

DEPARTMENT OF
SAVINGS AND MORTGAGE LENDING



Report on
Customer Service
May 2020

REPORT ON CUSTOMER SERVICE – MAY 2020

TABLE OF CONTENTS

COMPACT WITH TEXANS	1
EXTERNAL CUSTOMERS AND SERVICES PROVIDED	
THRIFT INDUSTRY	1
MORTGAGE INDUSTRY	2
CONSUMERS	2
INFORMATION GATHERING METHODS	2
DETAILED CUSTOMER SERVICE INFORMATION	
THRIFT INDUSTRY	3
MORTGAGE INDUSTRY	5
CONSUMER COMPLAINTS	6
CUSTOMER SERVICE PERFORMANCE MEASURES	8

COMPACT WITH TEXANS

The Department's Compact with Texans and appointed customer service representative are published on the agency website www.sml.texas.gov, along with the agency's mortgage hotline number (877) 276-5550.

EXTERNAL CUSTOMERS AND SERVICES PROVIDED

THRIFT INDUSTRY

SAFETY AND SOUNDNESS

A safe and sound thrift system helps ensure a stable economic environment for employers and jobs for their employees, while assuring a safe place for depositors' money and available credit for small business consumers and residential financing needs. The primary customer or beneficiary of the safety and soundness is the state of Texas, its citizens, borrowers, and depositors.

EXAMINATIONS AND SUPERVISION

There are two direct recipients or customers of examination and supervision - the FDIC and the regulated institutions. Additionally, there are indirect recipients such as attorneys, accountants, and other staff, who assist in preparing thrift applications. Thrift examiners conduct examinations jointly with the FDIC and the Federal Reserve Bank. It is important that the quality of the Department examination and supervision staff, their experience, training, and technological resources, ensure the Department's ability to participate fully in examinations with the FDIC and the Federal Reserve Bank and to provide efficient, timely, and fair evaluation of applications. The Department has successfully met this challenge as evidenced by the success of the joint thrift examination and supervisory programs. The highest expectations must be met in order to maintain the state's role in the dual thrift system.

Quality examinations and supervision provide bank management and boards of directors with an independent look at their success in complying with state and federal statutes and regulations and operating a safe and sound financial institution, ultimately benefiting the institution's customers and shareholders. Burdensome or arbitrary requests for information, improper use of authority, or inconsistently applied statutes, regulations and procedures, can inconvenience, disrupt, and even damage institutions. Accordingly, chief executive officers of institutions under the Department's jurisdiction are the customer constituency surveyed to monitor the Department's performance.

DEPARTMENT OF SAVINGS AND MORTGAGE LENDING

MORTGAGE INDUSTRY

REGULATION

Customers of the mortgage industry regulation include all of the diverse parties that participate in any way in the residential mortgage market and the secondary market for investment in such mortgages, as well as the home-buying citizens of Texas seeking financing to buy real estate or refinance existing mortgage loans.

LICENSING AND EXAMINATION

The mortgage licensing and examination areas directly serve the entities licensed or registered by the Department and consumers seeking mortgage financing. The customer base - home-buying citizens of Texas - is too broad to survey, so the Department focused its survey of customer satisfaction on a sampling of the licensed mortgage entities and individuals, who had recently gone through the licensing or examination process.

CONSUMERS

COMPLAINT AND INQUIRY PROCESS

The primary customers are consumers doing business with regulated entities or relying on their work. By enforcing the statutory experience, educational requirements, and standards of conduct, the Department also serves mortgage bankers, lenders and investors, appraisers, title companies, surveyors, mortgage insurance companies, realtors, and federal agencies, such as Federal Housing Administration, Veterans Administration, and HUD. The customer base is too broad to survey, so the Department focused its survey on a sampling of complainants who had recently gone through the complaint process.

INFORMATION GATHERING METHODS

During the strategic planning process, the Department surveyed thrift institution CEOs, licensed mortgage entities and individuals, and persons filing complaints against regulated entities. The Department utilized an electronic survey. All responses were submitted anonymously. The data from the surveys reveals that a majority of customers are satisfied with the services the Department provides. The Department is proud of its reputation as a provider of quality regulation and service to its constituents.

