HSBC

HSBC Mortgage Services

Change Control

User Manual

2005

Please note that this document is approaching completion and there will be a final copy accessible on *Connect* in the near future with existing User Manuals and other using the Policy and Procedure Manuals link listed under Related Topics Policy and Procedure documentation linked on the Mortgage Services page. You will find Change Control documentation via the

Prepared by: Technical Writing Group – Continual Process Improvement

January 26, 2005

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Overview

What is Change Control?

Change Control is a formal method of recognizing, accepting, documenting, and managing changes to policies and procedures. Change Control provides a historical audit trail for all changes to policy, procedure, and practice.

Changes to the business introduce potential risks. If not managed properly, these risks may spread to other areas of the business. Change Control will effectively and efficiently manage changes to the business.

An essential factor in Change Control is communication. If a change affects other areas of the business, it is imperative for departments to communicate these changes to those affected, from representative level to the Sr. Vice President Mortgage Operations of Operations.

Change Control Does Not Cover

- Business changes not governed by policy or procedure
- Staffing changes
- Seating changes
- Hours of business unless specified in policy

Content

- Change Request Form
- Change Request Repository

Change Request Form

Change Request Prerequisites

Before a requestor initiates a Change Request form, the following must occur:

Requestor meets with impacted parties and discusses the proposed change.

Requestor, approvers, and impacted parties determine if the idea is cost beneficial, increases efficiency and quality, and is a process improvement.

If the request is for a new procedure, the requestor must draft the procedure in Word so it can be attached to the Change Request form.

Requestor is responsible for following-up to ensure their Unit Manager/ Department Manager / Director reviews their submitted Change Request.

The Change Control group may delete change Requests that are outstanding for more than 60 days.

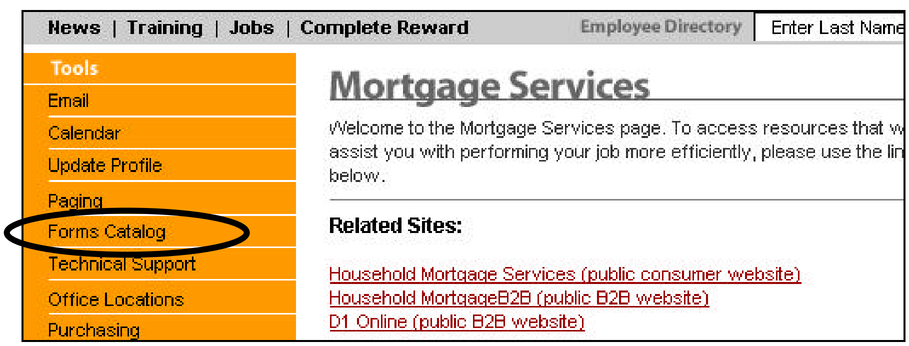
Assistance with initiating Change Requests can be obtained by sending an email to **technical.writers@us.hsbc.com**.

Accessing the Change Request Form

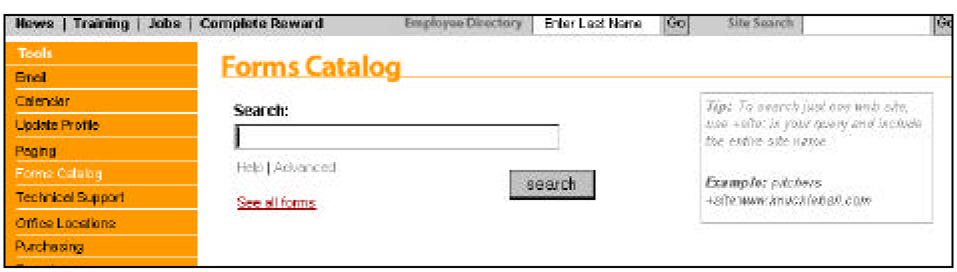
After the above requirements are met and impacted parties approve the idea, the requestor completes the Change Request form. To access the Change Control Request form:

Step 1

Log on to *Connect* and select **Forms Catalog**.

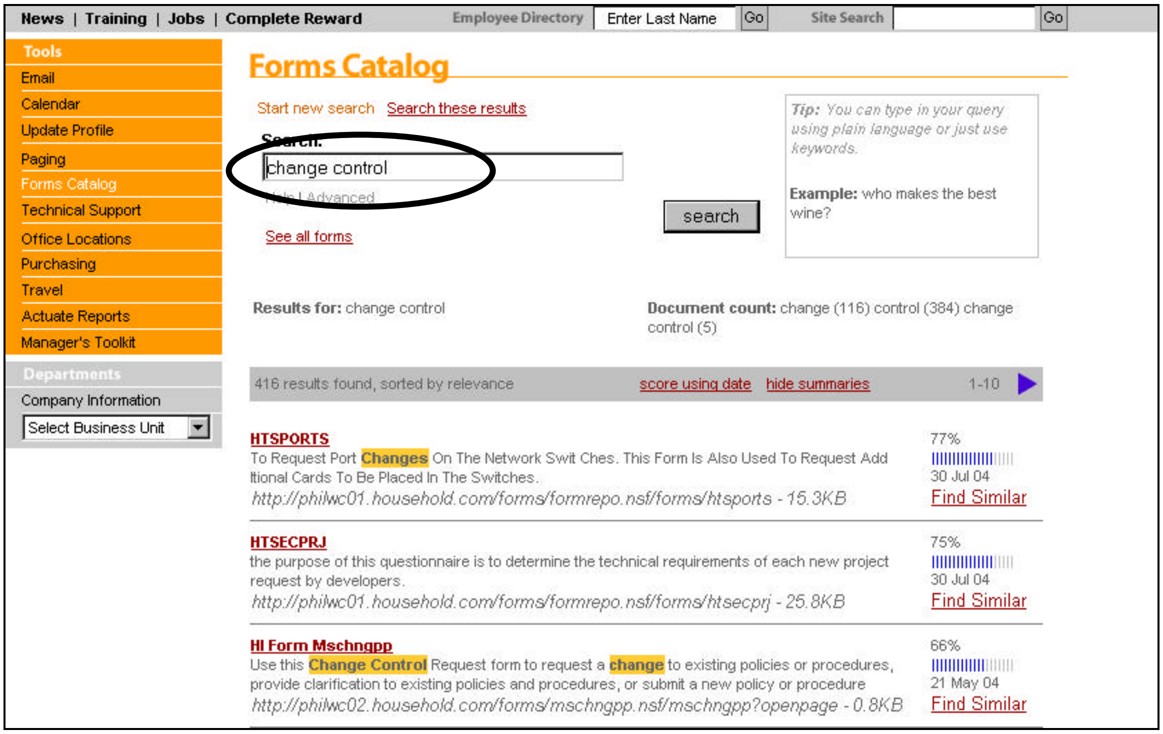


The Forms Catalog Search text box appears.



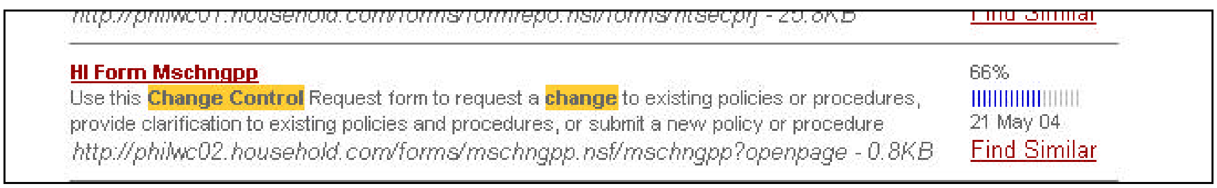
Step 2

In the 'Search' field, enter either **MSCHNGPP** or **change control** and then press **search**. A list of Search results appears.

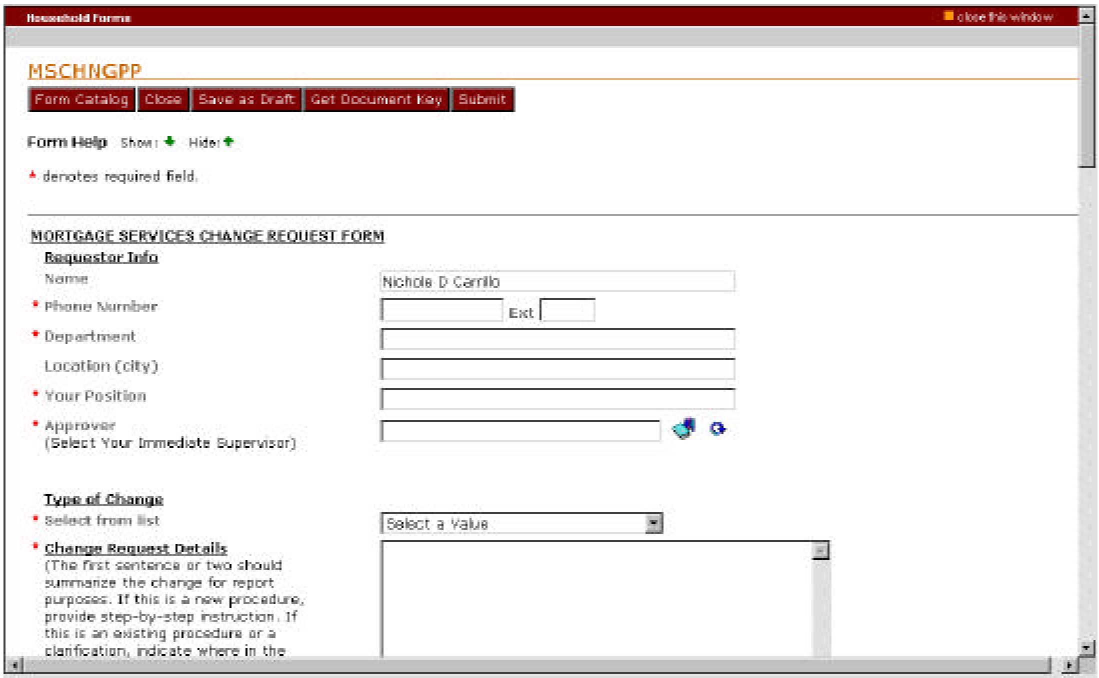


Step 3

Select the **HI Form Mschngpp** link.



