



# SHAPING THE FUTURE OF LOAN SERVICING WITH AI-DRIVEN INNOVATION

---

*Leveraging Artificial  
Intelligence to Transform  
Portfolio Management  
and Enhance Borrower  
Support*

@goalsolutions  
www.goalsolutions.com  
newbusiness@goalsolutions.com

# Contents

- Introduction** ..... 1
- Borrower Engagement Score: Enhancing Pre-Default Collections** ..... 2
  - The Challenge of Predicting Borrower Behavior** ..... 2
  - How the Borrower Engagement Score Works** ..... 3
  - Benefits for Servicing and Portfolio Management** ..... 3
  - Granular Communication Strategies** ..... 4
  - Operational and Risk Management Benefits** ..... 4
  - Continuous Data Collection and Dynamic Rescoring** ..... 4
  - Impact on Financial Performance** ..... 5
- SARA: The Smart Agent Resource Assistant** ..... 6
  - The Need for Smarter Support** ..... 6
  - How SARA Works** ..... 6
  - Benefits for Customer Support and Default Prevention** ..... 6
  - Ensuring Compliance and Consistency** ..... 7
  - Future Developments** ..... 7
  - Impact on Servicing Outcomes** ..... 7
- Simplify: A Smarter Loan Servicing Tool** ..... 8
  - Revolutionizing Internal Workflows** ..... 8
  - Ensuring Compliance and Building Confidence** ..... 8
  - Improving Service Speed and Satisfaction** ..... 9
  - Supporting Default Prevention and Financial Stability** ..... 9
  - Boosting Operational Efficiency** ..... 9
  - Continuous Improvement and Knowledge Sharing** ..... 9
  - Summary of Benefits** ..... 9
  - Embracing Artificial Intelligence to Transform Portfolio Management and Enhance Borrower Support** ..... 10
- About Goal Solutions** ..... 11

# Introduction

The future of loan servicing is being reshaped by cutting-edge AI and data analytics. These technological innovations are not just tools. They are strategic assets that redefine how organizations manage portfolios, support borrowers, and ensure compliance. Recognizing this, Goal Solutions has invested heavily in developing advanced technological tools that harness Artificial Intelligence (AI), machine learning, and data analytics to support our servicing teams.

While these tools are primarily used behind the scenes by agents and support staff, they significantly influence the quality, speed, and compliance of the service delivered to our clients and their borrowers. The goal is to enable servicing staff to work smarter, not harder, by providing actionable insights, automating routine tasks, and fostering more personalized interactions.

This eBook provides an in-depth look at three core proprietary tools: the Borrower Engagement Score, SARA (Smart Agent Resource Assistant), and Simplify. Each is designed to enhance different facets of the loan servicing process. Understanding how these tools operate and the value they bring can help you appreciate the technological backbone that supports Goal's commitment to customer service excellence.

# Borrower Engagement Score: Enhancing Pre-Default Collections



Since the nature of outreach efforts are unique for the loan servicing industry, it is imperative to understand the industry standard prior to our development of the Borrower Engagement Model. This exercise helps us define the problem we were looking to solve.

The current workflow for outreach towards delinquent borrowers begins when a borrower falls delinquent and ends at, ideally, the account curing following a payment. The goal of our outreach process is to utilize our resources to help minimize friction for a borrower striving to bring their account current.

Servicers compile a list of borrowers whose loans have fallen delinquent every day, and these borrowers are then contacted through various communication channels such as phone, text, and email. However, there is a treasure trove of data related to a borrower's account activity and previous payment history that is completely neglected with this approach.

## The Challenge of Predicting Borrower Behavior

Managing a consumer loan portfolio involves more than just tracking overdue accounts; it requires understanding the likelihood of a borrower responding positively to outreach efforts. Traditional collection strategies often rely on static data points such as credit scores or delinquency status and manual judgment, which can be inconsistent and inefficient.

