



The term loan origination system or LOS is bandied around a lot in mortgage lending. The LOS is the core system of record that lenders rely on. However, LOS companies have not been known to innovate and are often blamed for holding lenders back from innovating themselves. That's what has made Mortgage Cadence so successful. The company has always managed to stay ahead of the curve.

For example, the company recently made news when it transitioned all of its clients – more than 600 mortgage lenders across the U.S. – to the Accenture Mortgage Cadence Cloud to

EXECUTIVE INTERVIEW

A BRIGHT FUTURE LIES AHEAD

Brad Thompson (left) and Paul Wetzel, of Mortgage Cadence, discuss the state of mortgage lending and its future.

better manage loan processing cycle times, increase system reliability and leverage product upgrades. Brad Thompson, the current Mortgage Cadence Technology Lead at Accenture Credit Services; and Paul Wetzel, the Product Management Lead for Mortgage Cadence, talked with our editor about their careers, what's next for Mortgage Cadence, and what lenders need to do in order to remain competitive these days. Here's what they said:

Q: I understand you worked for Accenture in the early stages of your career. How has your experience been different this time around? Are there similarities?

PAUL WETZEL: Yes, I worked for Accenture, then Andersen Consulting, my first 9 years out of college. I spent my full tenure working on airline software. First - as everyone did - in a coding role, then finishing up in a business development role. At the time, that project was a bit of an anomaly for Accenture whereas software is a key area of focus for the firm now. One thing that remains the same is the very high caliber of people I work with. Then and now, Accenture is able to attract and retain the best available talent, and I very much enjoy the opportunity to work with them in serving our customers.

Q: How do you see the industry evolving over time?

PAUL WETZEL: First, the borrower experience will be revolutionized by 2020. This will include the time involved and process to apply, how updates are received and how the borrower interacts with the lender. Heavy emphasis on digital and ease-of-use. Forward-thinking lenders and technology partners will lead the way.

Second, top 20 lenders will continue switching from custom or quasi-custom in-house loan origination solutions to partnering with reliable, SaaS-based loan origination solution providers. The best technology partners continue to improve their offerings, while lenders are beginning to realize that risks are too great to remain on a one-off platform. Their loan origination process is better managed with an origination platform partner that can remain current, compliant, and secure, allowing them to focus on their business.

Third, by 2020 mortgages will be broadly bought and sold more easily in a purely digital way, reducing needless cost and risk for both buyers and sellers. The need is there, and the technol-

Industry Predictions

Paul Wetzel thinks:

1. The borrower experience will be revolutionized by 2020.
2. The top 20 lenders will continue switching from custom or quasi-custom in-house LOS to partnering with reliable, SaaS-based LOS providers.
3. By 2020 mortgages will be broadly bought and sold more easily in a purely digital way.

ogy is there. Look for further traction from the industry in the coming years.

BRAD THOMPSON: First, I believe that with all of the recent regulations and imminence of more in the near future, lenders are going to look for new ways to reduce their cost to originate in order to remain competitive. To do this, lenders will turn to their partners to deliver innovative and disruptive solutions. This will also allow them to capture the Millennial generation who will become the predominant target market in very short order

Second, with more regulations in-store, and new generations requiring transparency and a simple origination experience, lenders will find themselves needing to offload the risks and the costs associated with mortgage

lending. I've recently joined Accenture Credit Services to assist in their BPO (Business Process Outsourcing) practice. We plan to closely align this business with Mortgage Cadence in order to provide lenders with a simpler origination process, all while providing the very best mortgage technology and compliance support the industry has to offer.

Finally, I believe that the mortgage industry is poised to look more like a manufacturing business than a finance business. Quality will be derived through the automation of many currently manual processes. Ultimately, the fact remains: the less a loan is touched by people, the higher the loan quality and consistency will be.

Q: You are a long-time Mortgage Cadence employee Brad, getting your start nearly a decade ago with the company. What has this journey been like for you?

BRAD THOMPSON: It's been an exceptional journey watching Mortgage Cadence grow from a small technology firm to becoming one of the leading technology platforms in the industry. We've seen the industry go through some very prosperous and traumatic times that no one was immune from. Despite it all, Mortgage Cadence has always been true to its core values and mission, and I believe that is what allowed us to emerge on

INSIDER PROFILE

Paul Wetzel is the Product Management Lead for Mortgage Cadence. Paul has led Product Development and Product Management activities through most of his 2- year software career, the last 10 serving the Financial Services industry. In his current role, Paul manages both customer and industry requirements to drive product enhancements while also ensuring Accenture Mortgage Cadence leads the way in innovative loan origination technology. Through collaboration and true partnership, Paul and the entire Accenture Mortgage Cadence team is committed to providing the last lending technology customers will ever need.



the other side as the premier mortgage technology provider and trusted partner of many of the top lenders in the space.

Q: What should lenders be thinking about now in order to prepare for the future lending landscape?

BRAD THOMPSON: Lenders should be looking at how their loans are originated today. Simplifying these processes will help future borrowers obtain a mortgage in the fastest and easiest way possible. The Millennial generation will expect this from their lender and will have very little patience for those that don't simplify the process and give them complete transparency into how their loan is being originated.

Q: What is the single greatest threat for lenders in coming years?

PAUL WETZEL: More TRID-like waves of compliance could increase the cost and risk of doing business to new levels. There is always opportunity in this, however, on both the lender and vendor side. The best prepared will survive - and thrive.

BRAD THOMPSON: I agree with Paul. The cost to both technology providers and lenders was immense in

order to roll out TRID. Very few technology companies or lenders will have the wherewithal to withstand more major regulatory changes in the near future. Flexibility in processes and technology is certainly the first step. Being prepared and forward-looking is the second.

Q: With that being said, what is the single greatest opportunity for lenders in the coming years?

PAUL WETZEL: To use technology as a true competitive differentiator, allowing lenders to scale and become more efficient, exceeding their own customers' expectations in the process. ❖

Industry Predictions

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2. With more regulations in-store, and new generations requiring transparency and a simple origination experience, lenders will find themselves needing to offload the risks and the costs associated with mortgage lending.
3. I believe that the mortgage industry is poised to look more like a manufacturing business than a finance business.

INSIDER PROFILE

Brad Thompson, current Mortgage Cadence Technology Lead at Accenture Credit Services, is responsible for assisting Accenture Credit Services in providing their clients with powerful, technology-based BPO offerings leveraging the Mortgage Cadence suite of products. Over his ten years with Mortgage Cadence, Brad was a key contributor to the company's success by assisting in go-to-market strategies, bringing key market data back into the organization to continually shape our product suite, and maturing our implementation methodology while growing the professional services team into the highly successful unit it is today



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