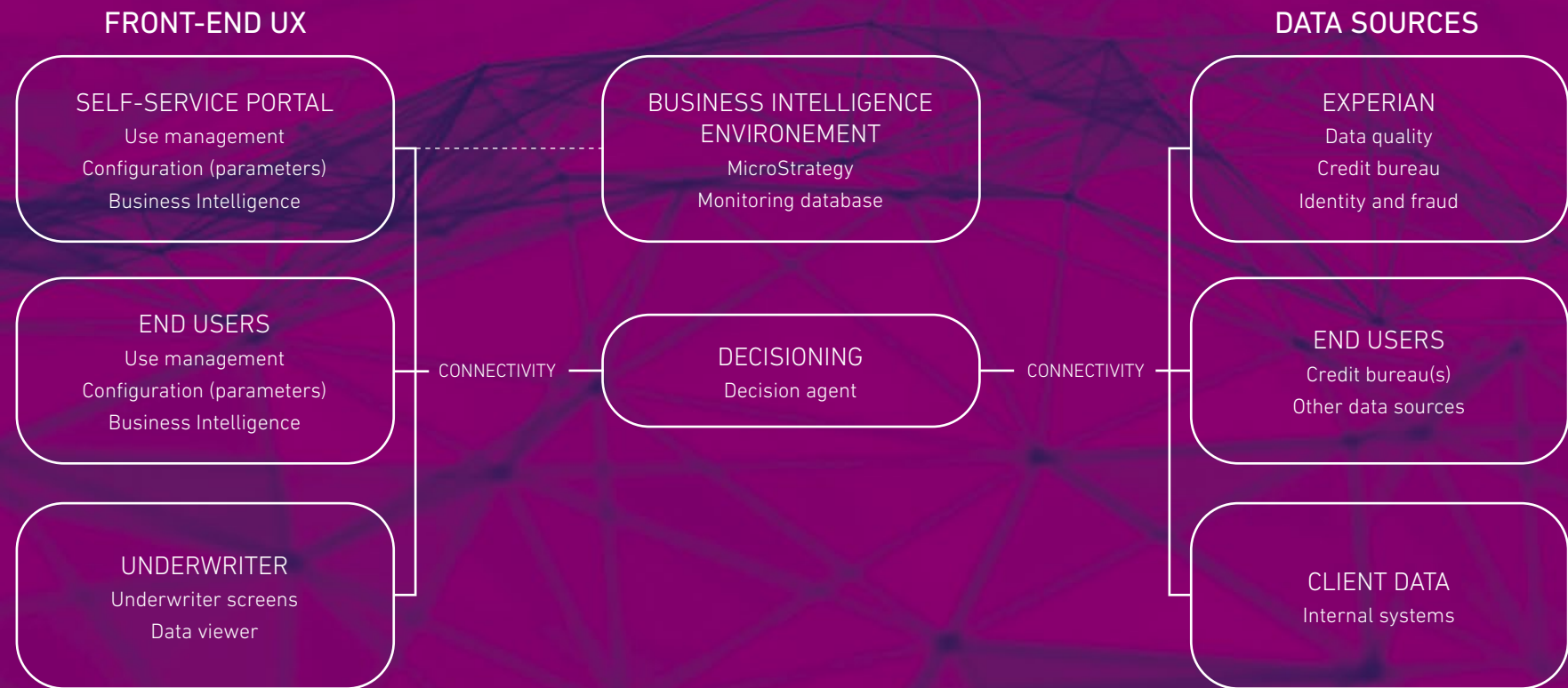
in the months following roll out of the revised systems.



2. Operationalising additional data variables

To create a more accurate, single customer view to drive decisions, Leeds Building Society wanted to integrate their own internal data sources with Experian bureau data. The society also wanted to add property risk data and calculations, as well as prepare for new climate-risk variables in the future.

