

How A New Title Production Process Changes Business Performance

Expect to Beat Competition, Lead with New Clients and Achieve Marked Success

The Time is Now, Not Tomorrow, Not Next Week to Partner with CentRealTech...

Start Rationalizing and Enable Title Production to Become A Winning Game Changer for Your Company...

Title insurance companies and agents have long enjoyed lucrative returns on investment over the past three years, handling thousands of transactions each month. Today's proliferating digital technologies, tougher regulations, mergers/acquisitions, emerging new entrants, market shifts, inflation pressures, escalating interest rates, recession anxiety are driving origination and refinance volumes downward thus putting pressure on margins. This has led to creating a need for re-organization, improve process workflows, rightsizing the employee population and investing in automated technologies to transform the industry to change past practices and address the dynamics of today's environment to sustain future success.

The Quick Answer and Long-Term Fix Is: Automate Your Cost Away with Shared Services to Compliment Digital Transformation Initiatives...

As companies try to improve cost structure, the focus has always been on settlement services and not the front end of production processes where automation can make a major difference. The key question remains, what does it truly cost title insurers to originate a title? Most industry players do not know their company's actual origination costs

or expense mix. This reality makes it very difficult to maximize the lowering of expenses and grow margins in any market environment.

To help identify the costs of title production, Accenture was engaged to conduct an independent, quantitative benchmark analysis of the title production process and associated costs among industry leading providers. The study focused on tasks performed in the title origination process (pre-search, search and examination), measurement of task time and value-add procedures while also taking into account fixed and variable company costs that support the enterprise.

Two key findings surfaced:

- 1. The title fulfillment process continues to run heavily on disparate/hybrid systems with many human touch points and multiple quality assurance checks.
- 2. A 30% variance exists between what participants thought was their costs to produce and their actual fully burdened costs in producing a complete title report.

Title Insurance Origination Actual Costs for Labor and Search Fees

<u>Unburdened Unit Cost</u>	<u>Fully Burdened Unit</u>
<u>Cost Figure</u>	
	24% Labor Cost
	13% Labor Cost
	76% Search Fees
	44% Allocated
	43% Title Production & Search Fees

What Can a New Production Process Become?

Where is your business headed and what new processes should be considered to meet the needs of your evolving business and opportunities. Rather than just automating a process that is tied to the past- “We do it this way because this is how we’ve always done it” - investigate what is the new optimal process to support a reimagined business of tomorrow. What will the new workflows look like, how well do the people involved understand the current process along with adjacent upstream and downstream processes and how can you leverage automation capabilities to meet the needs of a fast-paced digital transformation that embraces workflow to deliver more value.

Reclaim Time and Improve Efficiencies to Grow Your Business...

Some of the most time-consuming tasks for title insurance companies include title evidence packages and search solutions. The countless hours of tedious manual labor these search packages require has grown. This may help explain why many title search companies remain unaware of new time- and money-saving technologies and models that can reduce repetitive tasks, while streamlining and consolidating processes with more efficient partners. Freeing up these resources allows the title company to focus on high-value activities in the title chain while significantly reducing the need for excessive manual QC reviews and re-reviews. Leading companies are well on their way to optimizing these tenets. Today working from anywhere, changing engagement models to reflect the reality of remote work, variable cost staffing models and implementing new strategies for resourcing go beyond the traditional in-and outsourced models.

How can Intelligent Automation Become a Strategic Differentiator for Your Business?

Intelligent Automation not only has the potential to become a strategic differentiator for the business, but it is also among the top priorities for

digital transformations. Faster and cost-effective discovery that uses process mining tools has accelerated the pace of Intelligent Automation, Robotic Process Automation, Optical Character Recognition, Hyperlinks and Machine Learning. Intelligent automation provides companies with a modern way to run their business processes entirely on data and intelligence. Lastly, a shared services model has evolved that leverage organizations to shift their focus from tactical to the strategic. Automation is now being viewed as strategic rather than an efficiency tool.

Why Bother Making Changes Now...

The answer is simple - a forward-thinking Transformative Digital Model is necessary to be competitive, survive and thrive...the title industry is now in another deep pull back from great success over the past three years, so what do we do now. A quick look back, organizations have used hybrid models, off-shoring and on-shore processes; made advances in communication, workflow (with an emphasis on end-to-end process design and implementation of technology), rethinking staff locations, and reducing office space, etc. Past results can be a little daunting so it is important to view them as lessons from the past that can help to avoid the same pitfalls going forward beyond 2022 when it comes to the impact on shared services. Even during COVID, leaders found that the classic approach to creating ongoing value through continuous improvement was no longer sufficient. In moving forward, shared services operations have been able to shift the enterprise narrative away from cost; focusing on such benefits as control and optimization, impact of customer service, and the ability to scale quickly.

Look at the Main Differentiators CentRealTech Offers Clients who want to Embrace Change Now...

Freedom to choose how little or how much is self-produced:

1. Optimize your process chain with data, certified experts and vetted partners
2. Eliminate the waste spent on unnecessary software seat licenses
3. Scale with a variable cost model that aligns to volume fluctuations
4. Put an end to the “hire to fire” pains
5. Differentiate with an external focus (Agents, Underwriters)

A Proven Path Forward - A Shared Services Model...