The Department intends to make revisions to the survey process in order to receive a better statistical representation of the customers' feedback, including expanding the surveyed number of customers and increasing the frequency of the survey.

DEPARTMENT OF SAVINGS AND MORTGAGE LENDING

DETAILED CUSTOMER SERVICE INFORMATION

THRIFT INDUSTRY

The link to the online survey was sent to 21 or 91.3% of the state chartered thrift institutions' chief executive officers and covered the full range of Department activities: examination, monitoring, enforcement, and application processing. The response rate was 81%.

The state-chartered thrift industry is a small population with a well-established regulatory program. Because transactions are few in number but complex, institution executives have substantial one-on-one communication with the commissioner, general counsel, examiners, and monitoring staff.

STATE SAVINGS BANK CHIEF EXECUTIVE OFFICER SURVEY – 2020

Overall satisfaction with the agency		Very satisfied	Satisfied	Neutral	Unsatisfied	Very unsatisfied	Not Applicable
Questions							
1	How satisfied are you with the agency's facilities, including your ability to access the agency, the office location, signs, and cleanliness?	5	6	2	-	-	4
2	How satisfied are you with agency staff, including employee courtesy, friendliness, and knowledgeability, and whether staff members adequately identify themselves to customers by name, including the use of name plates or tags for accountability?	12	3	-	1	-	1
3	How satisfied are you with agency communications, including toll-free telephone access, the average time you spend on hold, call transfers, access to a live person, letters, electronic mail, and any applicable text messaging or mobile applications?	12	3	-	-	-	2
4	How satisfied are you with the agency's Internet site, including the ease of use of the site, mobile access to the site, information on the location of the site and the agency, and information accessible through the site such as a listing of services and programs and whom to contact for further information or to complain?	8	5	1	-	1	2
5	How satisfied are you with the agency's complaint handling process, including whether it is easy to file a complaint and whether responses are timely?	7	4	2	-	-	4
6	How satisfied are you with the agency's ability to timely serve you, including the amount of time you wait for service in person?	12	2	1	1	-	1
7	How satisfied are you with any agency brochures or other printed information, including the accuracy of that information?	10	3	-	-	-	4
8	Please rate your overall satisfaction with the agency.	11	4	1	-	-	1
Overall Totals		77	30	7	2	1	19
Overall Composite Results		56.6%	22.1%	5.1%	1.5%	0.7%	14.0%

DEPARTMENT OF SAVINGS AND MORTGAGE LENDING

Satisfaction with specified services		Strongly Agree	Agree	Dis-agree	Strongly Dis-agree	Not Applicable
Questions						
Examination and Supervision						
9	The scope and goals for each examination are clearly communicated to management prior to the start of the examination.	10	6	-	-	1
10	Examiner requests for information are timely and reasonable.	9	7	-	-	1
11	Examiners conduct themselves professionally.	12	4	-	-	1
12	Examiner communication with management during the examination meets my needs.	9	6	1	-	1
13	Examiners are informed on current industry issues, adequately trained, and qualified.	10	4	2	-	1
14	Examiner findings and concerns are clearly communicated at exit meetings.	10	6	-	-	1
15	Examiner conclusions are well-supported.	9	5	2	-	1
16	Examiner recommendations are clear and reasonable in the circumstances.	9	6	1	-	1
17	Examination time frames are reasonable.	8	8	-	-	1
18	Reports of examination are consistent with findings discussed at exit meetings.	10	6	-	-	1
19	Reports of examination are received timely.	8	7	1	-	1
20	Supervisory action and correspondence is consistent with examination findings.	9	4	1	-	3
Examination and Supervision Totals		113	69	8	-	14
Examination and Supervision Results		55.4%	33.8%	3.9%	0.0%	6.9%
Corporate Activities						
21	Correspondence with the Department regarding routine business matters is handled promptly and effectively.	11	4	1	-	1
22	Responses to my questions or requests for interpretation (written or verbal) of applicable statutes and regulations are timely and can be relied upon to be accurate.	11	5	-	-	1
23	My calls, e-mails, or letters are routed to the appropriate person.	11	5	-	-	1
24	If you have filed an application or requested supervisory approval for matters subject to regulatory discretion, answer the following:					
	a. The staff was accessible and provided helpful assistance in complying with requirements.	6	2	1	-	8
	b. Responses to my inquiries were timely, appropriate, and helpful.	6	2	1	-	8
	c. The process was efficient and professional.	6	2	1	-	8
	d. Requests for additional information are reasonable and appropriate.	6	2	1	-	8
Corporate Activities Totals		57	22	5	-	35
Corporate Activities Results		47.9%	18.5%	4.2%	0.0%	29.4%

