

Case Study

Market leader sharpens focus on strategic growth after outsourcing daily operations functions

Leading online real estate auction company modernizes back-office functions in less than six months

Solution Overview

Onshore/offshore back-office processing, automation empowerment, work-from-home enablement

Results



\$1.1 Million
in monthly cost savings



75%
reduction in processing time for an operation



100%
of staff transitioned to WFH



8%
employee productivity gain

Challenges

- Meet 6X scope expansion during the project
- Provide back-office support for onshore processes
- Establish and staff new onshore processing center
- Reduce cycle time on back-office functions
- Shift to work-from-home at the outset of the pandemic
- Complete modernization in six months

Business challenges

The client is the largest online real estate auction company in the US, supporting 6.3 million buyers and 10,000 auctions per year representing \$52 billion in sales to date.

The client sought an agile technology and services provider that could step in and take over non-core support functions in its business, allowing management to focus on high-value growth opportunities. Sourcepoint was selected to assume control of facility leases and expenses, infrastructure improvements and maintenance, and recruiting, onboarding, and managing employees.

The client wanted us to create turnkey production facilities with minimal start-up costs, staffing the facilities with skilled employees.

During the project, the client, eyeing additional savings opportunities, expanded the scope to include additional critical functions like settlement and closing, audit, quality control and web chat support.

To achieve the cost savings sought by the client, offshore operations were needed, requiring recruitment and training in real estate closing and transfer.

The transition occurred early in the COVID-19 pandemic. In addition to achieving the required cost and processing time savings, Sourcepoint had to transition all employees to work-from-home status to minimize the potential for disruption.

Putting real estate experience to work

Sourcepoint was selected by the client for its ability to respond quickly to the timeline requirements and our knowledge of real estate closing and settlement. In particular, the client appreciated our ability to accommodate evolving requirements and build processes around new technology.

Applying decades of experience in real estate and mortgage finance, we dedicated ourselves to meeting the aggressive six-month timeline and the cost reduction/turn-time improvement objectives set by the client.

Solution Synopsis

- New onshore operations center established with 70 domain knowledge specialists
- Met mid-project requirements to streamline settlement & closing, auditing, QC and support for web chat
- Established and trained offshore support for four back-office processes
- Applied automation to streamline workflow, achieving up to 75% cycle time improvement
- Transitioned 100% of staff to WFH within one week of the pandemic onset, with 8% improvement in productivity
- New operations center operational in less than six months

Automating back-office functions and expanding capacity

We addressed the need for improvements in back-office efficiency by creating off-shore centers to support four key functions. In addition, Sourcepoint established a new, modern onshore operations center in Morrisville, NC staffed with 70 domain knowledge experts.

Using new technology and process improvement methods, Sourcepoint reduced reliance on human labor and improved cycle time in all functional areas, achieving hours-long turn-time reductions that, in some cases, reached 70%.

At several points during the modernization project, the client asked Sourcepoint to address workflow and automation opportunities in six additional areas, including settlement and closing, auditing, quality control and support for the webchat function. Sourcepoint was able to seamlessly include these functions because of its domain expertise in real estate.

Through combined efforts to apply new technology and leverage offshore resources, Sourcepoint was able to deliver \$1.1 million in monthly cost savings to the client at the same time it improved turn times.

Increasing capacity and creating a focus on growth

The demand from investors who want to add to real estate holdings augurs well for the client, which now enjoys additional capacity, greater marginal profitability on new revenue, and improved effectiveness in risk management and client-facing support functions.

Results

- \$1.1 million in back-office monthly savings
- 8% enterprise-wide employee productivity improvement

Expanding offshore operations to drive down costs

To meet cost reduction requirement expectations held by the client, Sourcepoint judiciously selected four back-office processes to be managed and administered offshore. Not only were cost reduction objectives met, but we were also able to achieve turn-time reductions with concomitant cost savings, making the offshore transition transparent to the client's customers.

Exceeding expectations

In addition to firming up the client's back-office functionality, we delivered:

- A seven-figure cost reduction
- Completed the modernization project within six-months
- Minimized business disruption risks from the Covid response and established new onshore and offshore production facilities

What's your challenge?
Let's work together to solve
it. To speak to our experts
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