Without a shared services model, title packages and search solutions are far more expensive than most agents and companies think as discussed above. Leading companies are hyper focused on maximizing productivity to reduce costs and freeing up resources for higher-value activities. If you want to be the best in the industry, outsourcing title searches to fewer and more efficient partners with investments and expertise in the latest technologies can enable title companies to climb the title value chain, concentrate on higher-margin activities, and improve the bottom line.

CentRealTech’s Shared Services Delivery Model vs. a Centralized Model...

- CentRealTech sets expectations by using a [Service Level Agreement](#) to help clarify the terms of service delivery upfront, ensuring greater transparency for the business and helping to align customer expectations about what exactly to expect, determining what is needed and who is accountable in the case of a process breakdown.
- A Centralized Services Model, the focus is more on consolidating work in a single location, with little or no involvement of business users. That approach increases the likelihood that services will fall short of the business’s expectations.

- In a Centralized Model, people, process and technology are consolidated, delivering cost savings initially, but cost overheads are allocated on some basis other than transaction volume, so there is less incentive for the organization to keep service costs low.
- A Centralized Service process teams usually have strong functional alignment that can conflict with the goals of integrated service delivery. If there are close ties to headquarters the centralized approach can also dilute customer focus and instead favor a one-size-fits-all approach that may not be responsive enough for the needs of different business groups.
- CentRealTech's Shared Services provide greater motivation to control and reduce costs because the cost of providing services is "charged out" to customers and business groups might have the option to hire an external service provider or perform the work themselves, so CentRealTech must be priced competitively. This dynamic also encourages CentRealTech to develop a strong culture of advancing new technologies and ensuring that we are always on the lookout for new and efficient ways of delivering existing and new services

An Increased Responsiveness to Changing Business Needs...

The Shared Services Model increases responsiveness to changing business needs. By proactively managing the customer relationship, CentRealTech can identify opportunities to add or remove services from the portfolio and reallocate resources to fulfill the most pressing service needs. Visibility into the customer business helps shared services reach out to a broad audience with new-in-kind services, allowing it to quickly achieve economies of scale and lower service costs. Process teams in the shared services model typically report to a single leader who is responsible for setting a common, customer-oriented vision that strengthens alignment with the broader service

goals and enabling improvements across the different parts of the service value chain.

CentRealTech's Integrated Workflow Solution - IntelliSense®...

Teaming your best industry resources with those of CentRealTech, our fully integrated production workflow platform, IntelliSense®, provides the most cost effective, accurate title search solution on the market. CentRealTech has created a simplified system to link the customarily disparate data, technology, and employee resources involved in producing title reports. IntelliSense® breaks the title research process chain into discrete tasks, making title research and production both easy and customizable. Our effective alternatives to traditional title search processing providing industry-specific solutions crafted to meet your needs.

Delivering Cost Savings, Quality and Scale...

This simplified task breakdown creates a transparent, traceable workflow between you and CentRealTech's expert resources. We empower you with the flexibility of selecting tasks to preform in-house versus those handled by CentRealTech's team of experts that will manage and deliver thus freeing up your in-house team to focus on growth, delivering superior customer service, and managing unpredictable volume surges. Bottom-line shared service operations have been able to shift the enterprise narrative away from cost, focusing on such benefits as control, optimization and impact of customer service. The classic approach to creating ongoing value through continuous improvement has faltered for example during Covid and now "recessionary" times it is no longer sufficient...new process models viable in changing times must deliver cost savings, quality and scale and acted upon quickly for business continuity, sustainability and company growth.

InteliSense® Realtime Benefits...

- Uniform Reports
- Traceable Workflows
- Audited Processes
- Customized Integration
- Scalability
- Process Efficiencies
- Integrated Software Partners
- E&O Insurance
- Variable Costs Pricing Models
- Transitioning New Personnel Needs from Clients (Assuming Volume Commitments)
- Licensing Options
- Revenue Gain
- Client Satisfaction

CentRealTech, is a world class software partner, providing an automated/digitized Intelligent workflow property information platform designed for the Title Industry that delivers a choice of business drivers to support process workflow requirements for client ready product deliveries in 3-5 minutes. All accomplished onshore and eliminating hybrid models. No specialized IT hardware/software required, operates in a secured web environment that is fully integrated nationwide into Data Trace's electronic plant network (DTS2), linked to Property Insight plants, Resware and customization with client platforms. Platform design flexibility extends title production capability from the office to the home simply and efficiently (Internet & Computer) and provides a tested and a secure environment for all operations and product delivery.

The Partnership Dynamic...let's talk, you have much success to gain in a mutual beneficial partnership. Please assert your interest by providing a convenient date and time for a thirty-minute executive

online demonstration that will become a very profitable investment of your time.

Sincerely,

Michael F Roy

Executive Vice President



CentRealTech, Inc.

mike.roy@centrealtech.com

www.centrealtech.com

708-507-7598

408-490-3436 (Fax)

***** This message contains confidential information intended only for the use of the addressee(s) named above and may contain information that is legally privileged. If you are not the addressee, or the person responsible for delivering it to the addressee, you are hereby notified that reading, disseminating, distributing or copying this message is strictly prohibited. If you have received this message by mistake, please immediately notify us by replying to the message and delete the original message immediately hereafter. *****