



Everest Group PEAK Matrix[®] for Mortgage Operations Service Provider 2022

Focus on Infosys
February 2022



Background of the research

The landscape for mortgage operations is becoming increasingly competitive and dynamic as lenders look for newer solutions to improve their capabilities, cater to consumer needs, and gain market share. While the pandemic disrupted the industry, which was marked by a long period of low interest rates and significant demand in 2021, interest rates are rising again. In fact, the pandemic, has brought about some meaningful changes across consumer demand patterns, mortgage stakeholders' modes of working, and service delivery models.

Consumer demand patterns are shifting toward younger and more digitally savvy borrowers, who value experience and convenience over cost. Providers are actively leveraging their partnership ecosystems and new acquisitions to augment their capabilities and improve their offerings' time-to-market. They have invested in and built digital lending solutions and tools that help customers in their end-to-end loan life cycle and enhance the overall customer experience. The mortgage securitization market has experienced high competition from providers across other major LoBs. On the buyer side, North America continues to dominate market share in terms of size and new deals, while providers are somewhat getting a grip of the demand patterns of lenders across the Asia Pacific, UK and Continental European region. Providers are also experiencing demand from non-bank buyers such as FinTechs and real estate companies.

The full report features the profiles of the following 23 leading mortgage operations service providers featured on the [Mortgage Operations PEAK Matrix® Assessment 2022](#):

- **Leaders:** Accenture, Infosys, Firstsource, and TCS
- **Major Contenders:** Capgemini, Coforge, Cognizant, Computershare Loan Services, Conduent, DXC Technology, Exela Technologies, EXL, HCL Technologies, Indecomm, Mphasis-Digital Risk, Sutherland Global Services, Tech Mahindra, Teleperformance, Unisys, Wipro, and WNS
- **Aspirants:** Peoples Processing and Writer Business Services

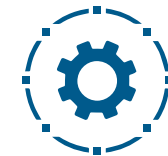
Scope of this report



Geography
Global



Service providers
23 leading mortgage operations
service providers



Services
Mortgage operations

Mortgage operations – services PEAK Matrix® characteristics

Everest Group classified 23 banking operations service providers on the Everest Group PEAK Matrix® into the three categories of Leaders, Major Contenders, and Aspirants. The PEAK Matrix® is a framework to assess the absolute market success and overall capability of service providers.

Leaders:

There are four service providers in the Leaders category – Accenture, Firstsource, Infosys, and TCS.

Major Contenders:

The Major Contenders category has 17 service providers – Capgemini, Coforge, Cognizant, Computershare Loan Services, Conduent, DXC Technology, Exela Technologies, EXL, HCL Technologies, Indecomm, Mphasis-Digital Risk, Sutherland Global Services, Tech Mahindra, Teleperformance, Unisys, Wipro, and WNS