However, borrower behavior is dynamic, influenced by various factors like communication responsiveness, financial hardship, and personal circumstances. Recognizing these nuances is essential to prioritizing collection efforts, reducing costs, and ultimately improving recovery rates.

## How the Borrower Engagement Score Works

The Borrower Engagement Score addresses this challenge by harnessing machine learning and AI algorithms to analyze a broad spectrum of data sources. It considers multiple data points:

- **Communication Interactions:** Frequency, channels (email, text, calls), and responsiveness to outreach efforts.
- **Delinquency Reasons:** Context behind missed payments, such as temporary hardship or ongoing financial struggles.
- **Borrower Attributes:** Credit score, loan type, repayment history, demographic information.
- **Behavioral Patterns:** Changes in engagement levels over time, response timing, and interaction history.

---

*"By integrating and analyzing this data continuously, the score generates a real-time, dynamic assessment of each borrower's engagement level."*

---

By integrating and analyzing this data continuously, the score generates a real-time, dynamic assessment of each borrower's engagement level. It can identify which borrowers are more likely to respond positively to collection efforts and which may require different approaches.

## Benefits for Servicing and Portfolio Management

This sophisticated predictive capability empowers collection teams to shift from a one-size-fits-all approach to a targeted, data-driven strategy. For example, high-engagement borrowers, those who respond quickly to outreach, may benefit from more aggressive contact efforts, while low-engagement borrowers might require a different approach, such as personalized communication or intervention.

This targeted outreach has several benefits:

- **Increased Cure Rates:** By focusing efforts where they're most likely to succeed, servicers can cure more delinquent accounts before they escalate to default.
- **Reduced Default Rates:** Early identification of at-risk accounts enables proactive engagement, often resulting in borrowers bringing their accounts current.
- **Faster Resolution Times:** Prioritizing high-potential accounts accelerates the recovery process, improving cash flow and reducing operational cycle times.
- **Cost Savings:** Resources are allocated more efficiently, reducing wasted efforts on accounts unlikely to respond.

## Granular Communication Strategies

A key feature of the engagement score is its ability to inform communication tactics. It analyzes historical interaction data to determine the best channels such as email, text, and calls for each borrower, as well as the most effective timing and contact frequency.

For example, the score may indicate that a particular borrower responds best to text messages sent during late mornings, while another prefers email communications in the early evening. By tailoring outreach strategies, servicers can increase engagement rates, improve borrower experience, and ultimately achieve better repayment outcomes.

## Operational and Risk Management Benefits

Using this advanced scoring model offers multiple operational advantages:

- **Faster Resolution and Reduced Cycle Times:** Quickly identifying high-risk borrowers allows for immediate engagement, reducing the time to resolve delinquency.
- **Enhanced Risk Profiling:** The model provides early warning signals—detecting behavioral shifts that suggest increased risk—allowing for more accurate risk assessment and provisioning.
- **Scalability and Consistency:** Automated scoring ensures uniform application of collection strategies across large portfolios, supporting growth without sacrificing quality.
- **Fair Lending and Regulatory Compliance:** Data-driven models help eliminate subjective biases, ensuring collection practices are fair and compliant with regulatory standards.

## Continuous Data Collection and Dynamic Rescoring

The effectiveness of the Borrower Engagement Score depends on ongoing data collection. It continually ingests information from multiple channels including emails, SMS, portal activity, call data and combines it with borrower attributes like credit scores and repayment history. Behavioral factors, such as reasons for delinquency and engagement patterns, are also incorporated.

Importantly, the score is dynamic. Borrowers are rescored daily and the underlying algorithms are recalibrated quarterly. This real-time adjustment ensures that the engagement assessment reflects current borrower circumstances, enabling the collection strategies to be adapted promptly. For example, a borrower initially deemed highly engaged may show signs of disengagement, prompting a change in outreach tactics.