PowerCurve enables the building society to do all of this and create a series of process flows to support the customer through the mortgage journey. Through the decisioning workflows, the society can now integrate data from more than 150 bespoke bureau variables at the right point, building greater insight, improving decisions and saving time.



3. Generating greater efficiencies

While some customer applications require a straightforward accept or decline decision, the majority need further understanding or more in-depth underwriting. While digitisation was already on Leeds Building Society's radar, the significant rise in mortgage applications and the need for more virtual engagements during the pandemic, accelerated the society's roadmap for a more efficient application process.

With PowerCurve's data-led decisioning environment, the building society can now speed up the application process thanks to greater insight around fraud, identity, affordability and creditworthiness. These insights, along with automated process flows, ensure the right underwriting teams can make faster, more accurate decisions on more applications than ever.



Fraud



Affordability



Identity



Creditworthiness



Automated
Workflows



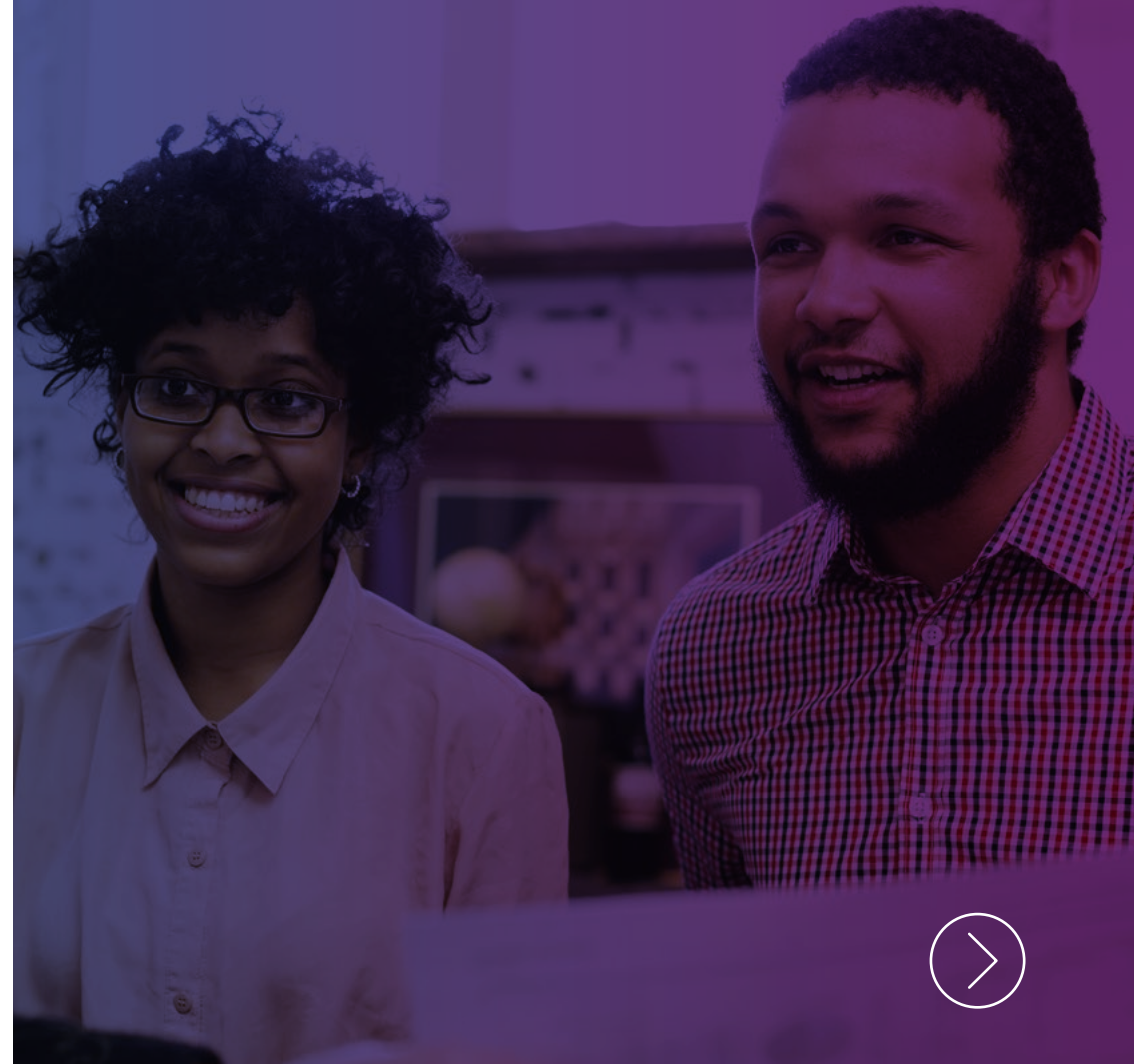
Faster, more
accurate decisions