DEPARTMENT OF SAVINGS AND MORTGAGE LENDING

ANALYSIS OF THE THRIFT INDUSTRY SURVEY

An overwhelming majority of the responding thrift chief executive officers are “very satisfied” or “satisfied” with the Department’s overall performance, and “strongly agree” or “agree” that the examination and supervision and corporate activities services provided were satisfactory. In addition to the answers of the questions above, seven of the respondents provided further feedback in the form of comments. High ratings were received on the Department staff’s communication and professionalism.

MORTGAGE INDUSTRY

The population included all regulated mortgage entities that had received a full scope examination between January 1, 2019 and December 31, 2019, total of 543. The survey sample of 150 licensees was chosen using a random number generator. The response rate was 34%.

MORTGAGE INDUSTRY SURVEY – 2020

Overall satisfaction with the agency		Very satisfied	Satisfied	Neutral	Unsatisfied	Very unsatisfied	Not Applicable
Questions							
1	How satisfied are you with the agency's facilities, including your ability to access the agency, the office location, signs, and cleanliness?	14	5	6	-	1	25
2	How satisfied are you with agency staff, including employee courtesy, friendliness, and knowledgeability, and whether staff members adequately identify themselves to customers by name, including the use of name plates or tags for accountability?	28	12	3	1	2	5
3	How satisfied are you with agency communications, including toll-free telephone access, the average time you spend on hold, call transfers, access to a live person, letters, electronic mail, and any applicable text messaging or mobile applications?	24	11	6	2	3	5
4	How satisfied are you with the agency's Internet site, including the ease of use of the site, mobile access to the site, information on the location of the site and the agency, and information accessible through the site such as a listing of services and programs and whom to contact for further information or to complain?	16	15	12	2	3	3
5	How satisfied are you with the agency's complaint handling process, including whether it is easy to file a complaint and whether responses are timely?	10	6	7	1	0	27
6	How satisfied are you with the agency's ability to timely serve you, including the amount of time you wait for service in person?	15	14	7	2	2	11
7	How satisfied are you with any agency brochures or other printed information, including the accuracy of that information?	14	13	4	1	-	19
8	Please rate your overall satisfaction with the agency.	20	20	7	3	1	0
Overall Totals		141	96	52	12	12	95
Overall Results		34.6%	23.5%	12.7%	2.9	2.9%	23.3

DEPARTMENT OF SAVINGS AND MORTGAGE LENDING

Satisfaction with specified services		Strongly Agree	Agree	Dis-agree	Strongly Dis-agree	Not Applicable
Questions						
License Processing						
9	Requests for information were clear and timely.	25	17	3	4	2
10	My license was issued in a reasonable period after all required information was submitted.	23	18	5	3	2
11	The process was efficient and professional.	24	21	2	3	1
License Processing Totals		72	56	10	10	5
License Processing Results		47.1%	36.6%	6.5%	6.5%	3.3%
Field Examination of Loan Files						
12	The scope and goals of the examination were clearly communicated prior to the start.	27	20	1	1	2
13	The examiners conducted themselves professionally, are informed on current industry issues, and adequately trained and qualified.	37	9	1	1	3
14	Examiner findings conclusions are well-supported and concerns are clearly communicated at exit meetings.	31	13	3	2	2
Examination Totals		95	42	5	4	7
Examination Results		62.1%	27.5%	3.3%	2.6%	4.6%

ANALYSIS OF THE MORTGAGE INDUSTRY SURVEY

The majority of the responding licensees were “very satisfied” or “satisfied” with the Department’s overall performance, and “strongly agree” or “agree” that the mortgage examination and licensing activities, in particular, are satisfactory. In addition to the answers of the questions above, sixteen (16) of the respondents provided further feedback in the form of comments. High ratings were received on the Department staff's communication, professionalism, and helpfulness.