## Impact on Financial Performance

The tangible financial benefits of implementing the Borrower Engagement Score are significant:

- **Higher Cure and Recovery Rates:** Accurate identification of engaged borrowers results in fewer accounts escalating to default.
- **Operational Cost Savings:** Automating data analysis and contact planning reduces manual effort, allowing staff to focus on high-potential accounts.
- **Improved Cash Flow:** Faster identification and engagement of responsive borrowers lead to quicker payments, boosting liquidity.
- **Portfolio Resilience:** Early detection of at-risk accounts helps contain losses and maintain a healthy portfolio.

In short, the Borrower Engagement Score is a powerful, adaptive tool that transforms traditional collection efforts. By leveraging predictive analytics and continuous data updates, it enables our teams to prioritize resources effectively, improve recovery rates, and manage risk proactively.

# SARA: The Smart Agent Resource Assistant

## The Need for Smarter Support



Exceptional customer service in loan servicing is about more than just resolving issues; it's about understanding the borrower's context, responding empathetically, and doing so efficiently. In high-volume environments, support agents often face challenges: retrieving relevant information quickly, maintaining consistency, and ensuring compliance.

SARA (Smart Agent Resource Assistant) is our proprietary AI-powered tool designed to address these challenges by providing real-time, contextual support to agents during customer interactions.

## How SARA Works

SARA integrates seamlessly into the support workflow. It analyzes data from multiple sources including account history, previous interactions, and current inquiry details to generate concise summaries of each borrower's profile. It highlights key information such as:

---

*"With immediate access to comprehensive borrower insights, agents can respond swiftly, reducing wait times and improving first-call resolution rates."*

---

- Account status and history
- Recent interactions and communication history
- Indicators of financial hardship (e.g., missed payments, late notices)
- Relevant policies and procedures applicable to the situation

By consolidating this information into a single, easy-to-understand snapshot, SARA ensures that agents spend less time searching for data and more time engaging meaningfully with borrowers.

## Benefits for Customer Support and Default Prevention

- **Faster, More Accurate Responses:** With immediate access to comprehensive borrower insights, agents can respond swiftly, reducing wait times and improving first-call resolution rates.

- **Enhanced Personalization:** Contextual understanding allows agents to tailor their responses, demonstrating empathy and building rapport. For example, recognizing that a borrower is experiencing temporary hardship enables the agent to suggest appropriate solutions like payment deferrals or hardship options.
- **Proactive Issue Identification:** SARA can flag early signs of financial distress, allowing support teams to intervene before issues escalate. Early detection facilitates collaboration with clients on loss mitigation strategies, which can reduce recoveries and improve financial outcomes.

### **Ensuring Compliance and Consistency**

SARA operates within strict data security and privacy standards, ensuring borrower information is protected. Its ability to standardize responses based on best practices and past successful interactions supports consistent, compliant support delivery. This not only reduces the risk of inadvertent violations but also reinforces a professional, trustworthy service experience.

### **Future Developments**

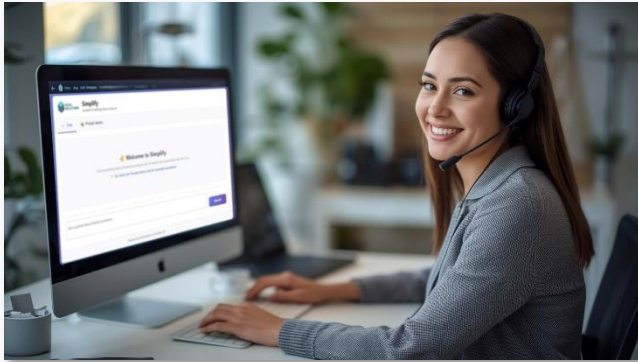
As SARA continues to evolve, future enhancements will focus on deeper integration with existing servicing workflows, predictive analytics, and sentiment analysis. The goal is to enable agents to anticipate customer needs proactively, fostering a more empathetic and effective support environment.