Data-based assessments enable Leeds Building Society to move from manual judgements, or time-consuming underwriting, to more automated, insight-led decisions. The rich data and information that flows through the decisioning environment (and can be presented on the PowerCurve Web Engine screens) under Leeds Building Society control,

means teams can better assess cases

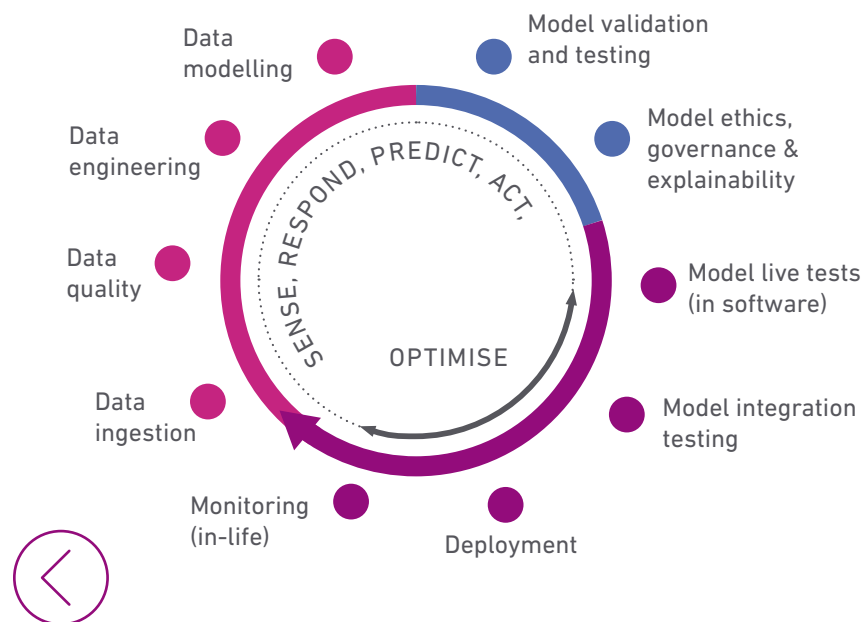
based on a more granular customer understanding.



4. Improving credit-risk assessment and strategies

Due to the variety of products Leeds Building Society offers, and the different credit risk requirements and policies they have, the society needed the ability to not only design their own strategies, but also to amend them as and when it wanted. Crucially, it also wanted to be able to deploy them at speed, while having the ability to continually monitor performance then iterate and amend in the live environment.

Through PowerCurve's design environment, Leeds Building Society can now easily and instantly build and test decisioning strategies, using a range of powerful, analytically advanced features.



PowerCurve's common design environment gives our clients the ability to quickly build strategies using drag-and-drop elements such as risk scorecards and policy decision setters, alongside complex affordability models that assess what the building society can responsibly lend.

The platform is also integrated with optional dynamic reports that

negate the need to manually pull data from different sources, and includes performance monitoring,

which captures details about strategy execution.

