



**OHIO HOUSING**  
FINANCE AGENCY

*We Open the Doors to an Affordable Place to Call Home*

**Kaizen Event Report Out**  
**OHFA Homeownership**  
**February 29 - March 4, 2016**

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# How Did We Get Here?

- Even though we have implemented some of our own internal “re-engineering” of the process during the past year, which has been part of our improved production numbers, we still think that there are areas to improve upon (efficiencies, lower error rates, and reduced approval/turn-around times).
- We would like to be more proactive versus reactive when it comes to keeping our loan pipeline up to date and clean; and, improve upon our consistency in the process and answers.

# Overarching Theme

- Advance upon the great improvements we have made in the past year!

# The Roundabouts

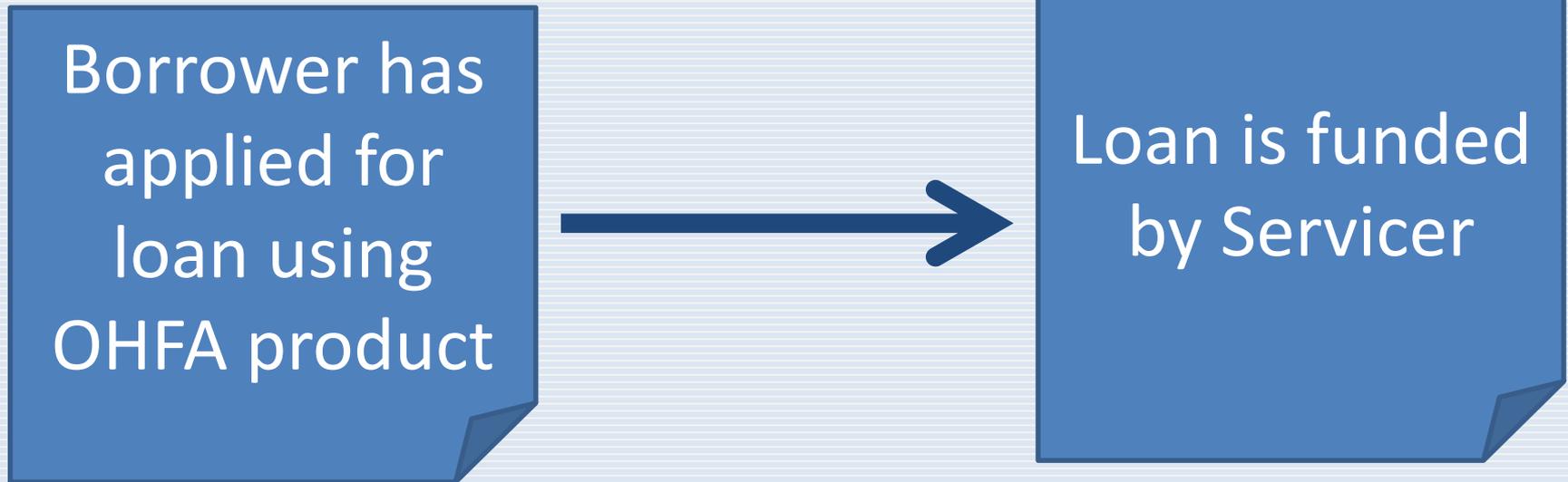


Tom Walker, Cleo Evans, Erin Higgins, LaTanya Adams, Jeff Campbell,  
Althea Brandon, William Steele

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# Scope of the Event



# Baseline Data

- There were 2741 total loans originating in 2015
- Average time to process from stage 1 to stage 7 was 60 days
- The time to process loans currently ranges from 12 to 254 days

# Process Improvement Goals

**Approval times  
consistently to 3  
days**

**Improve upon the  
homeowner  
process**

**Improve the ease  
and accuracy of  
reporting**

# To Break for the Better

- Customer focused
- Right people changing the process
- One week-quick and action oriented
- Necessary resources available immediately
- New process implementation begins next Monday