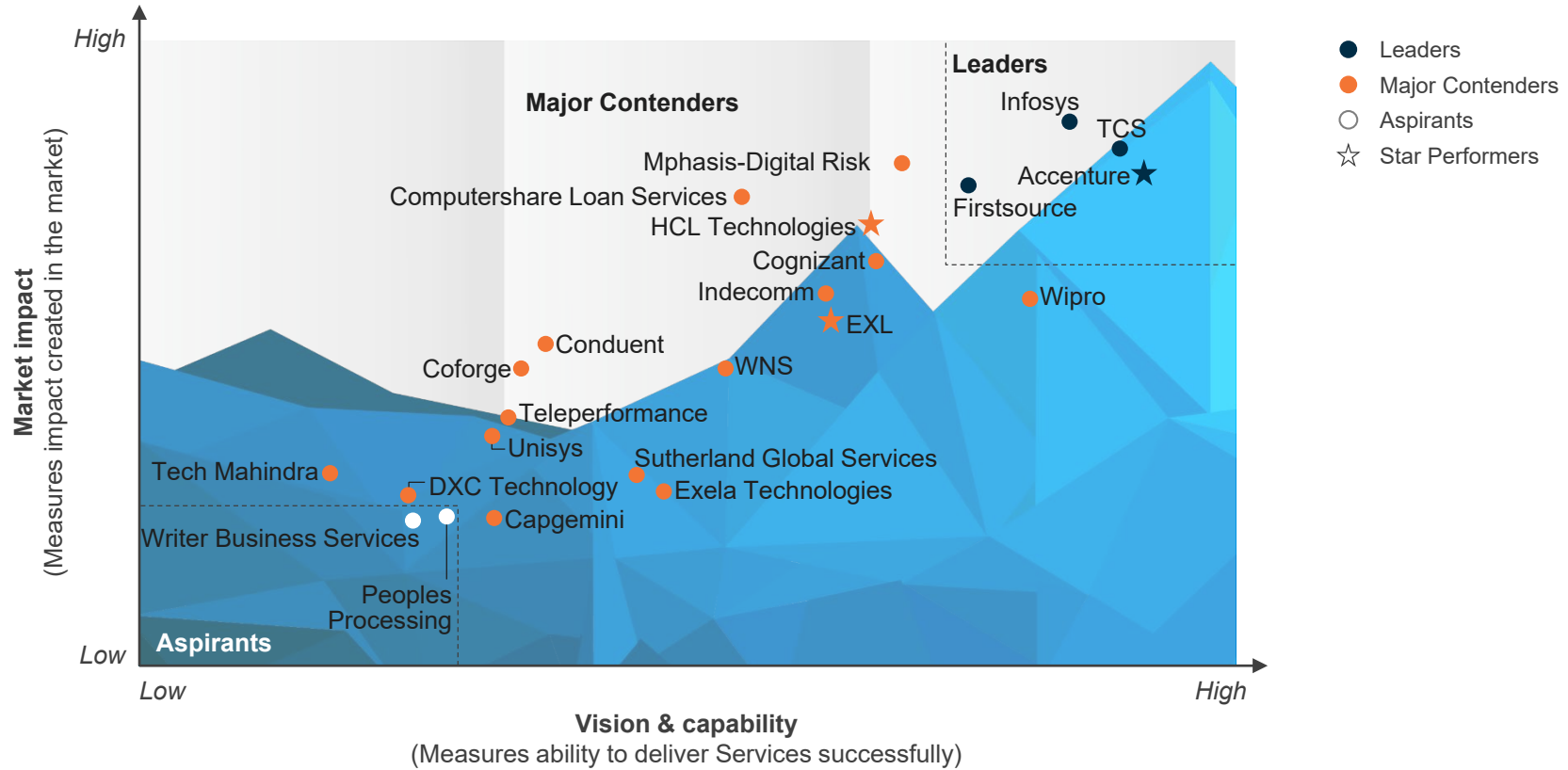
Aspirants:

People's Processing, and Writer Business Services are the two Aspirants on the PEAK Matrix® for mortgage operations

Everest Group PEAK Matrix®

Mortgage Operations PEAK Matrix® Assessment 2022 | Infosys positioned as Leader

Everest Group Mortgage Operations PEAK Matrix® Assessment 2022^{1,2}



1 PEAK Matrix specific to business process services mortgage sector.










2 Assessments for Capgemini, Computershare Loan Services, Conduent, DXC Technology, Exela Technologies, Peoples Processing, Teleperformance, and Unisys excludes service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with buyers.

Source: Inputs from market players, recruitment firms, and investment agencies.

Infosys | mortgage operations profile (page 1 of 6)

Everest Group assessment – Leader

Measure of capability:  Low  High

Market impact				Vision & capability				
Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services	Innovation & investments	Delivery footprint	Overall
								