The MSCHNGPP - Mortgage Services Change Request Form appears.



Mortgage Services Change Request Form

When a requestor opens a new Change Request form, the following fields are automatically populated based on the user's *Connect* login:

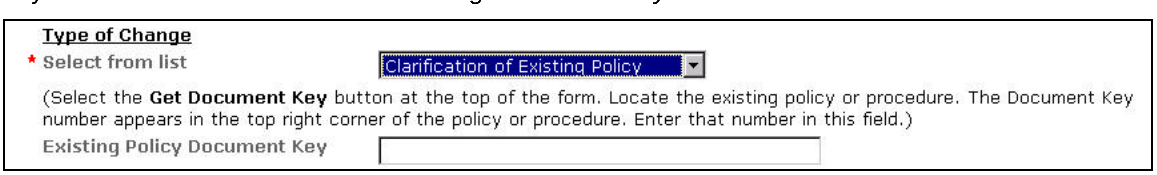
- Date
- Document Log Number
- RACF ID
- Name

Required Fields

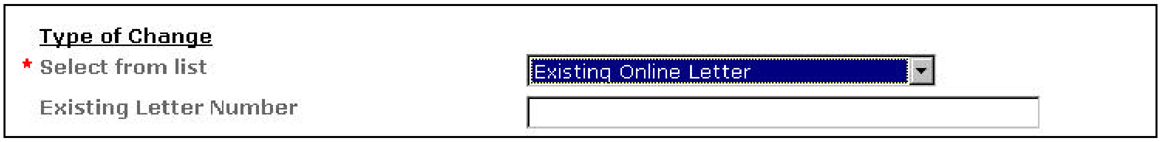
When a requestor initiates a change via the Change Request form, they must complete the following required fields:

- **Phone Number** - area code and dashes permitted.
- **Department**
- **Your Position**
- **Approver** - requestor must select their Unit Manager, Department Manager, or Director. The icon to the right of the Approver field opens the HSBC Name and Address book.
- **Type of Change** - nine (9) choices:
  - Clarification of Existing Policy
  - Clarification of Existing Procedure
  - Existing Policy and Procedure
  - Existing Procedure Only
  - New Policy and Procedure
  - New Procedure Only
  - Clarification of Existing Online Letter Writer
  - Existing Online Letter Writer
  - New Online Letter Writer

Note: If the change affects an existing policy or procedure, a Document Key field appears. This allows the requestor to search for the existing policy or procedure and copy the associated document key number in this field. Refer to *Getting Document Key* in this user manual for more information.


Type of Change
* Select from list Clarification of Existing Policy
(Select the **Get Document Key** button at the top of the form. Locate the existing policy or procedure. The Document Key number appears in the top right corner of the policy or procedure. Enter that number in this field.)
Existing Policy Document Key

If the change affects an existing online letter, the requestor will enter the online letter number in the 'Existing Letter Number' field.



- **Change Request Details** - the requestor should summarize the change in this field. If the requestor is not providing an attached Word document, all details of the change must be entered in this field. A summary report in the Change Control Repository will display the first few sentences of this field.
- **Level of Effort** - Minor, Major, or Moderate. Definitions of what comprises a minor, major, or moderate change can be found in the online help.
- **Risks and/or Benefits** - financial information is not necessary in this field. The requestor should briefly state the risks and or benefits of making or not making this change.
- **Change Required by What Date?** - Requestors can either type in a date or use the calendar icon and select a date. The default is 30 days from the date the change request form was initiated.

Optional Fields

Although the requestor is **NOT** required to complete the following fields, these fields are useful for reporting purposes:

- **Location** - this should be the site location, e.g., Brandon.
- **Is Training Required?** - If the requestor selects **Yes**, two additional check boxes appear: 'HR Training' and 'Department Training'. No email is generated to the HR Training department if 'HR Training' is selected. Instead, a report can be viewed in the Change Control Repository.
- **Is Development Required?** - If the requestor selects **Yes**, two additional check boxes appear: 'System Enhancements' and 'Reports'. No email is generated to the MIS department. Instead, a report can be viewed in the Change Control Repository.
- **Additional Communication** - An email is sent to the groups selected in the 'Who will be Impacted by the Change?' field when the change is implemented. This field allows for additional communication. If 'Other' is checked, a text field appears allowing the requestor to provide details.
- **Additional Comments -** use this field to provide additional details of the change and/or enter the names of who should approve the change request.
- **Upload Files** - Requestors can attach documents. Five (5) documents can be attached to one Change Control Request form.

Notes:

- Once a requestor submits a change request, the Upload Files field is no longer available. YOU CANNOT ATTACH ANY OTHER FILES ONCE 'SUBMIT' IS CLICKED.
- For Procedures that are being modified, the person initiating the Change Request may obtain a MS Word version of an existing Procedure by emailing the Technical Writers at technical.writers@us.hsbc.com. **Modify** this Word version of the procedure using the "Track Changes" functionality within MS Word.

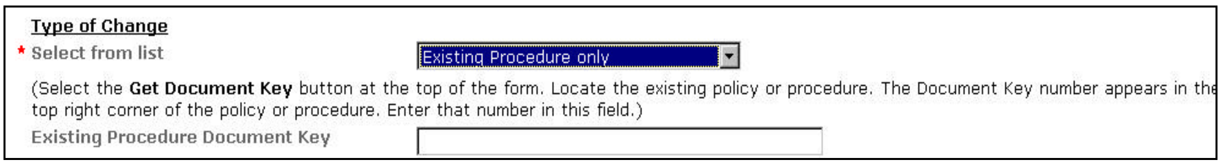
When the requestor completes the Change Control Request form, they click **Submit**.

Getting Document Key

If you have a change request for an existing procedure or policy, you will need to link your change request to the existing procedure or policy on the Policy and Procedure Manuals web site.

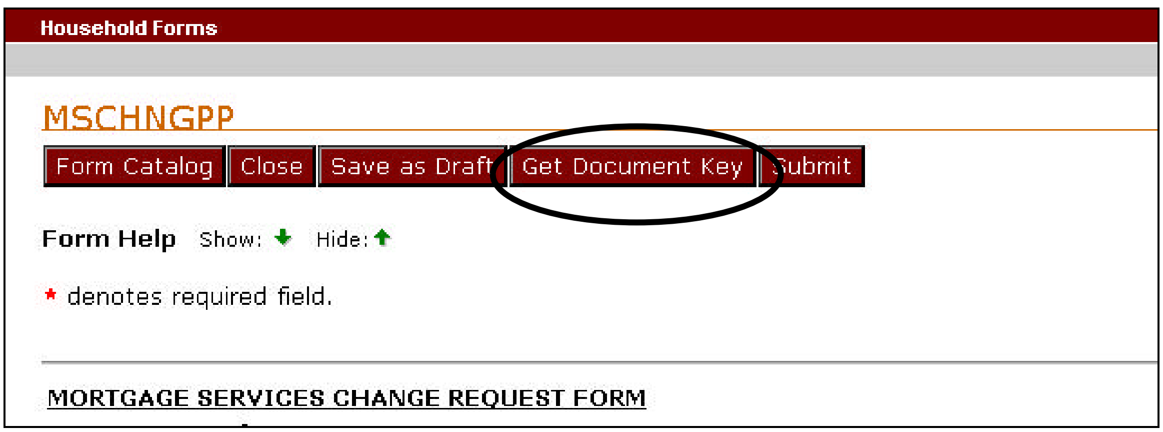
When you select the following types of change on the Change Request form, you will need to copy and paste the document key number from the existing policy or procedure:

- Clarification of Existing Policy
- Clarification of Existing Procedure
- Existing Policy and Procedure
- Existing Procedure Only

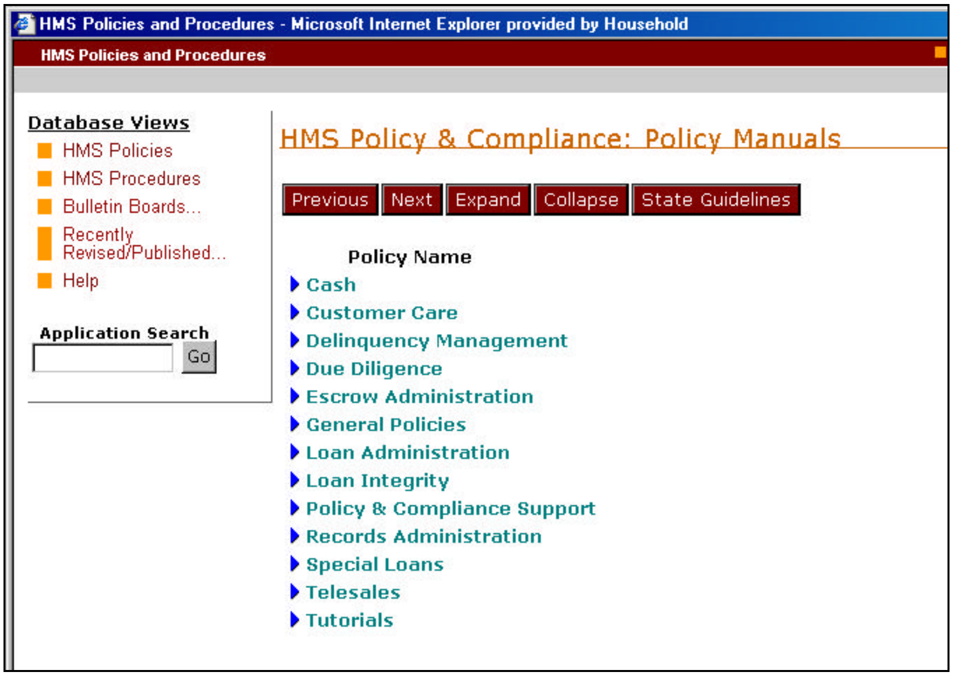


Step 1

To obtain the Document Key, on the Change Request form, scroll to the top of the form and click the **Get Document Key** button at the top of the form.