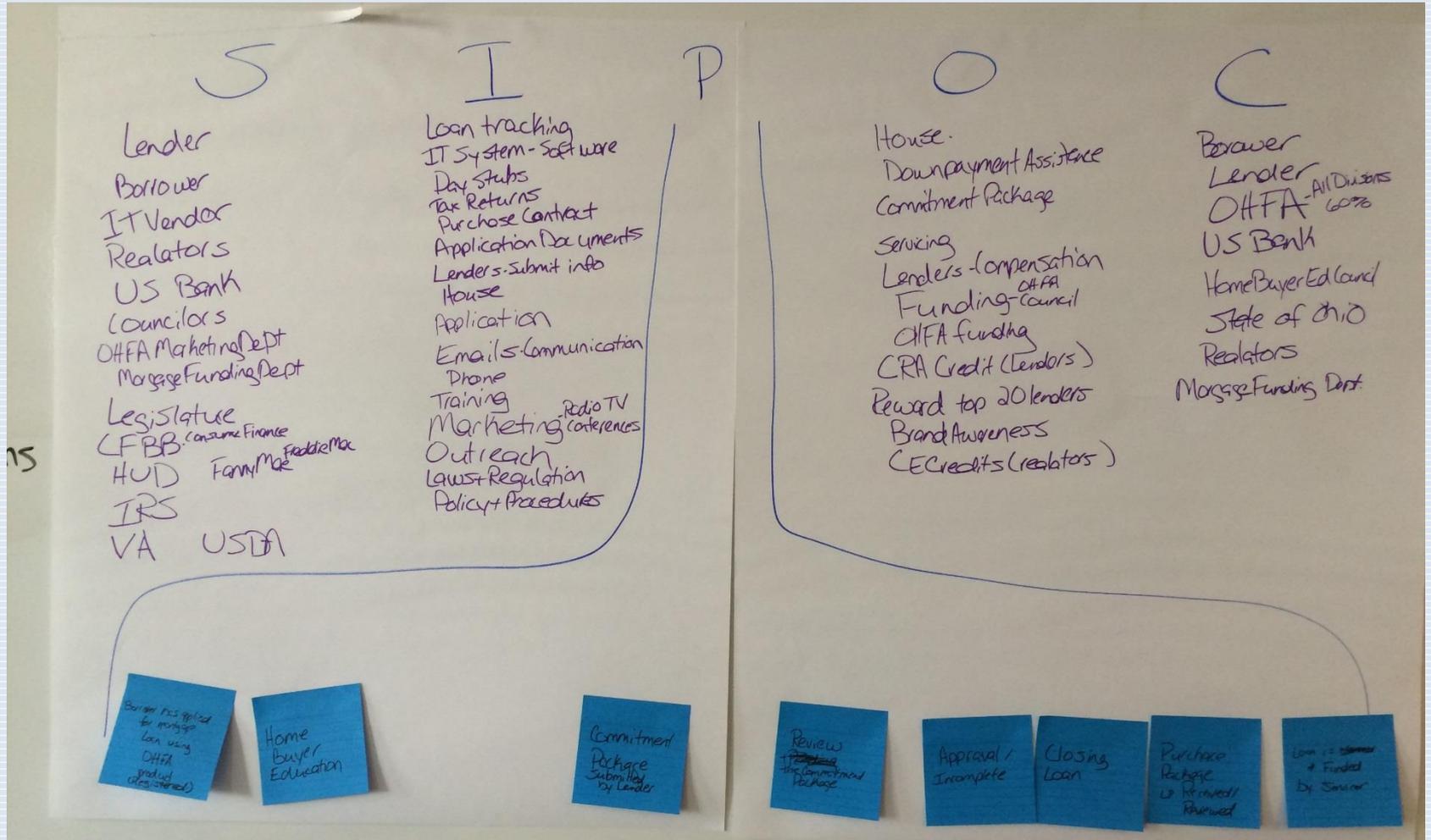
# Day One

- 
- Level Setting
  - Scope of Event
  - Stakeholder Identification
  - Current State Mapping

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# SIPOC



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# Day Two



- Finish Current State Mapping
- Waste Identification
- Value Added Discussion
- Lean Six Sigma Training