Strengths

- Infosys has a strong focus on mortgage operations as a business segment and has worked toward expanding its portfolio with diverse solutions. With its acquisition of 75% stake in Stater NV, a wholly-owned subsidiary of ABN AMRO, Infosys strengthened its mortgage servicing capabilities and further expanded its presence in Europe
- Besides developing multiple technology and digital offerings, it has also developed tools such as its Mobile First solution, loan pipeline management, and an analytics-driven dashboarding solution to add more value, enable stakeholder collaboration across processes, and enhance customer experience
- Infosys has worked on extending its capabilities in the US by partnering with Glyphis that specializes in mortgage servicing processes such as post-closing activities and Candor that specializes in AI technology solutions under Writer Business Services
- It has successfully made inroads in the emerging geographies such as Europe and Asia Pacific and further strengthened its onshore and offshore delivery capability by opening new centers in both these regions

Limitations

- Though Infosys had developed extensive capabilities and has a strong focus on mortgage operations, it currently has lower traction in some of the niche high-value processes such as underwriting and securitization support
- Infosys is investing in acquisitions and in-house solution development ; however, it lacks scale in building strategic FinTech partnerships and third-party alliances that can help provide services across different mortgage processes by reducing time-to-market significantly
- Buyers have highlighted the need for continuous improvement and the enhancement of existing technology and automation offerings along with the development of new use cases

Infosys | mortgage operations profile (page 2 of 6)

Overview

Company overview

Infosys BPM, a subsidiary of Infosys Technologies Ltd., provides integrated, end-to-end IT and BPO solutions. It has operations across Americas, Asia Pacific, Australia, and Europe.

Website: www.infosysbpm.com	Headquarters: Bengaluru, India
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Key leaders

- Anantha Radhakrishnan, Chief Executive Officer and Managing Director
- Kapil Jain, EVP and Global Head of Sales and Client Relationships
- Binod Choudhary, Senior Vice President and Business Head, Financial Services, Insurance, Healthcare and Life Sciences, Head of Americas regions
- John Thottungal, Vice President – Financial Services, Insurance, Healthcare and Life Sciences
- Sreenath Ramakrishnan, Assistance Vice President – Senior Solution Design Head

Suite of services

- Mortgage fulfilment
- Mortgage servicing
- Mortgage origination
- Mortgage securitization
- Commercial and consumer lending
- Analytics

Banking operations ¹	2019	2020	2021
Revenue (US\$ million)	169	224	272
Number of FTEs	4,514	4,954	6,081
Number of clients	60	72	77

¹ 12 months ending September 30 of any particular year, i.e., from October YYYY-1 to September YYYY

Recent acquisitions and partnerships

- **2020:** entered FinTech partnerships through tie-up with FinTech/start-up organizations to create the customized solutions that can be collaborated with the legacy systems
- **2019:** acquired 75% stake in Stater, a subsidiary of ABN AMRO
- **2019:** partnered with two leading US mortgage originators
- **2016:** invested to set up a mortgage entity in the US to expand into mortgage space
- **Infosys BPM Americas LLC** – a US-based limited liability company with 44 state licenses and 3 active clients

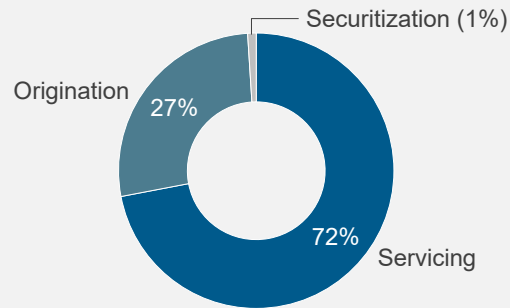
Recent developments

- **2021:** established an entity in the UK to cater to the market and also applied for an FCA license
- **2019:** merged with Eishtec, the Irish contact center company. This would help it grow in the EMEA region
- **2019:** launched FinXEdge lend, which is a data-driven intelligence platform designed to help lending organization convert leads to customers
- **2019:** launched FinXEdge Collect, which is a data-driven intelligence platform designed to help lenders reduce delinquency rate and offs, improve operational efficiencies, and enhance customer experience
- **2019:** partnered with two major US based Originator, which involved rebranding of `300 employees. This strategic alliance gives it access to the IT stacks and professionals to build our own platforms and take them to the market. It also gives Infosys an opportunity to use the expertise and knowledge in the mortgage space and co-create this unit
- **2019:** on-boarded a reputed mortgage originator in Australia. This partnership will help Infosys further strengthen its presence in this region

