Although mortgage professionals can be resilient, creative people in many respects, it’s often the case that mortgage technology can be a baffling subject for some within the industry. Companies that experience rapid growth may struggle the most; it can be difficult to keep pace with technological developments when your company is growing just as quickly as the technology that helps it succeed.

In an industry where creativity coexists with an infinite number of technology combinations, mortgage environments are like the proverbial snowflake — no two are exactly alike. Even so, there’s a number of common trouble spots that regularly surface when it comes to mortgage technology. Consider the following four common problems, as well as some of the ways in which your company can overcome them.

**LOS problems**
Providers of loan-origination systems (LOS) deal with much more difficult challenges than many people realize — challenges that can seem never-ending. There are many great LOS providers in the industry, but even the top origination systems can’t solve every problem your business may encounter.

Each system has its superlatives and shortfalls. Problems can cause breakdowns in processes and prevent information from flowing smoothly, which in turn may lead a company’s executives to struggle to get the critical data that’s needed to drive successful operations. Unfortunately, when faced with a significant LOS issue, many companies take the quickest solution and change systems entirely, although this is rarely the answer to their problems.

In fact, changing LOS software often can be a huge and costly mistake, as a company could end up simply trading one set of problems for another. The good news is that the majority of LOS shortfalls can be dealt with by enhancing the functionality of the LOS through custom-development work. Compared to switching LOS software completely, this is far less invasive and far more cost effective in most cases.

If your LOS doesn’t do some of the things that you want it to do, it’s certainly worthwhile to investigate the options you may have to give it a functional boost. It’s a good idea to first check with your LOS provider and learn more about its upcoming release schedule, although mortgage organizations should be prepared to double or even triple the time frame for actual implementation.

**Incompatibility**
Incompatibility issues always have been a common problem when it comes to mortgage technology, but these issues have proliferated as the number of systems necessary to operate a mortgage company continues to increase. In particular, newer systems developed for specialty areas are less likely to include stock integrations out of the box.

Although many mortgage companies are pleased with legacy vendors or software packages that aren’t necessarily mortgage specific, a lack of systems integrations can cause major challenges within the origination process. Mortgage executives who find themselves running into such problems should take the time to review their current processes and procedures. Process improvements should be constantly ongoing within any mortgage environment.

In considering the best way to approach process improvements, mortgage professionals should take a moment to disregard their specific systems and simply focus on conceptualizing the ideal workflow. It’s all too common for companies to make the mistake of allowing their technology to dictate their processes. Instead, exactly the opposite should happen; technology should conform to fit a company’s workflow. Today’s technology can do just that for your operations, so mortgage professionals should be sure that their organizations aren’t being dictated by their technology’s functionality.

**Unqualified personnel**
Unfortunately, for whatever reason, some mortgage companies assign the wrong staff members to extremely key roles — a personnel issue that happens all the time with LOS software. In these cases, it’s often administrative employees who are charged with the daunting task of administrating this critical system, and despite their best efforts, these employees often find themselves in over their heads. The end result leaves one employee or several employees becoming the scapegoat for every procedural backfire and compliance backlash.

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The same result sometimes occurs when the management of a system is assigned to a company's information technology (IT) department. Managers and other executives simply may presume that LOS administration falls under the purview of their IT departments, even though this is only partially true. Remember that IT is an extremely broad field that encompasses many specialties and disciplines; the chance of a mortgage company finding the right mix of skill sets — including an IT staff that's familiar with the origination process in all its intricacies — is somewhere between slim and none.

How do companies resolve this problem? The best approach may be sharing responsibility in a setup that includes certain outsourced IT personnel. By shifting the administration and oversight of the LOS back to executive management, companies can build and properly monitor operations. Outsourcing the IT components of the role allows your company to gain access to a wide spectrum of IT disciplines, which may allow you to actually cut down on costs. You also get to brainstorm your companies' specific IT problems with organizations that specialize in solving IT issues, as opposed to trying to tackle problems internally with limited input, skill and experience.

**Lack of solutions**

Sometimes, organizations want something that simply doesn’t exist in the current market. In the mortgage industry, specialized company products and needs can lead to organizations developing proprietary solutions. This may seem like a good idea, but mortgage companies should proceed with caution if they feel compelled to create customized proprietary systems, regardless of how strong their compulsion may be.

The best strategy here is to look carefully before you leap. Companies can crash and burn in attempting to build their own internal systems, and even if they do complete their projects in-house, it’s often the case that project expenses can turn out to be multiples of what external systems would have cost.

Of course, there are times when building your own custom application actually makes sense. Typically, these projects either are low in complexity or relate to situations when a company sees an opportunity to take the end product to market and has the capability to implement a business plan around it. Some mortgage companies also may have so many resources that they don’t mind putting the time, effort and expense into building and maintaining a proprietary project.

Regardless, if your company is considering developing a custom application, be sure to do your homework. Proper due diligence will either affirm the strategy or save your organization from biting off more than it can chew. Further, be sure to avoid trying to do such a project on the cheap. Stay away from development sources that sound too good to be true. Misguided attempts to save money on such projects often result in systems that don't work, can't be maintained or are not properly documented.

In short, don’t allow your organization to work with outside sources that can’t provide stellar references that affirm the quality of their work, procedures and code documentation.

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There's no doubt that the mortgage business is an industry of opportunity and ingenuity. All the same, like any industry, technology challenges can be difficult to overcome. Even more, IT challenges can come in an infinite variety, so it’s important to do some legwork and find out what specific options are available to your organization in terms of IT solutions. You’ll likely be pleasantly surprised at what you — and your technology — can do for your organization and its procedures and profitability.