

FEATURE

## Cenlar CIO fuses teams for better business-IT alignment

Establishing blended cross-functional teams, mortgage subservicer IT chief Steve Taylor is building up quick wins by re-engineering business processes with business and IT side by side.

By Paula Rooney, Senior Writer, CIO

The greatest challenge for any CIO, undoubtedly, is aligning technology with an organization's business goals.

Most CIOs know it is the No. 1 objective and far easier said than done. For a multitude of reasons — some political, some budgetary, some cultural — often the desired outcome of using technology to achieve business objectives seems out of reach.

Steve Taylor took the IT reins for mortgage subservicer Cenlar because he was confident his longtime experience as a consultant would help him bridge the gap between IT and the business — and deliver “material business impact” that is demonstrable and measurable, he says.

But getting results requires more than just sophisticated tech know-how and business acumen. It takes cooperation across the board, from the C-suite to the employee base, and that is the tough part, says Taylor, who was named senior vice president and CIO in March as part of a companywide reorganization that also brought in a new chairman of the board, two co-CEOs, and a talent director to the Ewing, N.J.-based company.

“A lot of times companies tend to outpace the technology and they don't work together,” says Taylor, who prior to launching his own consulting business worked for large companies like Fidelity National Financial and Fidelity Information Services. “From the standpoint of technology and business alignment, we need to make things dynamic.”

### A cross-functional approach

As part of his alignment strategy, Taylor



Image: Cenlar

pairs his company's business analysts and IT professionals in real-time — either in the same room or via videoconference — to collaborate on projects simultaneously.

This side-by-side approach enables colleagues from different sides of the aisle to catch all the business and technical nuances of a business process, identify the best workflow processes to achieve the specified business goal, and together ensure the accuracy of the data selected, the formulas used, and the code developed.

“What I am trying to do is make IT part of the business,” Taylor says, noting that automation is a business tool — not an IT product. “Our goal is to implement it and teach the business how to build their own workflows versus putting in a request. We want to push that back.”

To enable this, Taylor has reassigned business analysts to work for the company's IT staff and reassigned IT employees to business roles. What Taylor is trying to do is align the business and technology

practitioners and processes seamlessly to achieve maximum business impact, he says.

Cenlar, for instance, has also created new roles within IT called business information officers (BIOs) and solutions architects “whom we place side by side with the business, even in operations,” Taylor says. “They see exactly what the workflow is, what are their business needs and what their clients are asking for. Then the goal for this team is to come back to me, the CIO, and I work with IT leadership and the business.”

## The power of the cloud

None of would be possible without the cloud, says Taylor, who inherited a core cloud platform on Microsoft Azure, which is rounded out by MuleSoft middleware, commercial analytics, and automation tools such as UiPath, as well as a data warehouse and essential SaaS offerings such as Teams.

The mortgage subservicing company migrated to Microsoft Azure in 2019 and spent the next three years (18 months if one accounts for the downtime during the pandemic) moving numerous assets such as Citrix databases and test systems in 10 “waves” to Azure.

When Taylor came on board, he was responsible for moving most of Cenlar’s corporate data, including its client-facing data and interfaces, in the last three “waves” to the Azure cloud. “Wave 10 was really the meat of getting to the cloud because now all of our data was there,” Taylor says.

With that transition complete, Cenlar could then start delivering real-time data to its BIOs rather than stagnant weekly reports. Currently, there remain only 200 servers left in Cenlar’s data center. All the data contained on those servers will also be migrated to the cloud.

Taylor is also committed to implementing a hybrid, multicloud approach to avoid lock-in and expand Cenlar’s capabilities. For example, the company will implement more SaaS solutions on Amazon Web Services. “We want to make sure we’re not so stuck in one cloud [if we need] to pivot at a later date,” he says.

## Overhauling the IT strategy

Cenlar’s chief clients are the banks and credit unions that provide loans for homeowners. In that sense, the company has two constituencies — one which works directly for the company’s corporate clients and another for their customers, the homeowners. For the latter, for instance, Cenlar employs Avaya call center technology to aid customers with mortgage information.

“We have two faces of technology — one very focused on our homeowners, which is very digital and very transformative, and then for banks and mortgage clients, for which we do a lot of data analytics and management of customer portfolios,” Taylor notes.

Cenlar’s automation and workflow processes, many of which precede Taylor, are highly effective at eliminating costly human errors. Taylor points out that if one of Cenlar’s 3,000 employees makes a single mistake on a single transaction, such as a misplacing one digit in a financial transaction, it has a ripple effect on the homeowner, the bank and, of course, Cenlar’s efficiency.

To address this, Cenlar’s technologists and analysts started developing automated workflows using industry-standard products, such as the Decisions analytics tool and AI chatbots, to deliver on core business objectives for consumers and corporate clients — for example, to provide fast, accurate answers to consumer questions and business analysts’ requests for data.

When he signed on six months ago, Taylor began unifying the IT and business teams, while also expanding Cenlar’s automation efforts and use of AI. He currently counts 200 in his IT staff, a handful of which work on data and hopefully more soon.

To make Cenlar more agile, Taylor will have his work cut out for him re-engineering business processes across the board. Consulting companies allude to these macro changes — such as instituting agility and flexibility across multiple lines of business — as waterfall transformations.

One Gartner analyst says Cenlar’s CIO is addressing one of the most advanced challenges facing enterprise IT today: fusing IT with business analysts in an effort to design more collaborative business processes based on objectives and key results (OKR).

“CIOs have tried to solve this by using forms of business relationship management to get closer to the business. This provides advantages for sure and is useful. However, if the business is unclear in what they need to achieve, getting closer and being a better listener will not solve the problem,” says Irving Tyler, a vice president and analyst at Gartner. “The solution is for IT to provide leadership, to help business leaders increase their knowledge of technology and how it can solve business challenges.”

Many CIOs, like Taylor, are addressing this by forming cross-functional teams comprising business subject matter experts, business technologists such as data scientists, and IT experts, Tyler says.

While Taylor eyes Cenlar’s waterfall transformation globally, he is currently focused on building teams tailored to deliver immediate micro changes that matter, he says — an approach HVAC manufacturer Carrier is also taking.

Cenlar’s BIOs, who are assigned to ensure constant information exchange and precisely developed workflows, ensure there is fusion, the CIO says.

“This is very different than what I have seen in other companies where they don’t have technology embedded in the business side-by-side with them,” says Taylor, who participated in global changes that affect multiple business lines at Fidelity. “Just putting people together next to each other does not always make for success. But when IT is a business capability and leaders in IT and the business share objectives, the disconnects are removed.”

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