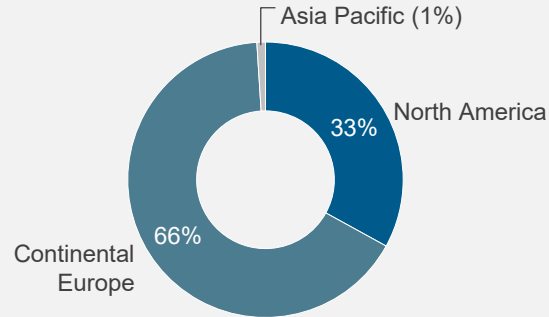
Infosys | mortgage operations profile (page 3 of 6)

Capabilities and key clients

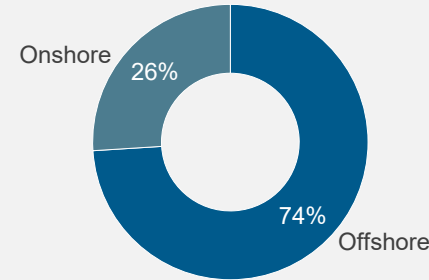
Mortgage operations FTE mix by segment
Number of FTEs
100% = 6,081



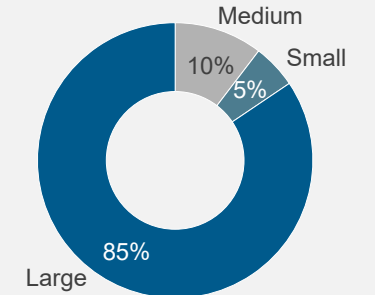
Mortgage operations revenue mix by geography
Revenue in US\$ million
100% = 272



Mortgage operations FTE split by delivery location
Number of FTEs
100% = 6,081



Mortgage operations revenue mix by buyer size¹
Revenue in US\$ million
100% = 272



Key mortgage operations engagements

Client name	LoB (origination, securitization, servicing, or others)	Region	Client since
A Leading private mortgage company in US	Origination	North America	2021
A US-based mortgage originator	Origination	North America	2019
A US-based special mortgage servicer	Servicing	North America	2018
One of the largest mortgage service provider in Netherlands	Servicing	Continental Europe	2017
One of the leading US based mortgage provider	Servicing	North America	2017
One of the leading US regional bank	Servicing and origination	North America	2016
One of the leading national mortgage lender and servicer	Servicing	North America	2014

¹ Buyer size is defined as large (>US\$10 billion in revenue), medium (US\$5-10 billion in revenue), and small (<US\$5 billion in revenue).

Infosys | mortgage operations profile (page 4 of 6)