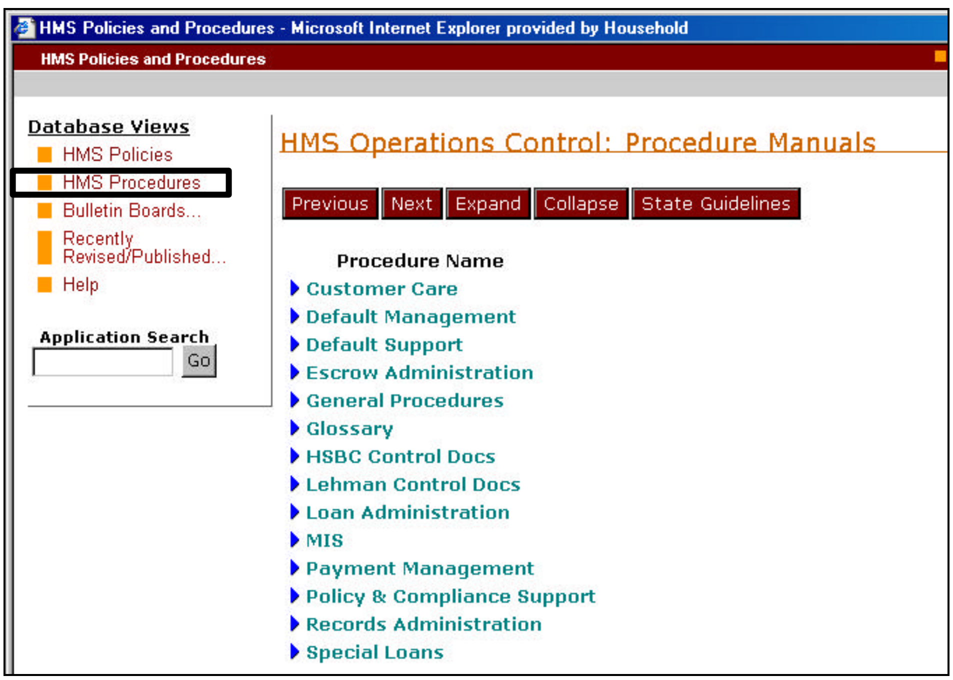


A separate browser window opens to the Policy and Procedures Manuals web site.



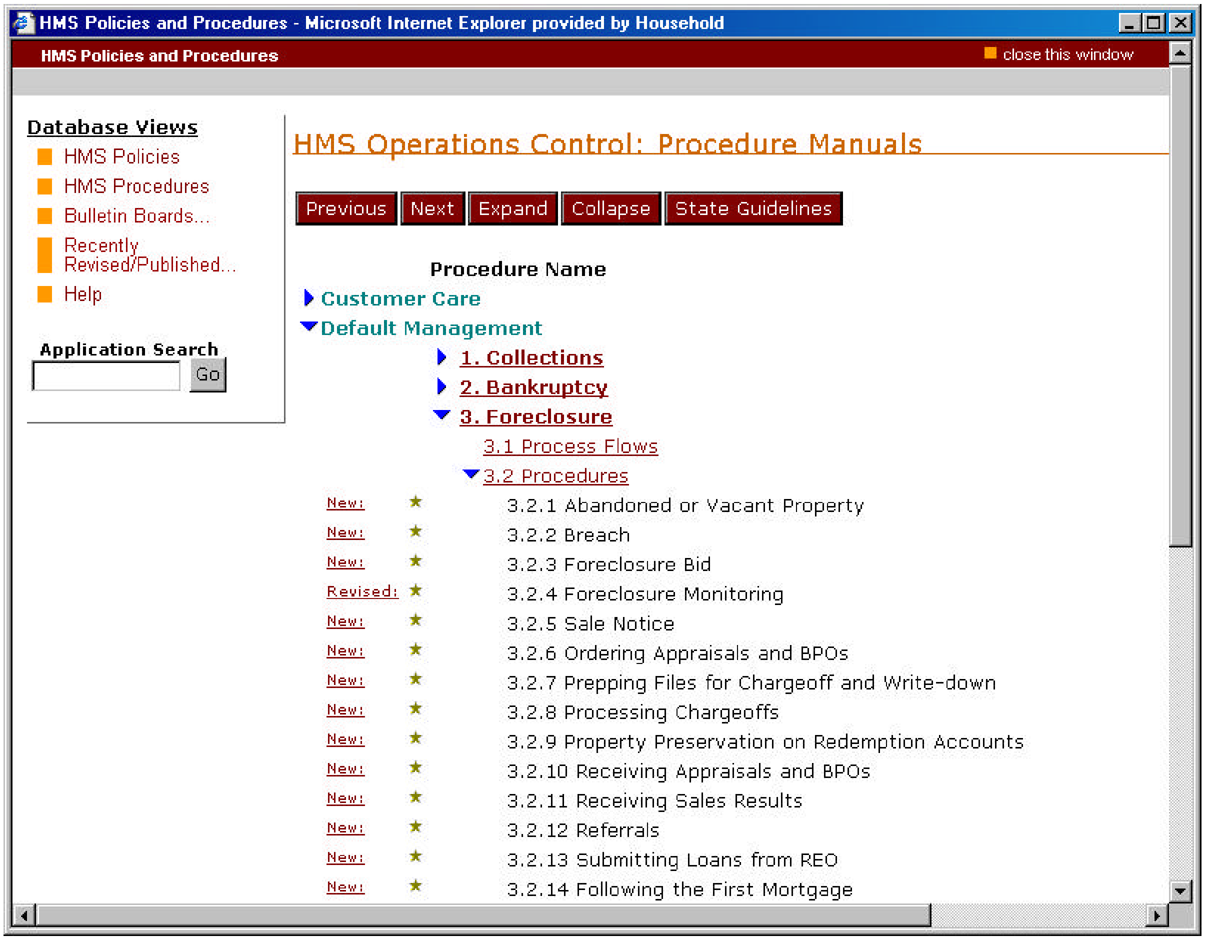
Step 2

In the left pane, select **HSBC Mortgage Services (formerly HMS) Procedures** The Procedure view appears.



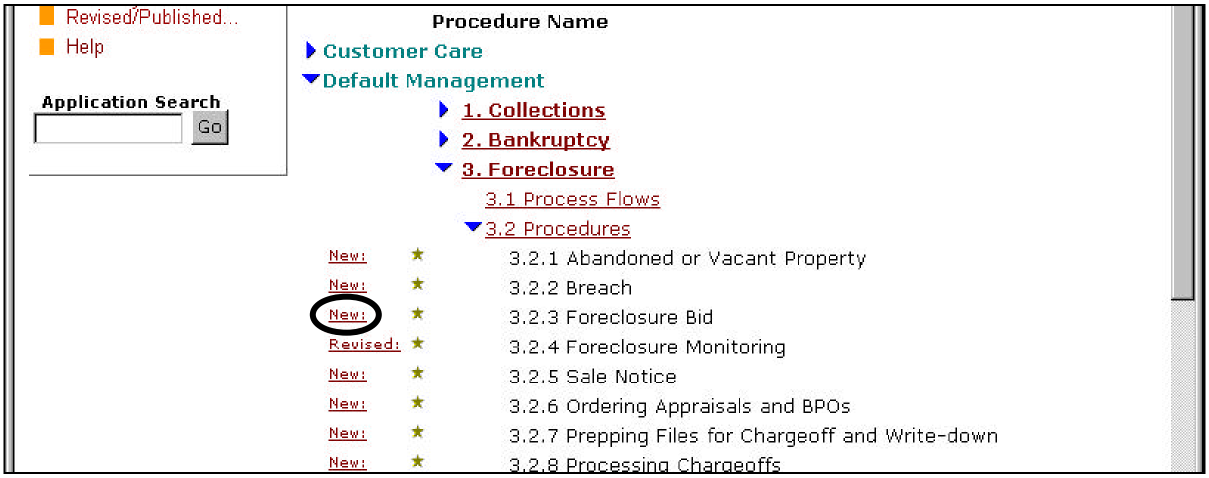
Step 3

Select the **blue** arrow next to the appropriate department category and department to expand the categories. Then expand the **Procedures** category. In this example, Default Management has been expanded.

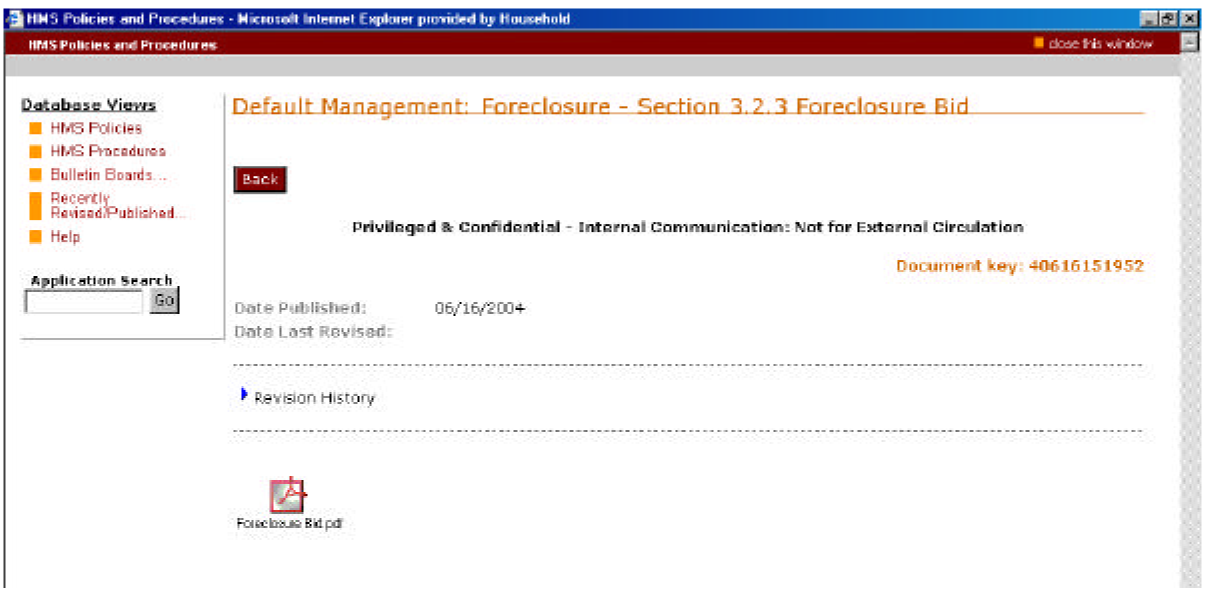


Step 4

Select the **New** or **Revised** link next to the procedure that contains the Document Key you are searching for.