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# Quest for Standardization



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# Day Three



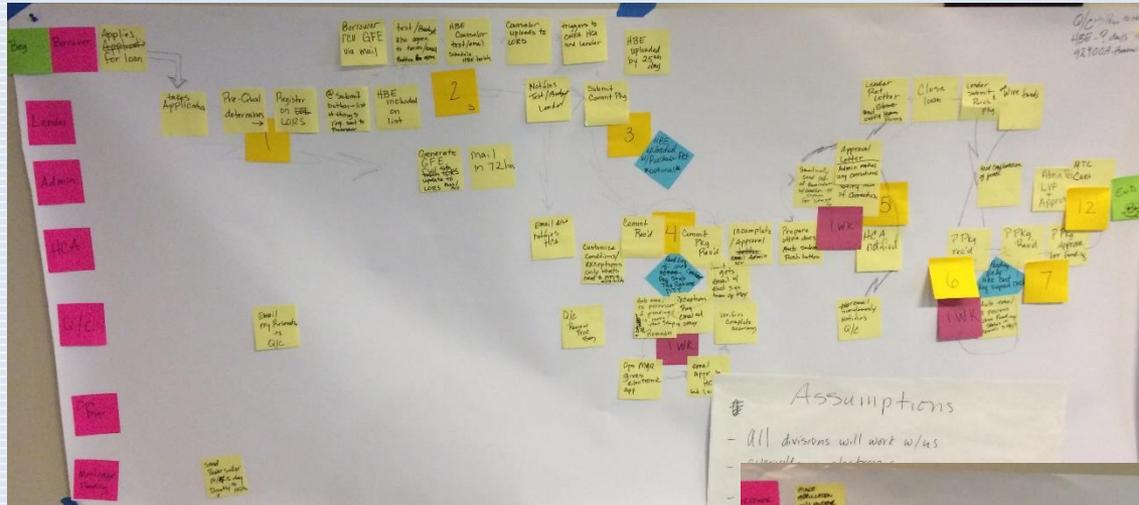
- Brainstorming
- Analysis
- Problem Solving
- Process Redesign

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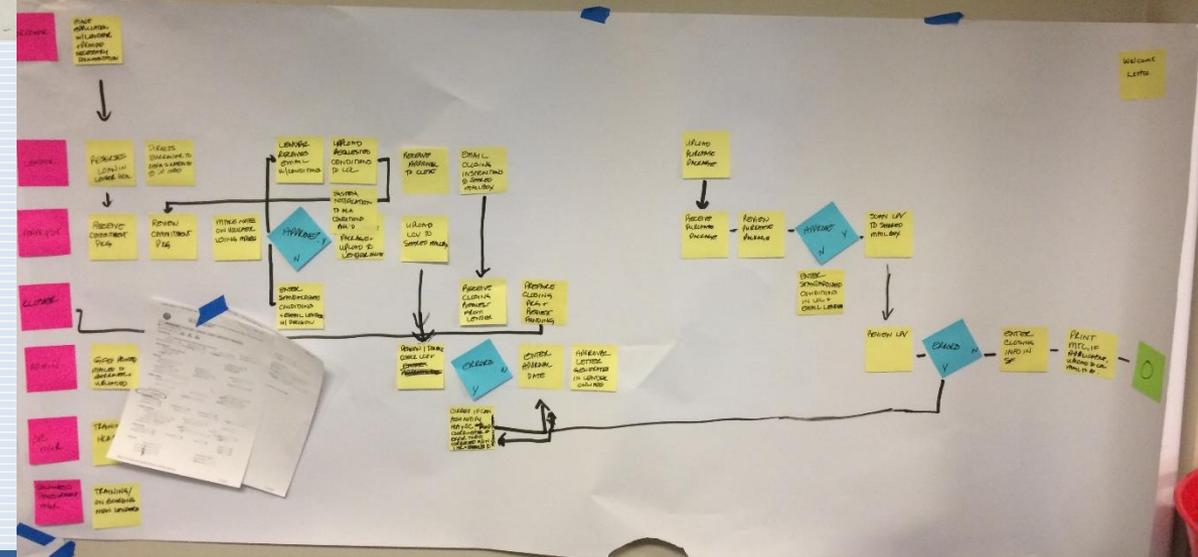
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# Clean Sheet Redesign



Assumptions  
 - All divisions will work w/ us  
 - account - balance



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- Future State Process Development
- Discussion and Consensus
- Implementation Planning
- Details