Technology solutions/tools

Application	LoB	Year launched	Description	No. of clients
LEAP collaboration tool	Origination	2021	It is a workflow platform that brings together borrower, LO, processors, UW, Closer, Vendor at the loan level that is accessible on any device	1
Post closing automation	Origination and servicing	2021	It helps in automatic document indexing in defined buckets; extracting information contained in those documents & validating the extracted information with data from the LOS / system of record and inter-field comparison between documents. It facilitates documents and data fetching from multiple sources of information like LOS/system of record and other apps like outlook and shared drives	1
Title fees audit automation	Origination	2021	It helps in automatic data extraction of title fees and other charges from documents and reconciles against the system data, It updates the data in case of any discrepancies on the LOS. It facilitates documents and data fetching from multiple sources of information like LOS/system of record and other apps like outlook and shared	1
Digital loan onboarding - pre-underwriting review	Origination	2021	It provides an automated status, to a new loan file, of pending docs & data and suggest next best action. The solution has automated document classification, data extraction, validation, as well as analysis	1
Candor: automated underwriting & mortgage conditions management platform	Origination	2021	It can review borrower documents using IOCR/API techniques to create conditions and key alerts that required processors / UW attention. It can clear condition once required documents are received. Underwriting solution tool with in-built rules engine and cognitive OCR solution that reduces the overall loan underwriting effort on the loan	1
RPA solutions for mortgage servicing process - escrow analysis	Servicing	2021	It helps to do an assessment for one of the top US FI's for their mortgage servicing processes. Infosys analyzed their Escrow analysis process and proposed automation of some of the Escrow analysis tasks using RPA. Some of the tasks are: <ul style="list-style-type: none"> • Escrow balance refund or spread (overage / shortage) for Escrowed loans • Shortage coupon discount given to borrower or removes shortage amount post payment received from them • Refund collections for loans converted to non-escrowed from Escrowed loans 	1
Intelligent loan pipeline management	Origination	2021	Solution covers the points below: <ul style="list-style-type: none"> • Gives diagnostic view & analysis of loan applications from various stages of processing to track overall progress with key metrics • Determine priority order of applications based on the availability of borrower documents and identify list of expired documents for timely notification • Perform micro segment analysis using wide range of filters on supervisor, role, product & location level view with better track of applications & processing 	2
Mortgage digital maturity model	Origination	2021	It can be leveraged to assess and benchmark digital maturity of clients' mortgage origination function. The framework has six assessment parameters encompassing areas such as sales & marketing, borrowers' experience, core operations, technology used, and effect of external forces such as vendors or investors. The digital maturity model lays a foundation for developing a roadmap for multi-dimensional transformation to achieve desired digital maturity	1

Infosys | mortgage operations profile (page 5 of 6)

Risk management & regulatory reporting

Risk management support	Details	No. of clients
Operations risk	Infosys handles the first line of defense across clients, which includes in-line checks, quality control, and process validations. It has deployed control and compliance framework across all engagements that help pre-empt potential risks, assess impact and test/implement necessary controls. Key attributes assessed are review mechanism, sampling checks, input/output source, and effort analysis. This has helped reduced operational losses across clients	10
Regulatory risk	<ul style="list-style-type: none"> • Tolerance Cure Testing TRID: verify the LE and CD to determine if the TRID requirements were followed for the fees charged to borrower and difference from initial disclosure • QAQC process: verify the tax and insurance payment and making sure that borrower is not harmed due to miss-calculation / incorrect information updated by processor. Some of the specific disclosure requirement checks as per state specific or federal regulations are final loan application LO signature requirements, advance fee disclosure audit, VA counseling, and AZ withdrawal notice 	2
Market risk	Review loan documentation for fees, disclosures to ensure compliance to TRID regulations	2

Regulatory reporting support	List of regulations	Description	No. of clients
US regulations	CFPB, RESPA, and ECOA	Quality Assurance team audits various departments on scorecards created for each area, Their primary focus is to screen departments transactions and suggest if there are any failures as per regulations. If yes, action items to correct them	1
	TRID regulation	TRID-reviewing all the versions of loan estimates and closing disclosures to ensure fees are charged within threshold and disclosed to the customer as per the TRID guidelines	1
EU & UK regulations	Mortgage regulations in Europe	Platform and operation services have a separate regulatory team that scans the market regularly and provides regulatory reporting services in compliance with the Dutch and Belgium regulations	15
APAC regulations	NCCP and APRA	Project based remediation activities conducted for a client in the Australia, to check compliance to regulatory guidelines	1

Infosys | mortgage operations profile (page 6 of 6)