PowerCurve's component-based architecture has given Leeds Building Society the flexibility to add enhanced capabilities, such as Assisted Strategy Design. This module provides interactive analytic guidance and the ability to generate decision trees automatically, based on user-specified parameters. It empowers the society to build higher-performing strategies and accomplish more, much faster.

5. Improved and modernised IT architecture

The building society didn't want the expense of replacing its IT system infrastructure, having already made significant investments. PowerCurve was the perfect option as it could be seamlessly integrated at the heart of existing or new systems, serving all business requirements.

Leeds Building Society also retained control of the business workflows and decision processing through PowerCurve Originations. The platform gives the society the flexibility to not only quickly react to the changing economic environment, but also to changing requirements for the customer application interface, including expanding product portfolios and diversifying into new customer segments.

- ✓ Seamless integration into existing architecture.
- ✓ Flexibility to react and respond.
- ✓ Ability to expand into new segments and launch new products – fast.



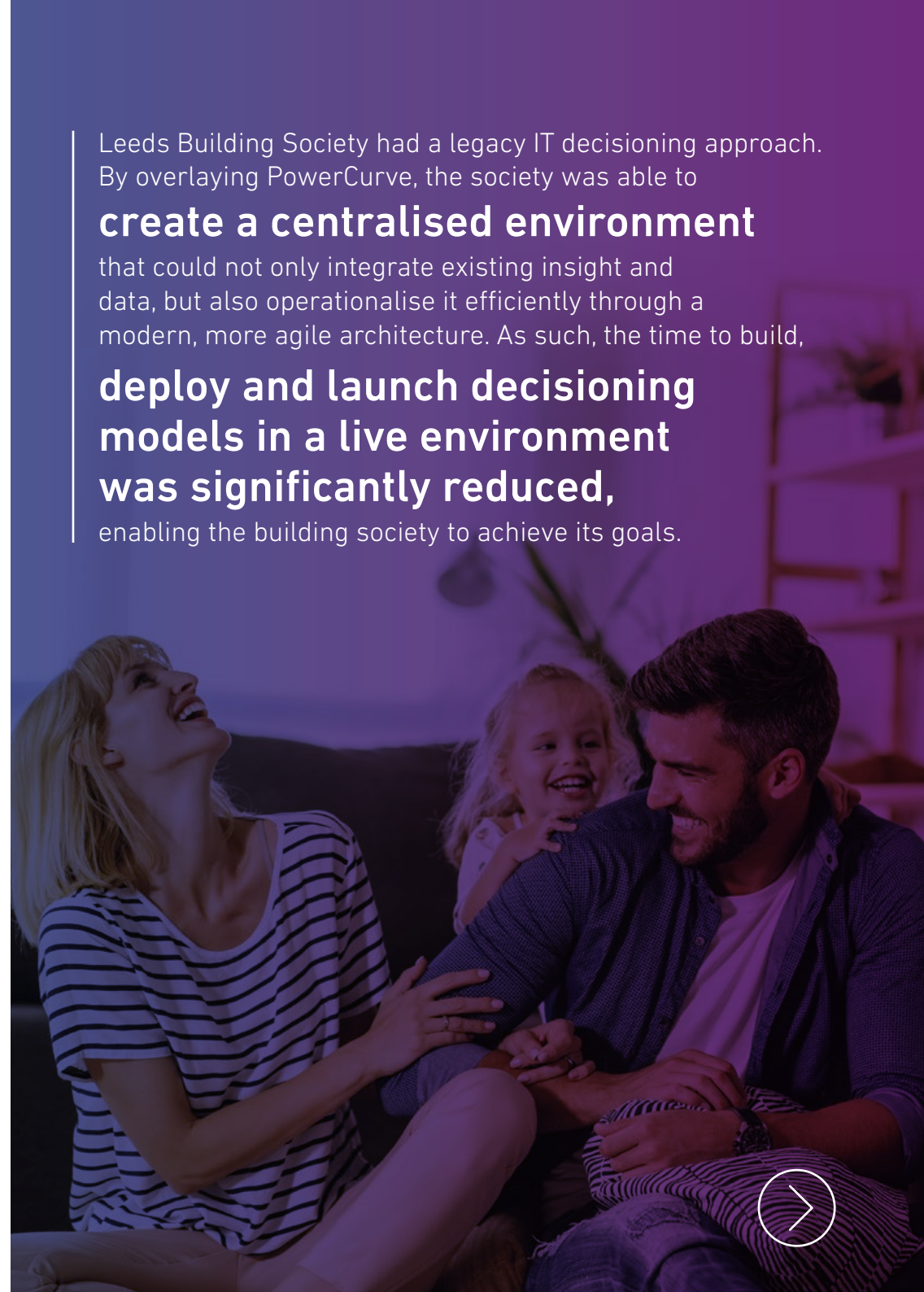
Leeds Building Society had a legacy IT decisioning approach. By overlaying PowerCurve, the society was able to