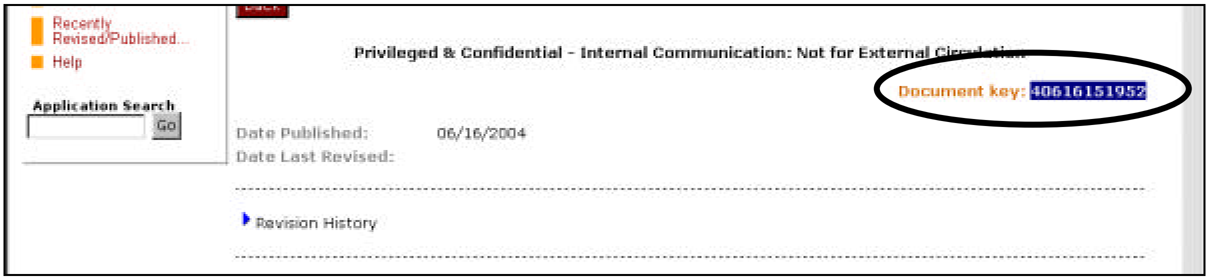


The procedure opens.



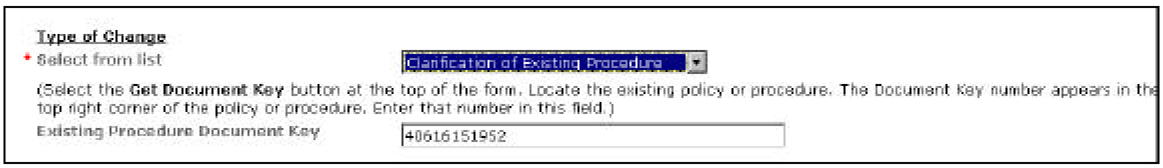
Step 5

With your mouse, highlight the **Document Key number** and copy it.



Step 6

Open the Change Request form browser and paste the Document Key number in the 'Existing Document Key' field.



When you have completed the Change Request form and have clicked **Submit**, the Document Key will display as a link for the next approver.

Attaching Documents to a Change Request Form

Word, Excel, etc. documents can only be attached to a change request form by the requestor who initiated the form. In other words, after the requestor clicks **Submit**, no other attachments can be added to a change request form. You can attach up to five (5) documents on one change request form. Attachments are for view only purposes. You can make changes to the document and save the attachment to your hard drive or network location, but the changes will not be reflected in the change request form.

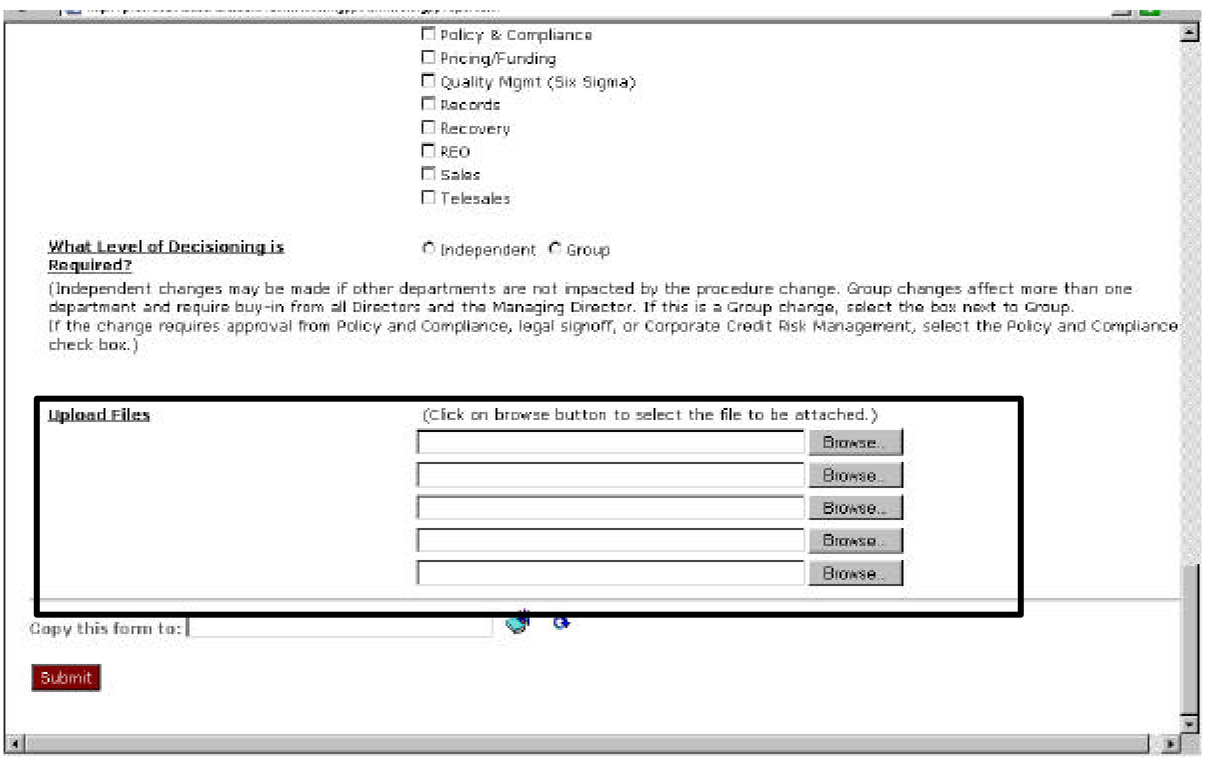
Note: Future enhancements will provide additional functionality.

The requestor may request a Word version of an existing procedure from the Technical Writing group. To ease the communication of changes, the requestor may "red line" the document and attach the new version with the changes incorporated. To obtain a copy of a document, email technical.writers@us.hsbc.com.

To attach a document to a change request form:

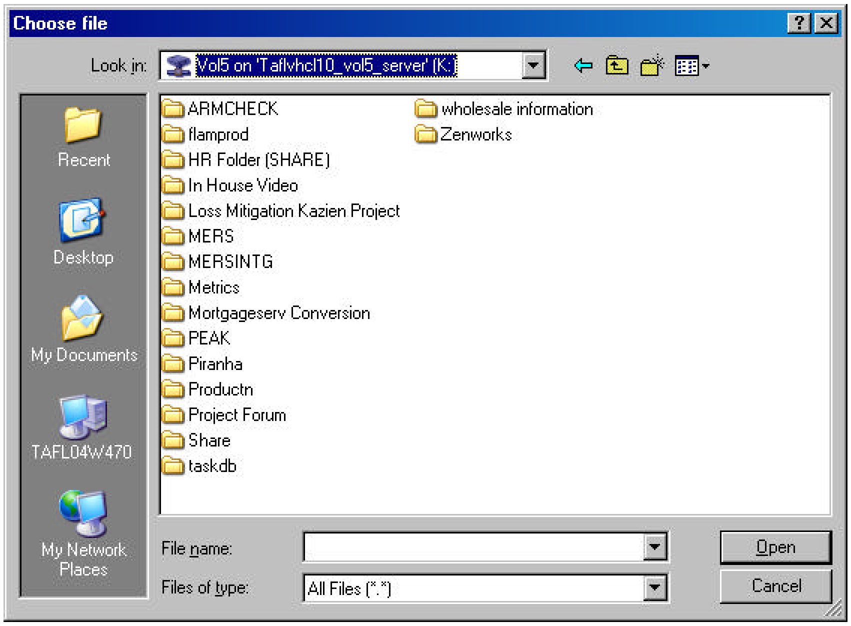
Step 1

Scroll to the **Upload Files** section at the bottom of the form.



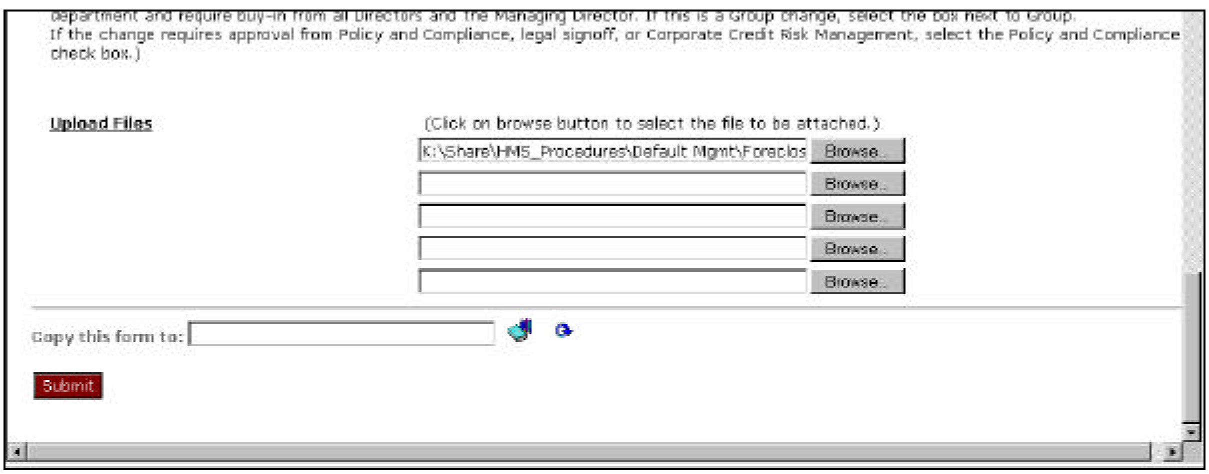
Step 2

Click the **Browse** button to search your hard drive or the network location for the draft procedure you want to attach. The **Choose File** dialog box appears.