Key delivery locations

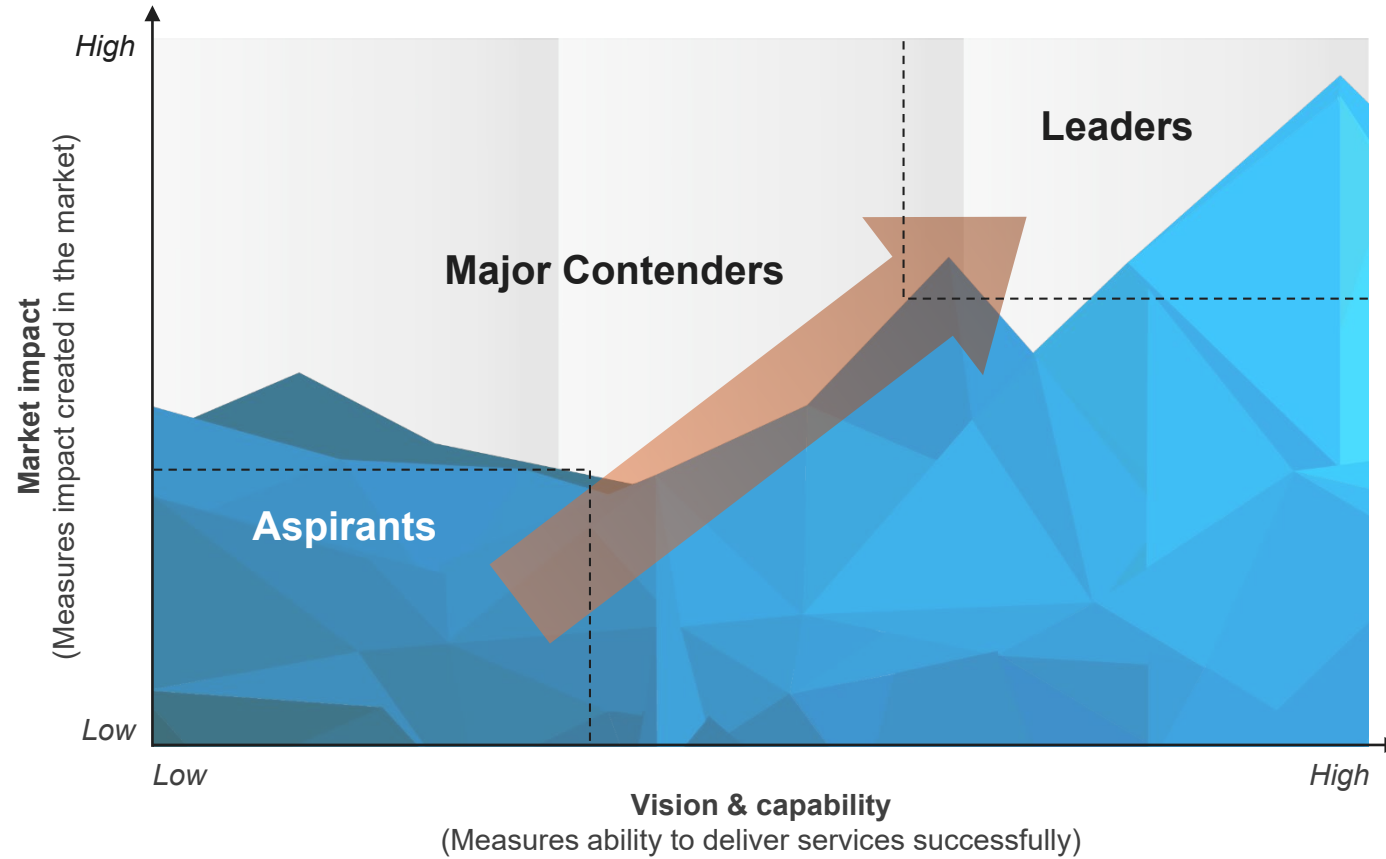


*Other locations in India include Indore and Nagpur.

Appendix

Everest Group PEAK Matrix® is a proprietary framework for assessment of market impact and vision & capability

