

LOOKING TO THE FUTURE

Nancy Alley is not new to the mortgage space. She has been around the block. However, now she has a big company in Xerox Mortgage Services to shepherd. What does she bring to the table? Well, if Nancy's history is any indication, she is ready to help struggling lenders forced to deal with decreasing volume and increasing regulation move their business to the next level.

Executive Interview

Back in the late 1990s Nancy co-founded a company that offered up electronic signatures and electronic vaulting to the mortgage space. This technology is just now gaining its footing, but Nancy was there from the start evangelizing and doing her part to move the industry forward. She'll bring that pioneering spirit to XMS. Here's her take on the future of XMS and the mortgage industry:

Nancy Alley takes over as General Manager at Xerox Mortgage Services, and she's totally ready to revolutionize the entire mortgage space.



Executive Interview

Q: For a lot of people, imaging and paperless are synonymous. What's your take on how the definition of paperless has changed in the past five years?

NANCY ALLEY: When you think about paperless and take a step back, it was really just about getting rid of paper five years ago. We are in a very paper-intensive industry. So, paperless started with just replacing paper. What did that mean at the time? People started scanning documents and it was limited to a few departments within the lender shop. I would argue that paperless is so much more. You can now manage, share and collaborate on images and electronic documents. Further, as we go into the future you'll be able to manage, share and collaborate using data. We're moving along this evolutionary path. We are not talking about how you get rid of paper with our clients because most have done that already. Now we're talking about electronic collaboration. When you think about collaboration, it has to bust outside of the lender's walls. It can't just be internal. It has to be cradle to grave. That's my vision.

Q: Do you think the UMDP initiatives are going to help or hurt the industry?

NANCY ALLEY: This is a hot topic. In the past couple of years, this industry has seen huge change. Change is always painful at first, but I'm a big supporter of these initiatives because they will push this industry to the next level. How? These initiatives will drive paperless adoption and true electronic collaboration. This forces us to go even further and move away from being document centric to being data cen-

INDUSTRY PREDICTIONS

Nancy Alley thinks:

1 Lenders will spend their technology dollars on comprehensive solutions that can easily and seamlessly manage exceptions.

2 The definition of paperless will progress from basic imaging capabilities to the ability to collaborate on documents and data from cradle to grave.

3 Lenders will no longer define all-in-one, or end-to-end, by the software system they use, but rather by the extent of their vendor's reach to other partners throughout the mortgage lifecycle.

tric. Right now lenders have data in different systems, but they may not talk to each other and that data may be in different formats. That now changes. To have the transparency to truly analyze everything that we're doing is key. I think this makes that possible.

The other positive piece that is not specific to UMDP, but relates to UMDP, is that UMDP mandates the use of MIS-MO data standards. That's a good thing. Historically we have always had proprietary systems and data formats that don't talk to each other. So, we do have to get over the pain of change, but once we get passed that as an industry, this will be a great thing.

Q: Let's talk about you for a bit. You recently were named the GM of Xerox Mortgage Services. What are your plans for Xerox Mortgage Services?

NANCY ALLEY: I'm excited to accept this

position. I would have never agreed to do this if I didn't think we had bright days ahead. Greg Smith coined a lot of phrases, but before he left he used to say that we don't skate to where the hockey puck is now, we skate to where the puck is going. I agree with his philosophy. That's what we're going to do. We are going to skate toward the future. The future is about data. Part of what we'll be doing is becoming more data centric so our clients can collaborate based on data and not just documents.

Also, the XMS Network is very important. The network is central to my vision for XMS going forward. You don't want to limit yourself to a solution in your walls, you want to communicate out in a seamless way. That's how you drive true ROI.

Q: As the founder of what was Advectis and the BlitzDocs product, we all know what Greg Smith brought to the table, but what does Nancy Alley bring to the table? How is XMS going to be different under Nancy Alley?

NANCY ALLEY: If you look at how Greg grew the company, you go back to the evolution of paperless. He did an amazing job of getting lenders to go paperless. I believe that one of the reasons Greg hired me was because of my tireless dedication to driving the e-mortgage. I am going to steer XMS down that road. I am going to make sure our clients have a roadmap to get to the full e-mortgage.

I also lead the efforts with BlitzDocs XE. My expertise around e-vaults has already shown itself within our product offering. I think Greg letting me develop XE was a test to see what I would do with his baby. We are going to continue to build that out.

Q: Next year is the five-year anniversary of Advectis being acquired by Xerox. How has Xerox Mortgage Services leveraged its relationship with Xerox and its sister companies?

NANCY ALLEY: Advectis was the original company. They had a great solution and

INSIDER PROFILE

Nancy Alley brings more than 20 years of financial services and mortgage industry experience to her role as the vice president and general manager for Xerox Mortgage Services. In her previous role as vice president of product management for Xerox Mortgage Services, Alley managed the company's document collaboration solutions, BlitzDocs and BlitzDocs eXtended Edition. Alley also previously led the product management and engineering efforts of eSignSystems.



Executive Interview

great people. None of that has changed. However, we can now leverage Xerox so we can integrate services that we couldn't provide prior. For example, the goal of XE is to fulfill electronically, but we don't live in a perfect world. If the customer opts out we can seamlessly deliver the package through the mail in paper form. We also see a lot of demand for business process outsourcing. We can offer that and work on the file to do things like data extraction. At our fingertips we have all these other entities that we can leverage.

Q: The MBA predicts the loan volume to drop off significantly in Q4. How can lenders use technology to survive?

NANCY ALLEY: If we in the mortgage industry

have proven anything in the last few years, it's that we're a tough bunch. I have no doubt that the industry will survive, but we have to be more flexible, which is where technology comes in. Lenders need to be looking at solutions that drive automation and collaboration. As volume drops off you need to figure out how you're going to make money. The solution also has to be flexible because volume changes. One thing to look at is volume-based pricing to tie costs with your volume. As an industry we can't stop innovating, but when you buy technology you need to make sure that it goes cradle to grave and improves the whole process. Nobody can afford to do big pilots, they need technology that will improve their process now that can solve their problems. To this end,

the technology should be able to manage exceptions and be agile. As volume dips, that's where you get revenue and ROI.

Q: What is the state of the industry and where do you see it going?

NANCY ALLEY: We all read the papers and watch the news, there's still a tremendous amount of uncertainty. As volumes drop we are warned that volumes will drop further. We're also told that interest rates will increase. I don't see light at the end of the tunnel, but it's not all bad news. Lenders are getting comfortable working in these tight conditions.

Getting more granular, I like where we're going in terms of the data requirements. I hope this is the push we need so we can effectively and transparently share and collaborate on docs and data. We are a member of MISMO and I'm excited about MISMO acceptance. The more we can share data and collaborate based on data, the better the industry will become.

Q: With the rise in regulations and changing market dynamics, what are lenders' biggest pain points and how are they leveraging technology to overcome them?

NANCY ALLEY: Lenders struggle with the constant flow of new rules. There are always new rules being thrown at them. The politicians are always thinking of something new. Lenders are now worried about UMDP. Are they ready? Are their appraisals in the right format? Will they be able to send to the GSEs in the right format? That's just one example. As I look at that pain points, that's why you need to leverage your vendor. Your vendor has to make sure that you're ready.

Q: Last question: How would you define the state of innovation in the mortgage industry today?

NANCY ALLEY: As a technology provider we always want people to be proactive, but it's a balancing act for lenders. So, we need to innovate as an industry, but we need to innovate comprehensively. ❖

