



# SUNCORP

**DEVELOPING NEW  
WAYS TO PROVIDE A  
SUPERIOR CUSTOMER  
EXPERIENCE**

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**Loan Origination  
Excellence 2018**





# 13th Annual Loan Origination Excellence 2018

Suncorp is currently undergoing a transformation program to streamline how the Bank's pipelines are managed and forecasted, how lodgment mixes are proactively managed and how pricing and propositions are delivered, to provide increased certainty and stability to customers, partners and intermediaries. These processes have also been specifically designed to ensure comfortable compliance with new regulatory requirements passed down from APRA and ASIC.

This program has emphasised the unique challenges Suncorp has as a regional bank. In particular, there is an acute need to respond quickly when adjustments are made by larger competitors, to provide the right balance between compliance and market transparency, while continuing to improve customer experience.

Ahead of the 13th annual Loan Origination Excellence Summit 2017 we chat to Brett Walker, Manager of Home Lending and Customer Lifecycle at Suncorp. In this in-depth Q&A Brett shares with us details of Suncorp's transformation program and explores how Suncorp are optimising the loan origination process by creating a seamless digital marketplace all within the constraints of compliance and risk requirements.



# 1

## WHAT PROCESSES IS SUNCORP RECONFIGURING THROUGHOUT THE TRANSFORMATION JOURNEY?

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At Suncorp our transformation journey really comes in two parts. We have lower level changes that tend to be more in the nature of continuous improvement, and then we have broader transformation mechanisms that enable our strategic goals.

From the more transformational perspective, it's probably fair to say that loan origination is still getting the bulk of the focus. Our origination process is currently undergoing a large-scale review in collaboration with external consultants. There's a great deal of investment in this space – we're totally rethinking the way we look at home lending origination, post finalisation of our game-changing Core Banking Platform replacement project.

The broader Business Improvement Project spans the whole organisation, so that's not just the Bank, but key critical processes across insurance, super and others as well.



# 2

## HOW DOES SUNCORP DETERMINE WHICH BACK OFFICE PROCESSES TO OPTIMISE THROUGHOUT THE TRANSFORMATION?

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In our current project, we're applying a combination of intensive observation of our processes – kind of like a Kaizen Event on steroids – in conjunction with extensive end to end process performance analytics. We're seeing in action how our lenders, credit officers, documentation teams, partners and others work together in a BAU environment, and it's a really great physical visualisation of the entire process. It allows us to pinpoint opportunities to improve how we work, and makes those processes that just 'don't make sense' very stark and confronting.

Our teams have taken really well to the system which has lead to a lot of self-realisation throughout. It's one thing for someone to escalate something to someone on a different floor or in a different city, but by bringing our teams together you can literally see a file being handed back and forth between two people five or six times, so you quickly come to realise that surely there must be a better way!



# 3

## HOW IS STREAMLINING INTERNAL PROCESSES OPTIMISING THE CUSTOMER JOURNEY?

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The home lending product is fairly commoditised these days and it's getting harder and harder to differentiate. Not exclusively, but in many cases it essentially comes down to providing the customer certainty as quickly and effectively as you can while still satisfying your responsible lending requirements.

Given this, aside from process simplification, we've really emphasised the opportunity to differentiate – the customer engagement process, and how we make sure our customers and brokers are guided through the origination journey across all our brands in a really seamless way. We think we're in a pretty good space now, but we know there have been times we haven't hit the mark on this, and we're committed to a clear, transparent process going forward.

We're also focusing heavily on proposition and system standardisation in an effort to position ourselves to take advantage of emerging opportunities like virtual lending, as well as partnering with some of the exciting new online providers. We're working to strengthen our preferred loan referral network, we're building out our digital channels and we're really investing in our origination platform to develop a strong foundation in order to better adapt to new opportunities and the new ways customers are engaging with our products. We absolutely don't want to be reinventing the wheel every time we tackle a new space.



# 4

## WHY IS BALANCING COMPETITIVENESS AND EFFICIENCY WITH REGULATION SO IMPORTANT?

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It's a really difficult time at the moment for banking and I think our CEO, David Carter, articulates the challenge in a clear and concise way – the social right of the banks, to make a profit is being challenged at the moment. If we're not trusted by our customers and by the public, then our right to deliver great shareholder returns is challenged.

Confidence in what we do as an industry is so important and when there are issues, it affects us all. Some recent well-publicised issues have reverberated throughout the industry, and while these banks are of course competitors, trust is essential to our industry and it needs to be maintained across the board.

At Suncorp we focus on developing a proactive risk culture and responsible lending practices. Supporting this we've developed strong mechanisms to manage the quality and transparency of information and ensure that everyone has the appropriate training to manage and uphold our responsible lending requirements. There are inherent challenges for Banks managing a frontline workforce distributed geographically across a large and diverse continent like ours, so continued diligence and a focus on responsible lending at all levels is essential.



# 5

## WHAT DOES THE FUTURE HOLD FOR SUNCORP IN THE LOAN ORIGINATION SPHERE?

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It's important to have a clear understanding of what your point of differentiation is in this crowded market. What we've recognised at Suncorp is that one of the key differentiating points for us is that we have a number of brands under our banner and we haven't leveraged that well enough.

Suncorp has some 14 brands from AAMI and GIO to Apia, Terri Scheer and Bingle, each of which we provide through different platforms from online to call centres and physical stores. What we're now doing is incrementally taking these brands and services into a true Customer Marketplace, making this easy to access and interact with, to create value for our customers. . We're making big investments in this Marketplace, which we've made very public in our latest financial report.

The next 12 months will be foundational for us. We're continuing to align our structure very clearly to deliver this strategy, and have a large program of work in the systems space to tie together our back-end. From a home lending perspective, we are shifting the focus away from selling a home loan into a true 'home buying journey.' We're the fifth largest lender in Australia, but when you add this to our home & contents, landlord and other home insurance customers, we actually have one of the largest bases of home-related customers in the country. Now, we're not focused on selling a single product anymore, but focusing on needs through the customer's entire life, from buying a home, to renovating, to difficult life events such as natural disasters. As a critical player in the home buying journey, we've also established new relationships to help link our customers to removalists, conveyancers and other key suppliers, hopefully removing angst for our customers in what can be a very stressful time.





# 13th Annual Loan Origination Excellence 2018

If you're interested in hearing more from Brett about how Suncorp is working to provide an exceptional customer experience by streamlining internal processes and developing a new omni-channel digital platform, all while managing responsible lending requirements, then join us at the 13th annual **Loan Origination Excellence Summit 2018**.

The event held in Sydney on the 15th- 16th of February brings together over 15 loan origination experts from the likes of **NAB, ANZ, HSBC, ING Direct, UBank** and **Hashching**.

To secure your ticket to the event, and for special early bird prices simply fill in the **registration form** and email to **[registration@iqpc.com.au](mailto:registration@iqpc.com.au)**