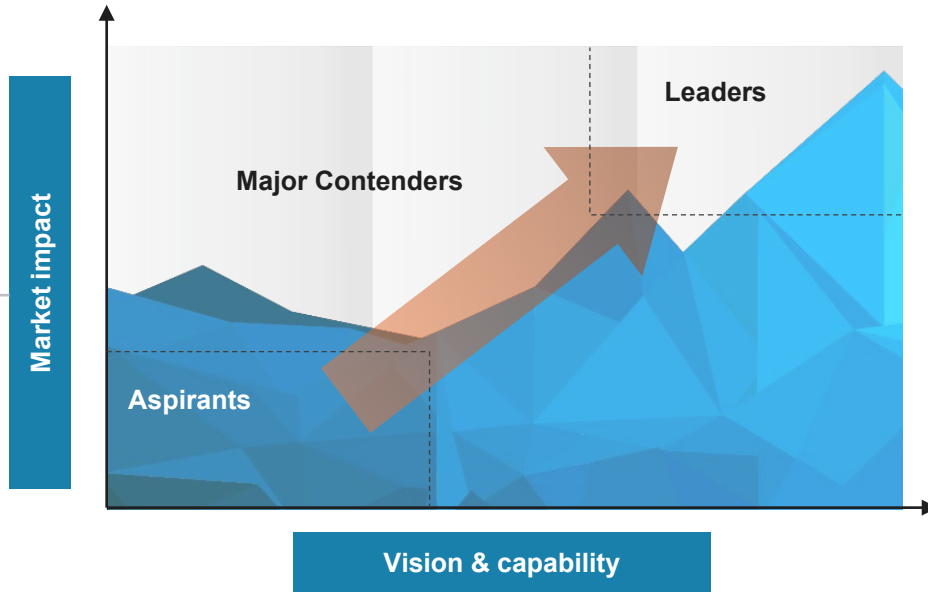
Everest Group PEAK Matrix



Services PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

- Market adoption**
Number of clients, revenue base, YOY growth, and deal value/volume
- Portfolio mix**
Diversity of client/revenue base across geographies and type of engagements
- Value delivered**
Value delivered to the client based on customer feedback and transformational impact



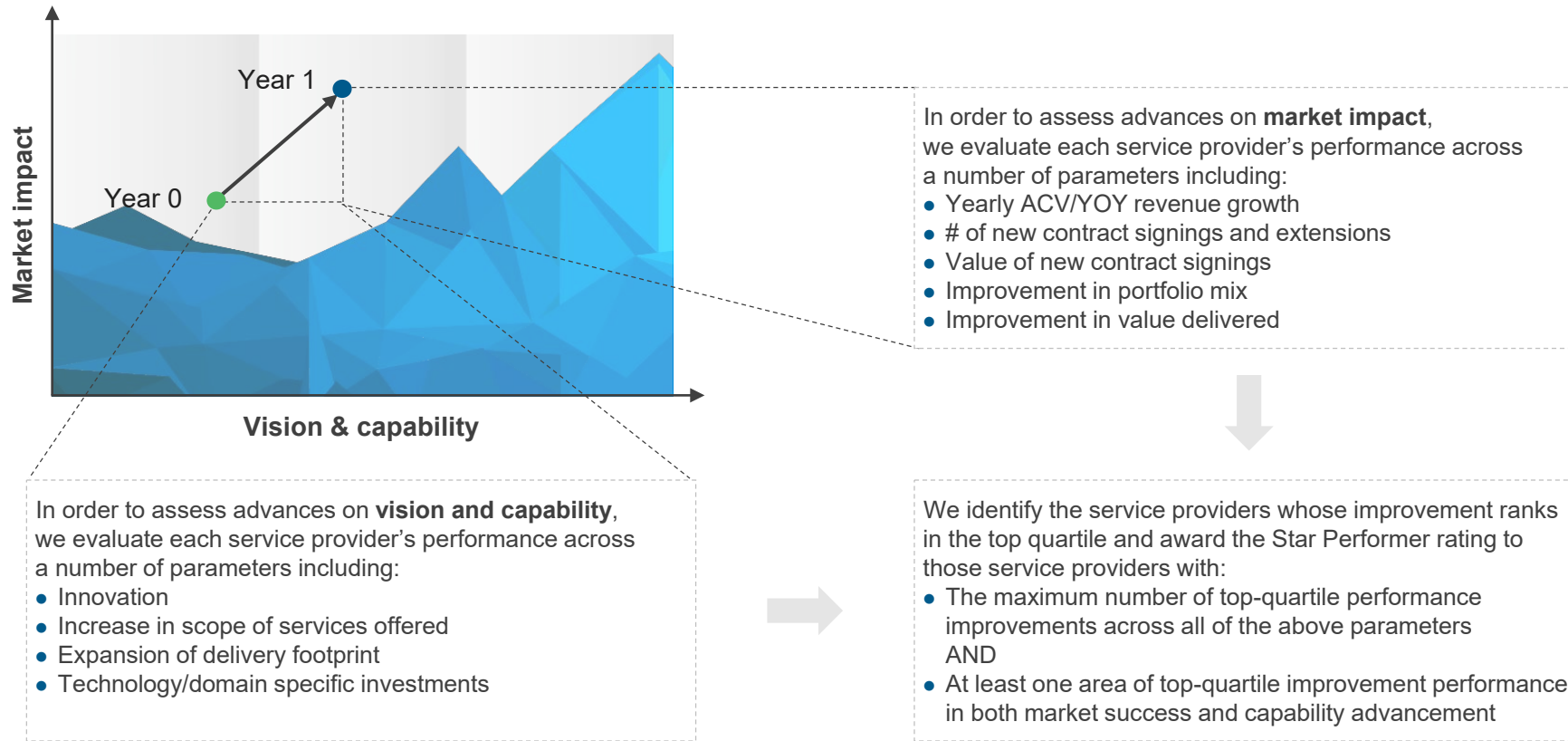
Measures ability to deliver services successfully. This is captured through four subdimensions

