



Lean and mean: How to streamline your title machine

There is more than technology to consider when looking to streamline operations and processes. Those attending the National Settlement Services Summit in Cleveland June 18-20 learned there is no silver bullet to create an organization that performs at a high level of production and financial efficiency.

In a session titled “Lean and Mean ... Streamlining Your Title Machine,” panelists offered advice on process refinement and outsourcing. Top operators at the session engaged in a roundtable discussion about personnel and production strategies, including use of outsourcing, offshoring and technology to cut costs without cutting the quality of service.

Fine-tuning staff lineup was a major focal point, but as **Timm Kalep**, president of Real Living Title Agency, noted, “If you have the right people in the right position on the bus, you’re going to need less people.”

“There is a process that involves many things to assist in determining the right direction, changes and results for your personal organization or your area of responsibility,” he said. Kalep also said that it’s vitally important to create and communicate a vision for your company, examine your entire organization and face the truth and act on it, determine the company’s strengths and weaknesses, make sure that you are placing team members in positions that enhance their strengths and diminish their weaknesses, engage your team to participate in analyzing and proposing change to optimize your work flow policies, practices and procedures, and, finally, make sure technology is working for you and not against.

When a title business reaches a certain level of volume and revenue, it’s impossible for just the top-performing staff members to handle it all, added **Prashant Kothari**, founder of String Real Estate Information Services. That’s when having a good process really matters.

In terms of process engineering, many businesses have become preoccupied with mastering Six Sigma. Implementing Six Sigma processes, however, can be an overwhelming process, the speakers explained, and re-engineering doesn’t have to be that intensive.

Simply opening the discussion with your employees can be a great starting point. Business owners can begin by committing to building a team that defines existing processes, which can be a huge undertaking in itself.

Jeff Eisenshtadt, president of Title Source, said his employees are constantly working to “build a better mousetrap.” Introducing process refinement to workers has generated lots of ideas. Even if those ideas aren’t implemented, he said, employee morale improves because they’re involved in improving the company.

Eisenshtadt got involved in outsourcing several years ago. Title Source used outsourced services in title production (keying efforts, mostly) and hasn’t gone too far beyond that to include abstracting and examination. Outsourcing keying process has helped the business cut costs and get employees focused on their jobs rather than training new employees every time order volume spikes.

“Those folks who ‘get it’ can move on to abstracting and examining positions so they aren’t tied to production work,” Eisenshtadt said.

Despite the obvious benefits, outsourcing (particularly offshore services) remains a political and moral dilemma. Title Source has used offshoring in the past and Eisenshtadt assured his workers, “They’re not here to replace your job. They’re going to be your assistant.”

Although title workers tend to fret over their job stability as their companies sign on for offshore services, anecdotal evidence suggests outsourcing isn’t causing companies to shrink. Kothari, for example, said his biggest clients are growing 20 to 30 percent.

As Kalep put it, “The needs of the many outweigh the needs of the few.” In other words, there may be some attrition, but outsourcing will help businesses and their employees more than harm them.

Still, there’s a need to separate the truths from the myths when it comes to outsourcing.

One myth, the panel noted, is that outsourcing and offshoring are absolutely new. The outsourcing of service jobs is nothing new from an economic standpoint, Kothari noted. It’s basic global trade.

“If you’re against outsourcing, you should be against the importing of coffee and tea in the U.S.,” he said.

The top countries that offer offshoring/outsourcing services to American companies — the Philippines, Ireland, China and India, for example — represent just 1.5 million jobs. In other words, about 1 percent of jobs are outsourced, Kothari noted, which is not even a “rounding error.”