create a centralised environment

that could not only integrate existing insight and data, but also operationalise it efficiently through a modern, more agile architecture. As such, the time to build,

deploy and launch decisioning models in a live environment was significantly reduced,

enabling the building society to achieve its goals.



Delivering a wide range of benefits

With Experian's support and our PowerCurve decisioning platform, Leeds Building Society was able to transform its mortgage business operations and support a new front-end customer application process.

The benefits have been seen business-wide:



Mortgage applications processed faster: 11 seconds for decisions in principle, and much quicker for other decisions.



Improved confidence thanks to better data-led decisions.



An improved customer and broker experience through better communication, as reflected in doubling their Net Promoter Score.



Greater efficiency due to increased automation, less underwriting and analytically driven workflows aligned to the right teams – resulting in 80% applications receiving instant decisions.



Improved risk management thanks to better insight.



A future-proofed environment that can change as and when the business requires (within the direct control of the building society).



Greater agility, enabling rapid change when needed. Less than 24hrs for discreet changes.



“

Because of how the system was designed and built, Leeds Building Society has seen benefits and value from day one. PowerCurve provides flexibility as it scales and adapts to future requirements, while allowing the society to retain control from a capability perspective.

Karl Williams, Software Consultant, Experian UK & I

“

We adopted a hybrid model with Experian, where they delivered a base solution and we were given the control to build out the product to our own detailed specification. We are, as a Risk function, now in direct control of our own decisioning change initiatives, reducing third-party execution risk for the business and increasing agility.

Andrew Mellor, Risk Director, Leeds Building Society

Decisions and next best actions – designed by your rules, exactly as you choose

Our next generation decisioning platform operationalises rich data and advanced analytics. Through our cloud-based decision management systems, these attributes are integrated to automate instant decision-making at scale, unlock value, and supercharge your performance - end to end.

All of our solutions are configurable, putting our clients in control of their strategy. We can offer rapid-start pre-configured decision systems with integrated data services and workflows, or dynamic systems allowing for customised workflows and integrations. For more detail on our services, or for a free demo or consulting review, please get in touch.

Our next generation decisioning system includes and integrates solutions for:

Originations & Acquisition

onboard more profitable customers using adaptive and targeted approaches.

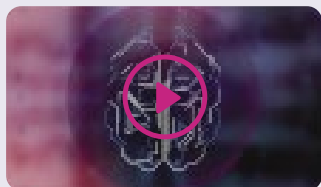
Watch an overview



Customer Management

proactively and intelligently manage each customer, to support growth and mitigate risk.

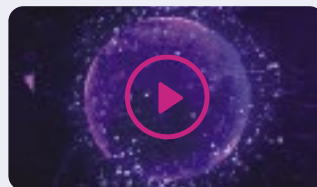
Watch an overview



Collections

personalise collections processes to recover debt in a fair, efficient and compliant way.

Watch an overview



Strategy Management

use insightful acquisition strategies to respond to customer and market changes fast.

Watch an overview



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