- Vision and strategy**
Vision for the client and itself; future roadmap and strategy
- Scope of services offered**
Depth and breadth of services portfolio across service subsegments/processes
- Innovation and investments**
Innovation and investment in the enabling areas, e.g., technology IP, industry/domain knowledge, innovative commercial constructs, alliances, M&A, etc.
- Delivery footprint**
Delivery footprint and global sourcing mix

Everest Group confers the Star Performers title on providers that demonstrate the most improvement over time on the PEAK Matrix®

Methodology

Everest Group selects Star Performers based on the relative YOY improvement on the PEAK Matrix



The Star Performers title relates to YOY performance for a given vendor and does not reflect the overall market leadership position, which is identified as Leader, Major Contender, or Aspirant.

FAQs

Does the PEAK Matrix® assessment incorporate any subjective criteria?

Everest Group's PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging service provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information). In addition, these results are validated / fine-tuned based on our market experience, buyer interaction, and provider/vendor briefings

Is being a “Major Contender” or “Aspirant” on the PEAK Matrix, an unfavorable outcome?

No. The PEAK Matrix highlights and positions only the best-in-class service providers / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition

What other aspects of PEAK Matrix assessment are relevant to buyers and providers besides the “PEAK Matrix position”?

A PEAK Matrix position is only one aspect of Everest Group's overall assessment. In addition to assigning a “Leader”, “Major Contender,” or “Aspirant” title, Everest Group highlights the distinctive capabilities and unique attributes of all the PEAK Matrix providers assessed in its report. The detailed metric-level assessment and associated commentary is helpful for buyers in selecting particular providers/vendors for their specific requirements. It also helps providers/vendors showcase their strengths in specific areas

What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?

- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for providers/vendors include adequate representation and recognition of their capabilities/success in the market place, and a copy of their own “profile” that is published by Everest Group as part of the “compendium of PEAK Matrix providers” profiles

What is the process for a service provider / technology vendor to leverage their PEAK Matrix positioning and/or “Star Performer” status ?

- Providers/vendors can use their PEAK Matrix positioning or “Star Performer” rating in multiple ways including:
 - Issue a press release declaring their positioning. See [citation policies](#)
 - Customized PEAK Matrix profile for circulation (with clients, prospects, etc.)
 - Quotes from Everest Group analysts could be disseminated to the media
 - Leverage PEAK Matrix branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with the designated POC at Everest Group.

Does the PEAK Matrix evaluation criteria change over a period of time?

PEAK Matrix assessments are designed to serve present and future needs of the enterprises. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality as well as serve the future expectations of enterprises



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