

Innovation and Simplification of Your Business Process

Mortgage banking business processes are often needlessly complex. Complexity creeps in because our industry regularly changes regulations and product requirements. One must be intentional to simplify and improve a business process.

Often the typical response is to insert a fix into the existing process. Add a product. Add another fix. And before you know it, checkers are checking checkers, you're pricing 600 products, complexity explodes and total cost to deliver steadily increases.

When was the last time you sat with your operations staff and IT team and asked, "If we were to start a new company today, what would we do differently? How can simplify and improve our products, processes, procedures and workflows? What if you began with a goal of a target cost and time to originate? How close can you get to that goal? What if the goal was to cut operational cost in half, speed the process and eliminate loan manufacturing defects? Sound impossible?

A Spectacular Success Example

The following is an example of quantum improvement of a technology platform from World War II. The U.S. Army Air Corp approached North American Aviation to build Curtiss P-40 fighters under license for the Royal Air Force (RAF). The P-40 had a maximum speed of 334 miles per hour and a range of 716 miles, and a cost of about \$75,000 in 1940 dollars.

Rather than build an old design from another company, North American Aviation proposed to *simplify and improve* the design and production of a more modern fighter. A fighter that flew further, cost less to produce, was faster and more agile than the P-40. It was called the P-51 Mustang.

The prototype P-51 Mustang was rolled out on September 6, 1940, 102 days after the contract was



signed. The P-51 had a maximum speed of 440 miles per hour (almost 100 mph faster than the P-40) and a range of 1,650 miles (more than double the P-40). Technological innovation included an innovative laminar airflow wing, two speed automatic supercharger, automated fuel mixture controller, automated coolant temperature control, a 42,000 foot service ceiling, and a cost of \$50,000 in 1940 dollars.

Over 15,500 P-51 Mustang aircraft were delivered between 1940 and 1945. By many accounts, The P-51 Mustang changed the course of World War II with its ability to accompany heavy bombers to Germany and back. This innovation occurred because the North American Aviation team dared to dream big and attempt something "impossible". And it simplified pilot workload through a series of automated processes and features designed into the aircraft.



Watch the Video [here](#).

The P-51 Mustang is still flying today. My business partner, Maylin Casanueva put a 1944 P-51 Mustang through its paces with Top Gun F-15 Fighter Pilot and P-51 instructor pilot Lt. Colonel Jerry “Jive” Kerby (Ret.). She adapted to the automation and laminar flow wing technology as a first-time pilot. Maylin flew virtually all of the aerobatic sequences in the video, pulling 4 Gs in an inverted dive, just like Maverick in *TopGun*.

The P-51 is still a technological marvel more than 75 years later.

There are many examples of challenging the status quo and simplifying the process. Innovation and simplification can have positive breakthrough consequences for you.