# Day Four

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# Today

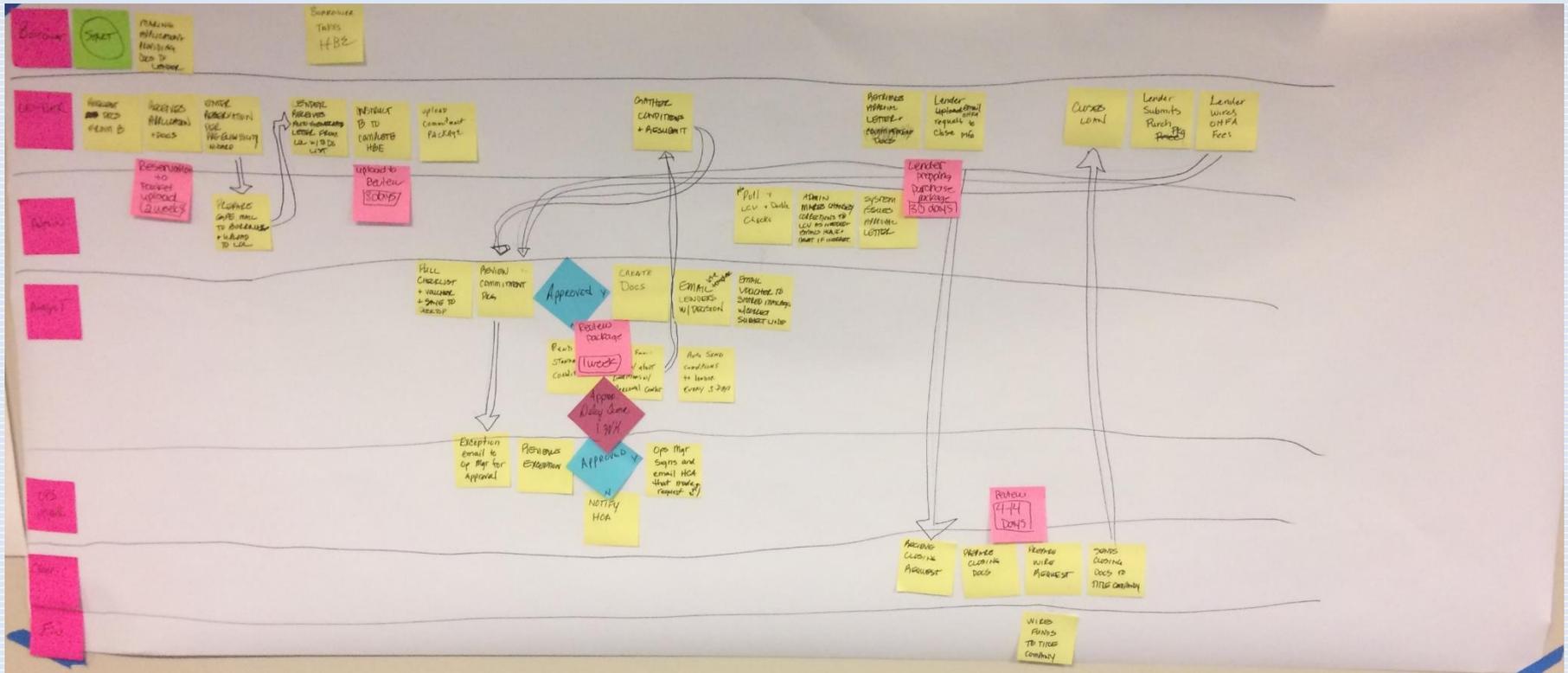


- More Implementation Planning
- Celebration
- Sharing the Results

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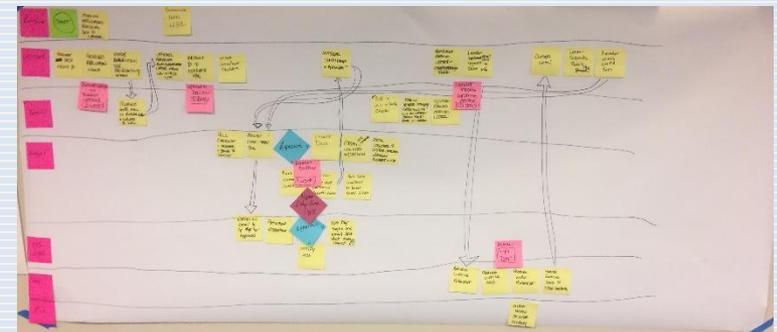
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# Future State



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# Comparison of Process Maps



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# Simpler/Faster

- Auto emails
- Wire funds will result in no lost checks
- Loans closed faster
- Prepare closing packages for lender
- Electronic signatures
- Standardized conditions

# Better/Less Costly

- No Guessing
- Less Stress
- Better internal and external customer services
- More knowledgeable/empowered staff
- Reduce calls and emails
- Less paper
- Redirected staff hours to core work

