

Igniting ideas for the mortgage industry.

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So about those **sparknotes** and the FHA premium reduction; never-mind, we're calling a mulligan. Along with a flurry of executive orders, the mortgage industry did not go unscathed and the FHA premium changes retracted as quickly as they were announced. While those changes we recommended last week and your hard work was no longer needed, you never know what the future holds. In speaking with several clients, there were many who worked diligently on these changes, only to have to unwind them, which lead us to think about 'change management,' an often misunderstood topic. With the Encompass 17.1 version coming into production environments this past weekend, it makes for a good time to discuss. A copy of the Release Notes can be found [here](#). The start of 2017 not only brings change management to Washington but also to LOS's and other technology updates and the wonderful world of HMDA.

The matchbox team is comprised of mortgage bankers who take pride in understanding the industry changes and being proactive in how these changes can be supported within Encompass.

matchbox....we speak mortgage

Change Management Protocols



We miss this guy, don't do? The new replacement just doesn't hack it. That was a change management fail. That said, if you have this sign hanging up in your IT department and you are operating in any Loan Origination System, keep reading. In today's market, you should have at least one, if not two additional environments for the purposes of managing new development upgrades and software releases. The mortgage industry is not short on industry wide changes, and requested system enhancements which requires any mortgage technology department to have a clear and concise process for developing and testing prior to release into the production environment. Your change management process should include a fully documented set of your systems current configuration to form a baseline. All system configuration changes should be documented and approved before being deployed into your test or development LOS environment. The new development should be introduced to the respective subject matter experts within your organization for development review and user acceptance testing. Once all testing has been completed and documented, the details of the changes should be documented for reference and for training your user community.

Training sessions that explain the new changes should be scheduled and reviewed with the entire staff providing detailed explanations of how and when the changes are going to be implemented into production (which should occur over a weekend) and how they will be impacted.

On implementation, or upgrade weekend, the system's production environment should be updated with the new development items. Upon completion, all changes should be tested and confirmed to be working as expected within the production environment. These changes or upgrades should be identified with a version number or specific identifier that clearly identifies the time and date of implemented changes. A summary of these changes should be documented and updated corporate change management manual.

Part of the plan should include the ability to roll back the changes if they are not working in production as they did in the test/development environment.

Lastly a reminder that changes have been made with a summary of those changes in a company's version of release notes should be sent to all users so that they can understand that the system they left on Friday has been changed over the weekend.

If this sounds foreign to you, or if you would like some assistance on setting up or enhancing your change management procedures, give us a call and we would be happy to assist to make system changes not the most interesting thing in the world.

Hey, we all love that original Dos Equis guy, but we wouldn't exactly follow his risk management strategies.

HMDA headaches

It's that time of year again and HMDA Reporting is right around the corner. Can you hear that noise? Quiet and listen carefully; it's your compliance department starting their annual mental breakdown. Why are so many lenders still struggling with this after so many years? The process has always been a challenge but with the pending changes coming in 2018, the need for timely and accurate HMDA data has never been greater. If it's still a struggle now, just wait until next year. There are some challenges (listed below) but lenders who are still in business and thriving should have the ability to efficiently solve for this with the right planning and tools.

- Unclear HMDA policies and procedures
- Insufficient LOS functionality to drive your timely HMDA updates
- Delay in keeping the HMDA data updated which requires a once a year catch up scrub and update

If your HMDA process is bad now, it is only going to get worse

with the pending updated - we strongly suggest you invest some time in getting ahead of this in 2017. There are many companies that have this process down and it is done like clockwork each month and then filed accurately and timely on a quarterly (MCRs) and annual basis. Please do not let this be the year that you "get HMDA done" with the mindset that you are done worrying about it for a year. Take some proactive steps to improve your process and set yourself up for success in 2018.

Please contact Frank Fiore at ffiore@matchboxllc.com if this *sparks* your interest and you would like to discuss further.

EXPERIENCE 17

License to Succeed

The matchbox and Ignite teams have been in the lab working on some exciting new Encompass based offerings. We are looking forward to sharing them with you at the Encompass Experience. Please contact ffiore@matchboxllc.com to schedule a demo or meeting while at the Experience.

**Schedule
a meeting today**
ffiore@matchboxllc.com

matchbox LLC | Ignite Integration Solutions | ffiore@matchboxllc.com |
www.matchboxllc.com

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