Step 3

Navigate to the location of the Word (Excel, etc.) file and then click **Open**. The file path appears in the Upload Files section of the change request form.

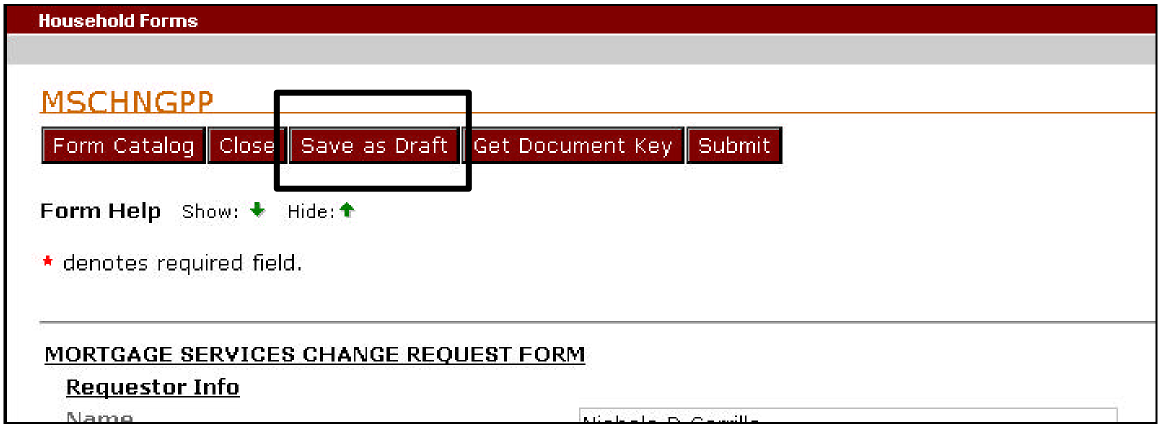


Saving Change Request Form as a Draft

If a requestor needs to complete a change request at a later time, the requestor can save the change request form as a draft document.

Note: Change request forms cannot be saved as drafts after the form is submitted for approval.

To save a change request form as a draft, at the top of the change request form, click the **Save As Draft** button.



Refer to the *Repository Reports* section of this user manual for information on accessing saved change requests.

Department Manager/Director Section of Change Request Form

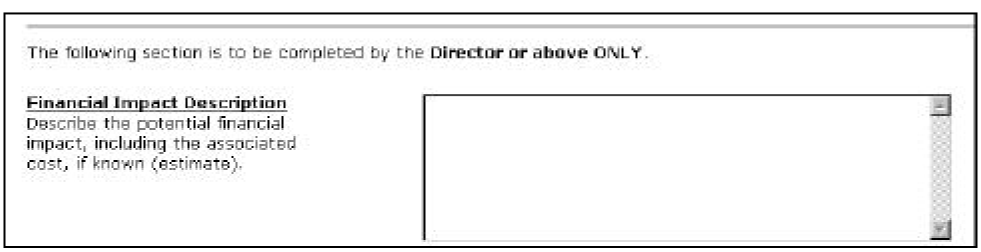
All change requests forms require the Director's review and approval. Some change requests may require approval by more than one Director/VP. Group changes require the approval of the Sr. Vice President Mortgage Operations.

The Change Request form is divided into two parts: Requestor section and Director section. The bottom half of the form, with the exception of the Upload Files section, is to be completed by the Department Manager and reviewed/revised by the Director and/or Sr. Vice President Mortgage Operations.

Note: Although the bottom section of the form is for Directors, there is no system limitation as to who can complete these fields.

The following fields should be completed by the Department Manager and reviewed/revised by Directors/VPs and/or Sr. Vice President Mortgage Operations:

- **Financial Impact -** Describe potential financial impact and includes associated costs, if known.



- **Who will be Impacted by the Change** - Select the departments that are impacted by the change. The check boxes are tied to the change control groups in the HSBC Name and Address Book (NAB). An email will be sent to a set of individuals (as defined in the NAB) if the check box is selected and the procedure/policy has been published. The Change Control group in the NAB is updated twice a month.

Who will be Impacted by the Change?
(Select Department(s) impacted by this type of change.)
Note: Training will need to be provided for all departments selected if the 'Yes' check box was selected under 'Is Training Required?'

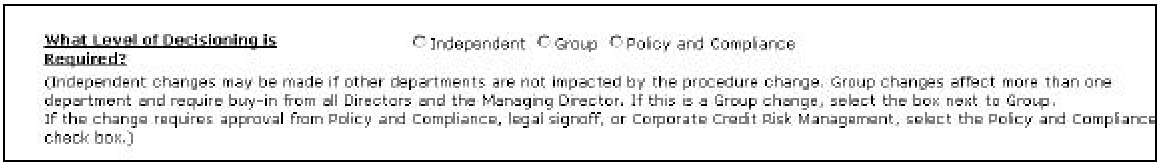
- ☐ Cash Management
- ☐ Chargeoff
- ☐ Collections Front-End
- ☐ Collections Midrange
- ☐ Corporate Accounting (Investor Reporting)
- ☐ Credit Risk Mgmt
- ☐ Customer Care CPU
- ☐ Customer Care Distribution
- ☐ Customer Care Payoffs
- ☐ Customer Care Phones
- ☐ Customer Care Support
- ☐ Customer Transactions Escrow
- ☐ Customer Transactions Research
- ☐ Customer Transactions Special Loans
- ☐ Customer Transactions Taxes
- ☐ Default Bankruptcy
- ☐ Default Foreclosure
- ☐ Default Loss Mitigation
- ☐ Default Vendor Management
- ☐ Due Diligence
- ☐ Flow Acquisitions, Bulk
- ☐ HR/Training
- ☐ Loan Administration Acquisitions
- ☐ Loan Administration Boarding
- ☐ Loan Administration Pre-Boarding
- ☐ Operations & Finance Control
- ☐ Other
- ☐ Policy & Compliance
- ☐ Pricing/Funding

- **What Level of Decisioning is Required?** – The Director **must** select **one** of the following buttons when submitting the Change Request:

Independent	Group
If the change does **NOT** impact other areas and does **NOT** require leadership buy-in, select this button. Independent changes may require external training and may involve HTS or MIS.	Group decisions impact more than one department and require buy-in from all Department Managers, Directors, and Sr. Vice President Mortgage Operations.
If New Policy and Procedure, Existing Procedure Only, or Clarification of Procedure was selected as the 'Type of Change,' the Independent button will **NOT** appear as a selection.	If 'Group' is selected, the 'Group Decision Participants' field appears. This field is for adding the names of the individuals who are impacted by the change, know of the change via discussions/meetings, and agree to the change.
	NO EXCEPTIONS - Directors must review all 'Group' changes in the Business Quality Council (BQC) meeting or the Sr. Vice President Mortgage Operations staff meeting.

Important! If anyone other than the Director selects "Independent" or "Group", the Technical Writing group may delete the request. In addition, if the Change Request has aged more than 60 days and has **NOT** received "Approved" by the Director, the Change Request may be deleted. It is the submitter's responsibility to ensure their Director promptly reviews the Change Request.

Compliance
DMs/Directors should only select if the change is for a policy **or** a policy and procedure
If New Procedure Only, Existing Procedure Only, or Clarification of Procedure was selected as the 'Type of Change,' the Policy and Compliance button will **NOT** appear as a selection.