CONSUMER COMPLAINTS

The population included all complaints originated by consumers who had provided an e-mail address and whose complaint had been resolved between January 1 and December 31, 2019, total of 898. The survey sample of 200 complaints was chosen using a random number generator. The overall response rate was 10%.

DEPARTMENT OF SAVINGS AND MORTGAGE LENDING

CONSUMER COMPLAINTS SURVEY – 2020

Overall satisfaction with the agency		Very satisfied	Satisfied	Neutral	Unsatisfied	Very unsatisfied	Not Applicable
Questions							
1	How satisfied are you with the agency's facilities, including your ability to access the agency, the office location, signs, and cleanliness?	1	5	4	1	2	7
2	How satisfied are you with agency staff, including employee courtesy, friendliness, and knowledgeability, and whether staff members adequately identify themselves to customers by name, including the use of name plates or tags for accountability?	2	5	5	3	1	4
3	How satisfied are you with agency communications, including toll-free telephone access, the average time you spend on hold, call transfers, access to a live person, letters, electronic mail, and any applicable text messaging or mobile applications?	4	4	4	3	3	2
4	How satisfied are you with the agency's Internet site, including the ease of use of the site, mobile access to the site, information on the location of the site and the agency, and information accessible through the site such as a listing of services and programs and whom to contact for further information or to complain?	2	6	9	1	2	0
5	How satisfied are you with the agency's complaint handling process, including whether it is easy to file a complaint and whether responses are timely?	3	4	4	4	5	0
6	How satisfied are you with the agency's ability to timely serve you, including the amount of time you wait for service in person?	2	3	3	2	5	5
7	How satisfied are you with any agency brochures or other printed information, including the accuracy of that information?	0	4	6	1	1	8
8	Please rate your overall satisfaction with the agency.	3	3	3	6	5	0
Overall Totals		17	34	38	21	24	26
Overall Results		10.6%	21.3%	23.8%	13.1%	15.0%	16.3%
Satisfaction with specified services		Strongly Agree	Agree	Dis-agree	Strongly Dis-agree	Not Applicable	
Questions							
Consumer Complaints							
9	Requests for information were clear and timely.	2	5	5	3	5	
10	My license was issued in a reasonable period after all required information was submitted.	3	2	5	7	3	
11	The process was efficient and professional.	3	5	6	4	2	
Overall Totals		8	12	16	14	10	
Consumer Complaints Composite Results		47.1%	36.6%	6.5%	6.5%	3.3%	

ANALYSIS OF THE CONSUMER COMPLAINTS SURVEY

Customer service is a priority for the Department. The survey was sent out to 200 respondents but only 10 % (20) responded. A low response rate can skew the results of a survey to the negative or the positive due to an inherent nonresponse bias. In addition to the answers of the questions above, thirteen (13) of the respondents provided further feedback in the form of comments. High ratings were received on the Department staff's communication, professionalism and helpfulness.

DEPARTMENT OF SAVINGS AND MORTGAGE LENDING

CUSTOMER SERVICE PERFORMANCE MEASURES

OUTCOME MEASURES

- Percentage of Surveyed Customer Respondents Expressing Overall Satisfaction with Services Received: The total number of survey respondents indicating that they are satisfied or very satisfied with the agency, divided by the total number of agency survey respondents. 69.3%

OUTPUT MEASURES

- Total Customers Surveyed: The number of customers who receive access to surveys regarding Department's services 371
- Response Rate: The percentage of total customers surveyed who completed the survey 23.7%
- Total Customers Served: Total numbers of customers receiving services through Department's programs 36,918

EFFICIENCY MEASURES

- Cost per Customer Surveyed: Total costs for the Department to administer customer surveys divided by the total number of customer surveyed.* \$0

*No identifiable costs were incurred in order to administer the customer surveys.

EXPLANATORY MEASURES

- Total Customers Identified: The total population of customers in all unique customer groups** 36,918
- Total Customer Groups Inventoried: The total number of unique customer groups identified for each Department's program. 3

**The potential customer base is very broad as explained above. Included here are only the direct recipients of the Department's services.