# Summary Scorecard

Measure	Current Level	NEW	Change
Process Steps	102	42	<b>59%</b>
Handoffs	14	8	<b>43%</b>
Process Lead Time	57-83 days	56-68 days	<b>Reducing 15 days</b>

# Implementation Plans

- IT
- Standardized Emails and Conditions
- Finance
- Reporting/Data
- Training
- Communications

# IT and Standardized Emails and Conditions

FINAL Approved  
18 Day Auto LETTER

## IT Action Register

WHAT	WHO	WHEN
Create Pre-Eligibility	IT/Emphasys for LORS	6/30/2016 <del>2nd</del> 2nd QTR
Create digital signature for Erin's Exception Letter	IT	3/31/2016
Create Auto email that mimicks HBE process <sup>100%</sup> <sub>W6</sub>	IT/Emphasys for pended loans	9/30/2016 3rd QTR
Fix email Notification	IT/Emphasys	4/30/2016
Increase AUD Character limit in Conditions/Exception	IT/Emphasys	9/30/2016
Fix auto upload in <sup>IT</sup> AUD	IT/Emphasys	4/30/2016
Create/discover how to make condition/exception populate in missing document letter	IT/Emphasys Staff member/Communication	6/30/2016
In tandem make it/test email (aka lender Contact button) in AUD	IT/Emphasys	" "

## Standardized emails & Conditions

WHAT	WHO	WHEN
EMAIL TEMPLATES	ALTHEA	3/31/16
STANDARDIZED CONDITIONS	HCA TEAM	7/31/16

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# Finance and Reporting/Data

Finance

WHAT	WHO	WHEN
Wiring Fees like \$100 Admin 250 MTC etc	<del>FINA</del> Wells Fargo Lender can send copy w/ uploaded pkg	esti <sup>time</sup> <del>time</del> 4/30/2016
How Reporting <del>Data</del> Work	Denise or Homeowner Ship/Finance Wells Fargo	✓ " "
Cost/Receiving & Act = 1 or more vs wise	Homeownership Survey Lender	Survey lenders is Act would work > sent next week
Process if we add Closing Position	Homeownership Finance Wells Fargo	?
Meetings w/ Finance	Jim Walker/ Erin Higgins Brian Berry Don West	2 Weeks

Reporting/Data

WHAT	WHO	WHEN
Report <del>id</del> <sup>show</sup> to How Fast it is going	Cleo	TBD
<del>Report id</del> <sup>show</sup> to How long Pending	Cleo	TBD
wrong Product Chosen	Ashley	March 10 <sup>th</sup>
Review past Reports & ID - why Errors	Cleo	Sept 2016
<del>New</del> New date for Data where it will be correct	Cleo	Oct 2016

# Training and Communications

TRAINING

WHAT	Who	When	Audience
TAX RETURN	ERIN x CEO	3/31/16	Analyst Admin
LENDER DOCUMENTS?	Analyst - JZOF ATHIA	3/31/16	Analyst Admin
LT-TABS	INTERNAL People JOB	COMPLETED - NEED REPOSTER	Analyst Admin
<del>Multiple</del> SME 2015/16 TRAINING	CEO EVANS	5/15/16	Analyst Admin H/O
Contract Train POB/MOSA	TEW	4/30/16	
EXTERNAL TRAINING ON BOARDING	Jan, ERIN, Tom	4/20/16	