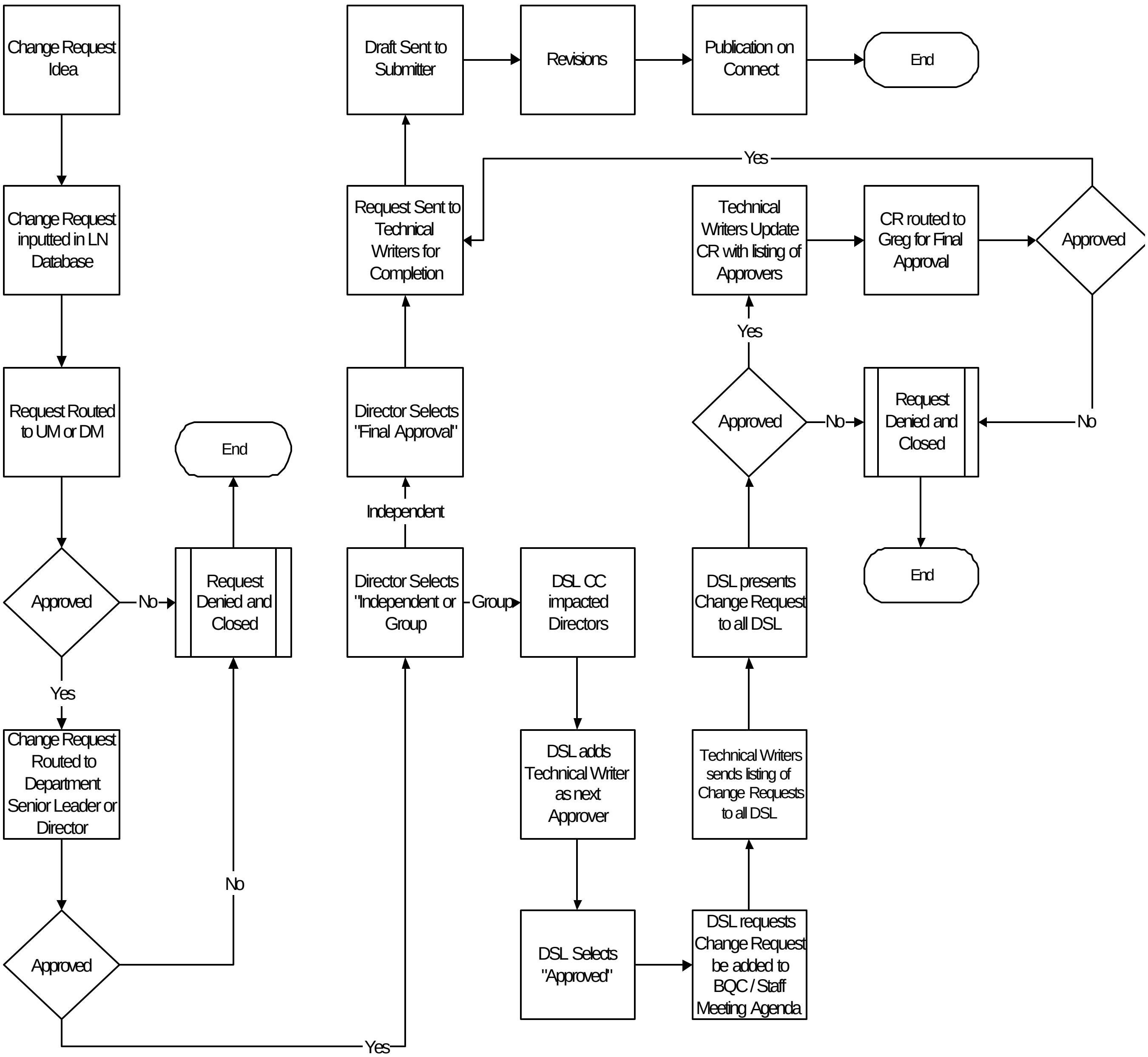
Important! If the change affects a policy or a policy and procedure, a member of the Compliance department **must** be included in the approval routing. If the change affects a policy and the Director selects “Group” without including a member of Compliance in the approval routing, the Compliance department will know nothing about the change request.

- **Group Decision Participants -** this field is displayed only when 'Group' is selected in the 'What Level of Decision is Required?' field. The Director is responsible for selecting the names of the participants, from the HSBC Name and Address Book, who will be impacted by the change.

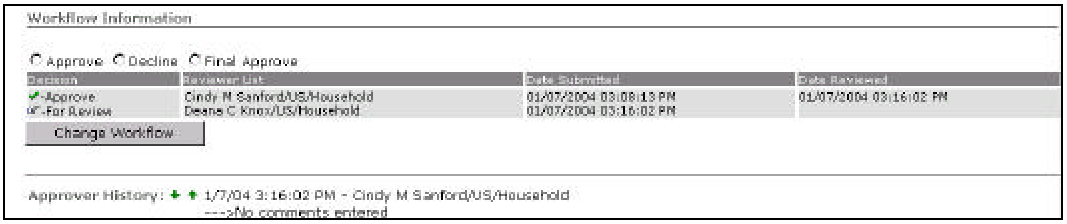
Notes:

- It is *ultimately* the responsibility of the Department Manager to inform their Directors of change requests that they will be forwarding to their Director. For example, in the Operations Control and Finance department, Department Managers are required to meet with their Director before submitting the change control to that Director. Directors are also responsible for forwarding their Change Control items to the Department Senior Leader This ensures the Department Senior Lead is aware of the change and is prepared to discuss the change at the Business Quality Council (BQC) meeting or Sr. Vice President Mortgage Operations' staff meeting.
- It is the responsibility of the Director to arrange meetings with impacted departments and gain approval from appropriate parties.
- No change requests for new/existing procedures will be discussed at the BQC or Sr. Vice President Mortgage Operations' staff meeting without the Department Senior Leader requesting that the change be added to the meeting agenda.
- The Department Senior Leader is responsible for presenting Group Change Requests at the BQC or the weekly staff meeting

Change Request Process Flow



When a change request is initiated, the form must be sent to the appropriate approvers (UM and above). Once the requestor clicks **Submit** on their change request form, a **Workflow Information** section appears at the top of the form.



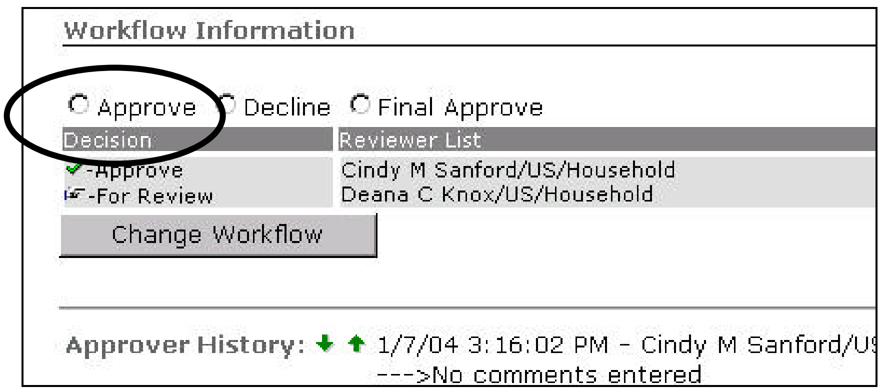
This section tracks the approval/denial history of the change request.

The Workflow Information is viewable only to Unit Manager, Department Manager, Directors, Technical Writers, and Auditors. The approval choices are: Approve, Decline, and Final Approve. Department Senior Leaders or the Sr. Vice President Mortgage Operations should select the Final Approval button.

Approving Change Requests

Approve

In the Workflow Information section of the change request form, click **Approve**.

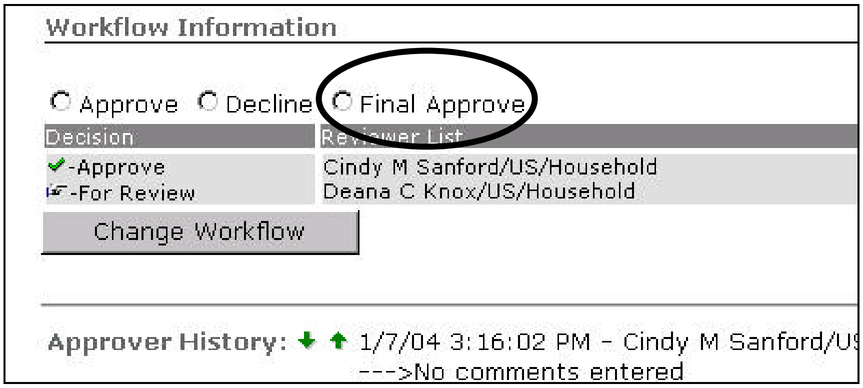


Notes:

- Unit Managers and Department Managers should only select 'Approve' or 'Deny,' never 'Final Approve.'
- If the request is for a **Group change**, the Director selects “Approve.' Only the Sr. Vice President Mortgage Operations or the Director of Policy and Compliance should select 'Final Approve' for Group changes.

Final Approve

In the Workflow Information section of the change request form, select **Final Approve**.

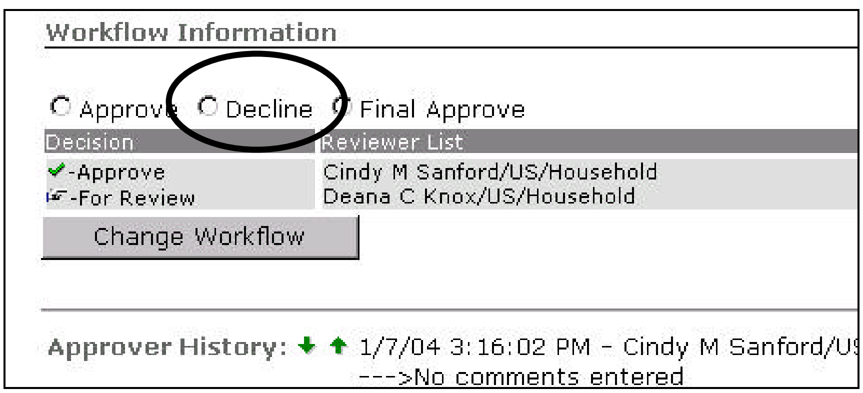


Notes:

- Only the Sr. Vice President Mortgage Operations should select 'Final Approve.'
- Department Senior Leaders should select 'Final Approve' for **Independent** changes.
- No changes can be made to a change request form after 'Final Approve' is selected.

Declining Change Requests

If a change request is declined, the change request form cannot be activated again. An email will be sent to the requestor and a carbon copy sent to previous approvers.



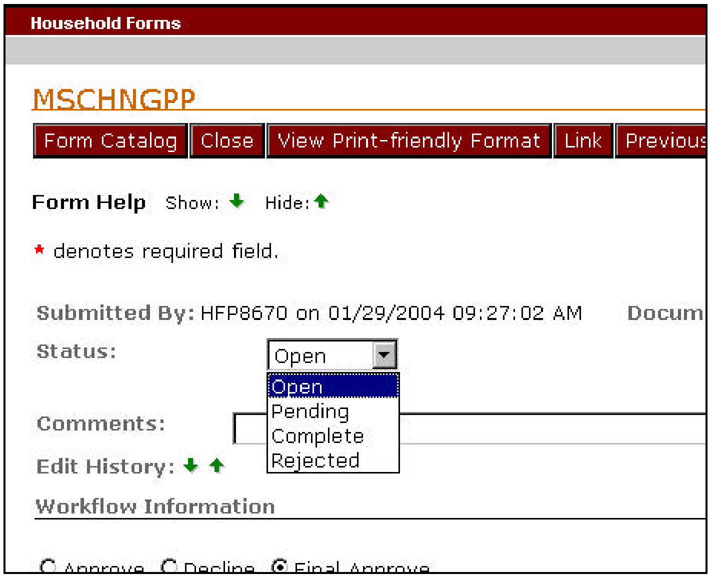
Changing the Workflow of a Change Request Form

Unit Managers, Department Managers, Directors, and Technical Writers have the ability to route a form to any user, as long as the form has **NOT** received final approval. The 'Approver History' tracks all routing in the Change Control database.