### **Impact on Servicing Outcomes**

Implementing SARA has led to measurable improvements:

- Increased first-call resolution rates
- Shorter support cycle times
- Higher borrower satisfaction scores
- Better identification of accounts needing proactive intervention

# Simplify: A Smarter Loan Servicing Tool



## Revolutionizing Internal Workflows

Simplify is our proprietary tool that transforms complex loan servicing procedures into an intelligent, accessible resource. Its primary purpose is to assist customer service and operations agents in executing accurate, compliant, and efficient workflows, thereby enhancing overall service quality.

## How Simplify Works

The tool functions as a knowledge base and procedural assistant, turning extensive policy libraries into a series of guided steps. When an agent encounters a customer inquiry such as a request for a loan account modification or a hardship accommodation they can input specific keywords or queries related to the scenario.

Simplify responds with:

- The relevant policies and procedures
- Step-by-step guidance
- References to internal regulations and compliance standards
- Suggested scripts and verbiage

---

*"The tool functions as a knowledge base and procedural assistant, turning extensive policy libraries into a series of guided steps."*

---

By structuring this information clearly and intuitively, Simplify reduces the time needed to find accurate answers and minimizes the risk of errors.

## Ensuring Compliance and Building Confidence

One of the tool's key strengths is its ability to promote consistent, compliant support interactions. It ensures that all procedures followed align with the latest regulatory standards and internal policies, safeguarding both the client and the organization.

For example, when a borrower requests a hardship extension, Simplify provides the agent with the most current eligibility criteria, required documentation, and procedural steps, eliminating guesswork and reducing compliance risks.

## **Improving Service Speed and Satisfaction**

The immediacy of information access means agents can respond more quickly to customer inquiries, decreasing waiting times and increasing first-contact resolution rates. Customers experience faster, more confident support, which enhances their overall satisfaction and trust in the organization.

## **Supporting Default Prevention and Financial Stability**

Proactive default prevention is another critical function. Simplify enables agents to recommend tailored solutions such as payment postponements, buyouts, or pre-payments based on the borrower's specific circumstances. Early intervention can help borrowers maintain their accounts in good standing, reducing defaults and preserving financial stability.

## **Boosting Operational Efficiency**

By reducing the time spent searching for procedures or policy references, Simplify allows agents to handle more cases effectively. This efficiency translates into better service levels, improved SLAs, and increased job satisfaction among staff.

## **Continuous Improvement and Knowledge Sharing**

Simplify encourages ongoing learning. Agents are guided to craft effective search queries, share successful strategies, and provide feedback on tool responses. This collaborative approach ensures the system evolves to meet changing needs and supports best practices organization-wide.

## **Summary of Benefits**

- Regulatory compliance: Ensures consistent, accurate procedures
- Faster, confident responses: Enhances customer experience
- Proactive default prevention: Supports clients in managing their loans
- Operational efficiency: Improves productivity and SLAs

## **Embracing Artificial Intelligence to Transform Portfolio Management and Enhance Borrower Support**

As the servicing industry advances, the integration of AI and data analytics serves as a vital complement to the expertise and empathy of support agents. These tools empower our teams to deliver more precise, consistent, and proactive service, allowing human agents to focus on the personalized elements that machines cannot replicate: building trust, understanding borrower nuances, and demonstrating genuine care.



By automating routine tasks and providing instant access to critical insights, the technology frees agents to engage more meaningfully with borrowers, addressing their concerns with greater empathy and tailored solutions. This harmonious blend of human judgment and AI-driven support ensures that service remains both efficient and deeply human-centered.

Looking ahead, organizations that harness these innovations will not only improve operational outcomes but also strengthen the relationships at the core of customer service. In this ever evolving servicing industry, technology acts as an enabler; supporting, rather than replacing, the essential human touch that forms the foundation of exceptional loan servicing.

# About Goal Solutions



Goal Solutions is an innovative financial services company delivering comprehensive and customizable Primary and Backup Servicing, Asset Management, and SPV Administration solutions. Driven by technology, data science, and industry expertise, Goal is a strategic partner across the entire consumer finance lifecycle. Our experienced leadership team has worked collaboratively for over a decade, managing over \$42B of consumer assets.

[www.goalsolutions.com](http://www.goalsolutions.com)