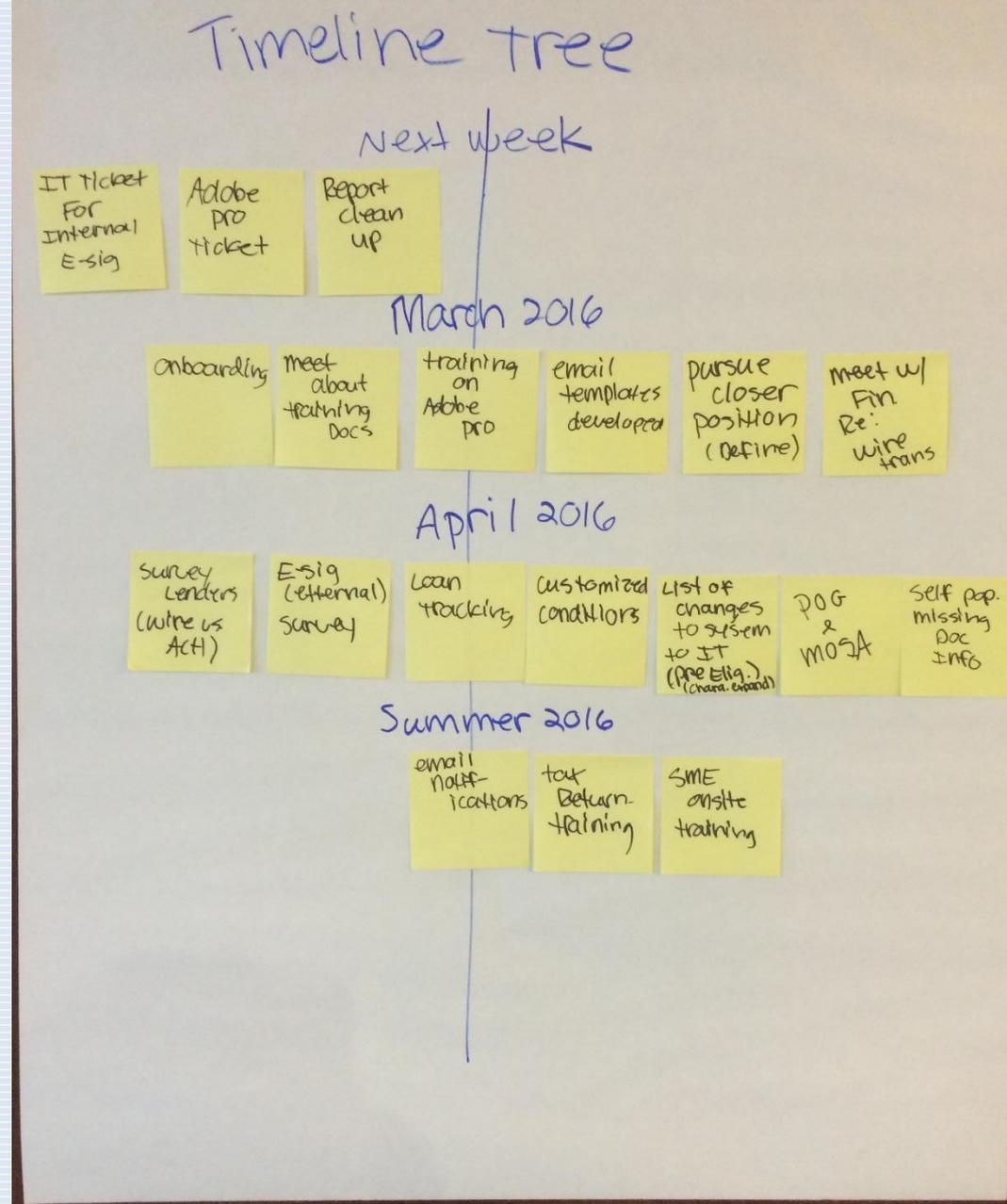
Communication

Audience	What	Who	When	Delivery
Leads	Changes to Process Auto email Onboard reservation Closure Wire Funds	Erin	TED	Bulletin webinar
Finance	Wire transfers ACH Reports	Jim	↓	Meeting EMAILS
IT	List of Actions/ cost	Tom	↓	EMAIL List meetings
Analyst	Changes/ Training	Erin	↓	TRAINING Report Out
Admin	" "	" "	" "	TRAINING
Communication	EMAIL TEMPLATE	ALTHEA	↓	EMAIL Follow Meeting
Mortgage Funding	Reports	Cleo	↓	EMAIL PhoneCall
Closer	Closer	Jim		Meetings

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# Timeline Tree





# Your Kaizen Experience



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# Special *thanks* to...

## **Senior Leadership:**

- Douglas A. Garver, Executive Director
- Sean W. Thomas, Chief of Staff
- Holly Holtzen, Director of Research and Strategic Planning

## **Sponsor:**

- Jim Durham, Director of Homeownership

## **Team Leader:**

- Erin Higgins, Operations Manager

## **Subject Matter Experts:**

- Steven McVey, IT
- Paige Dixon, Communications
- Brian Benjamin, Finance
- Marlo Tannous, Legal
- Marcy Ash, Huntington Bank
- Brenda Walker, Internal Audit
- Errin Jackson, Mortgage Funding