Change Request Form Status

A change request form has four (4) statuses:

- Open
- Pending (Needs Approval)
- Complete
- Rejected



The status of a change request form is controlled systemically.

Open

A change request form's status will change to **Open**:

- After **Final Approve** is selected.
- After **Decline** is selected.

A change request in the 'Open' status indicates the change request form needs to be reviewed by the Technical Writers and Auditors.

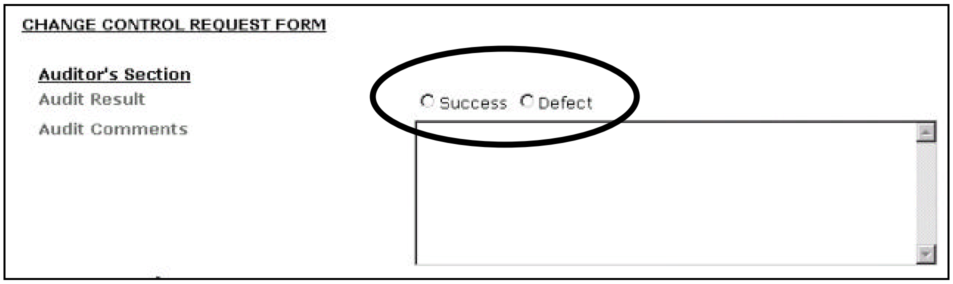
Pending (Needs Approval)

A change request form's status will change to **Needs Approval**:

- After the requestor selects the appropriate approver and clicks **Submit**.
- After **Approve** is selected.

Complete

A change request form's status will change to **Complete** after Internal Auditor completes the Auditor's Section and selects **Audit Done** on the change request form.



Notes:

- After a document receives a final approval from the Director, the Audit fields will be viewable to individuals set up as 'Auditors.' The Auditor will review the form and select the appropriate Audit Result of 'Success' or 'Defect.' The Auditor can add additional comments about the audit if necessary.
- If the change request received final approval, but the Auditor defected the request, the status will be 'Complete.'

Rejected

A change request form's status will change to **Rejected** if the change request form was declined and Internal Audit selects **Defect** and then **Audit Done** on the change request form.

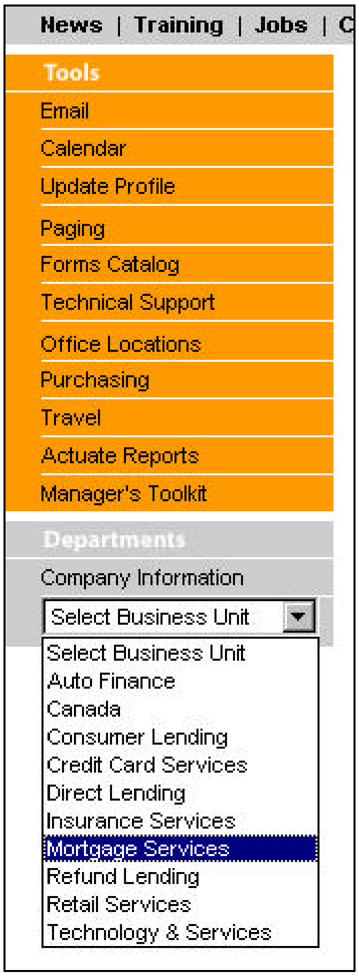
Change Request Repository

The change request repository stores all change request forms for a period of two (2) years. It also provides links to commonly used reports.

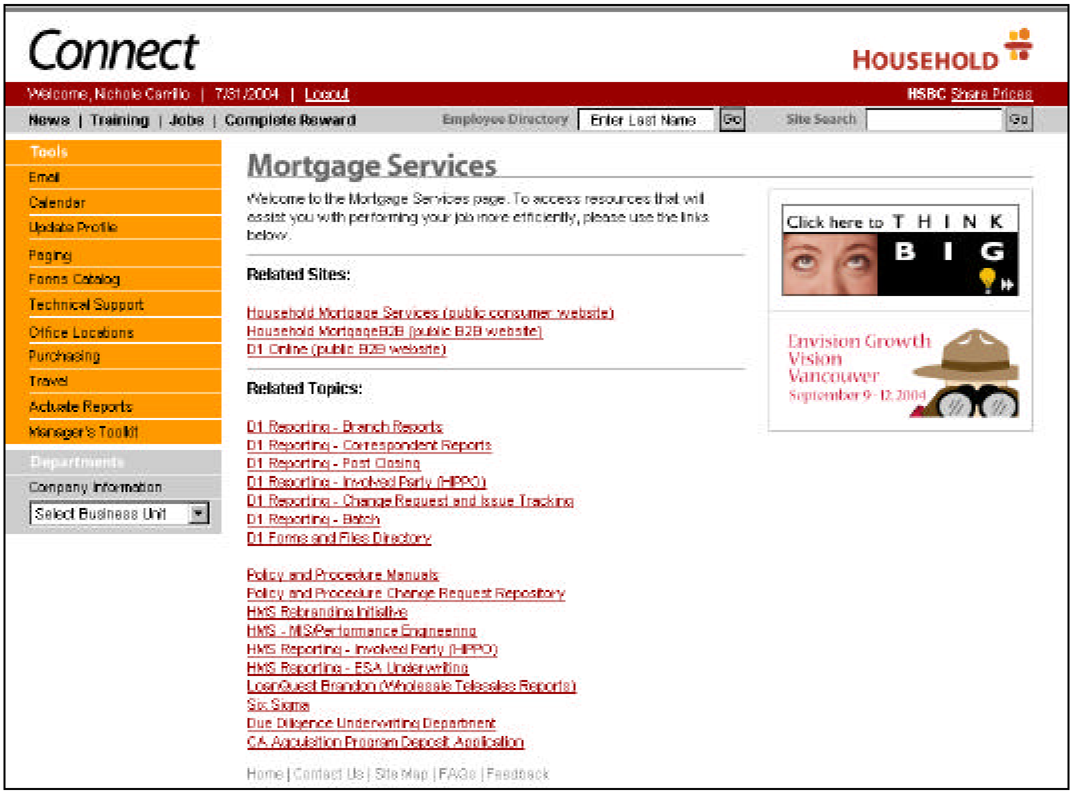
Accessing the Change Request Repository

Step 1

Log on to *Connect*. From the **Company Information** drop-down box, select **Mortgage Services**.

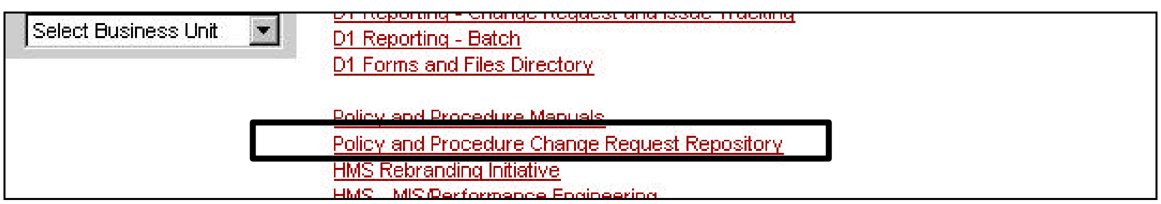


The Mortgage Services web page appears.

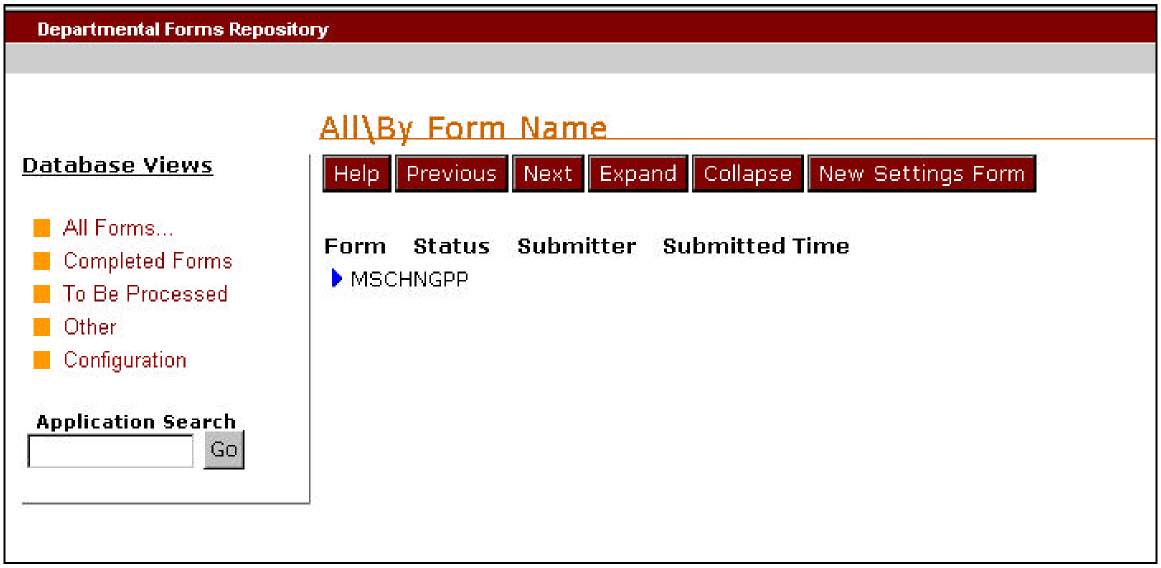


Step 2

Select the **Policy and Procedure Change Request Repository** link.



The Policy and Procedure Change Request Repository web page appears.



Navigating the Change Request Repository

The change request repository web page is divided into two (2) panes: **Database Views** and **Forms**.

Database Views

The left pane in the change request repository is divided into five (5) main categories:

Database Views	Comments
All Forms	You can view all forms by form name, approver, submitter, and status
Completed Forms	View all forms with a status of 'Complete.' Refer to *Change Request Form Status* in the previous section for more information on form statuses.
To Be Processed	View all forms in the 'Open' or 'Rejected' status
Other	Displays a list of 20 reports.
Configuration	Used by the change request form developers **only**.

Forms View

Expanding the view

A blue arrow next to the form name allows you to expand the form for more detail. The arrow is also collapsible.

Form Name	Submitter	Submitted Time
MSCHNGPP		

Form Name	Submitter	Submitted Time
MSCHNGPP		
	David G. Marsh	01/13/2004 06:48:42 AM
	Susan M Bankowski	01/14/2004 12:21:56 PM
	Marcile J Gabriel	01/20/2004 09:08:26 AM
	Kathy L. Huston	01/22/2004 04:11:27 PM
	Shawn C Brown	01/22/2004 04:21:52 PM
	Imran B. Abdulaziz	01/26/2004 02:22:13 PM
	Shawn C Brown	01/27/2004 04:25:20 PM
	Shawn C Brown	01/29/2004 02:48:44 PM

Navigation Buttons

The navigation buttons at the top of the Forms view allow you to:

- Expand/collapse a form by clicking **Expand** or **Collapse**.
- View additional or previous pages of forms by clicking **Next** or **Previous**.

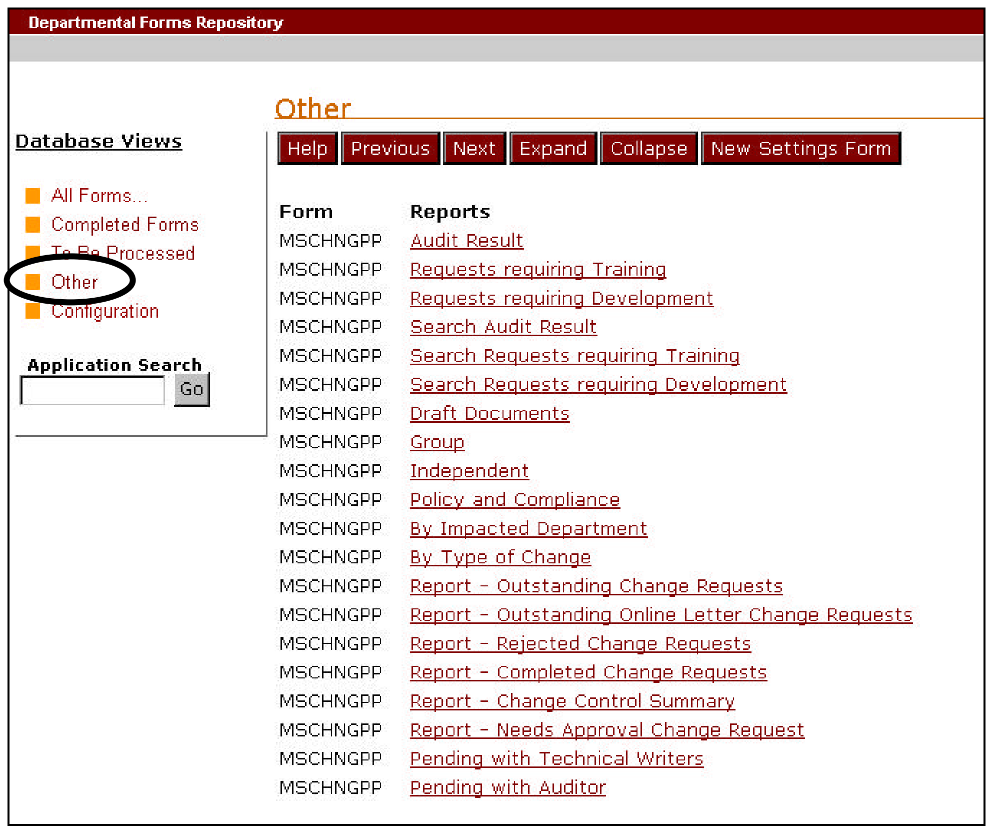
Application Search

If you need to locate a form, enter any search criteria in the 'Application Search' box and then select **Go**.

Repository Reports

You can access change request repository reports from the **Database Views**. A few reports, such as all forms by name, all forms by approver, all forms by submitter, and all forms by status can be accessed under **All Forms**.

The majority of reports in the change request repository appear under the **Other** database view.



To view a report, click the **red report link**.

Report	Description
Audit Result	View all change request forms, by month and status (success/defect) that have been audited by Internal Audit.
Requests Requiring Training	View all change request forms, by month, where training was requested on the form in the 'Is Training Required?' field. If training is required, the choices on the form are 'Department Training' or 'HR Training.'
Requests Requiring Development	View all change request forms, by month, where development was requested on the form in the 'Is Development Required?' If development is required, the choices on the form are 'System Enhancements' or 'Reports.'
Search Audit Result	View all **Success** and **Defect** change requests.
Search Requests Requiring Training	View all **Department** and **HR** training requests.
Search Requests Requiring Development	View all **System Enhancements** and **Reports** development requests.
Draft Documents	Access change request forms that were saved as a draft.
Group	Displays a list of all Group change requests.
Independent	Displays a list of all Independent change requests.
Policy and Compliance	Displays a list of all Policy and Compliance change requests.
By Impacted Department	View change requests for a particular department. These reports are derived from the 'Who will be Impacted by the Change?' check boxes on the change request form.
By Type of Change	View all change requests with a type of New, Existing, or Clarification to Policy, Procedure, or Online Letter Writer.
Report - Outstanding Change Requests	View all change requests with a 'Needs Approval' or 'Open' status. This report can be generated to an editable spreadsheet format.
Report - Outstanding Online Letter Change Requests	View all online letter change requests with a 'Needs Approval' or 'Open' status. This report can be generated to an editable spreadsheet format.
Report - Rejected Change Requests	View all change requests with a systemic status of 'Rejected.' This report can be generated to an editable spreadsheet format.
Report - Completed Change Requests	View all change requests with a systemic status of 'Complete.' This report can be generated to an editable spreadsheet format.
Report - Change Control Summary	View the number of change requests by systemic status (Open, Complete, Pending, Rejected), as well as by Level of Decisioning (Group, Independent, Policy and Compliance). This report can be generated to an editable spreadsheet format.
Report - Needs Approval Change Requests	View all outstanding change requests with 'Needs Approval' status. This report can be generated to an editable spreadsheet format.
Pending with Technical Writers	View all change requests with an 'Open' status.
Pending with Auditors	View all change requests with an 'Open' status where the Technical Writers have indicated on the change request form that the change is or is not implemented.

Exporting Repository Reports to a Spreadsheet

Six (6) reports in the change request repository can be generated to an Excel-like spreadsheet. The reports that can be generated to a spreadsheet have the word 'Report' preceding the report name.

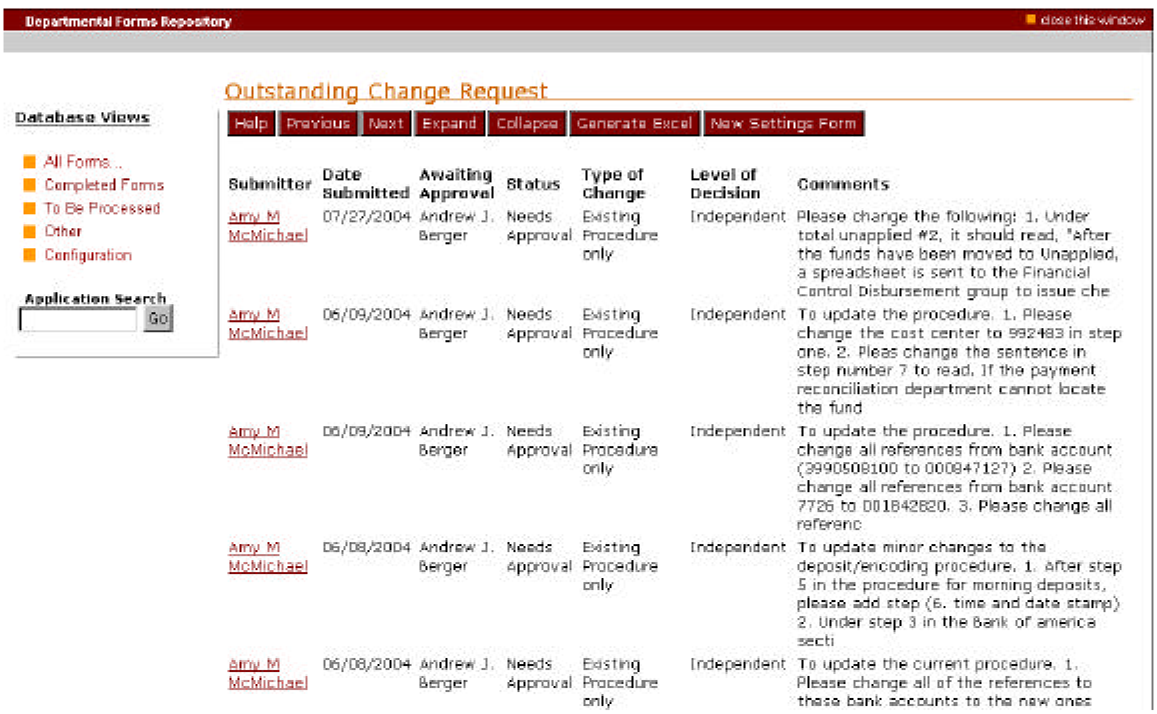
MSCHNGPP	Report - Outstanding Change Requests
MSCHNGPP	Report - Outstanding Online Letter Change Requests
MSCHNGPP	Report - Rejected Change Requests
MSCHNGPP	Report - Completed Change Requests
MSCHNGPP	Report - Change Control Summary
MSCHNGPP	Report - Needs Approval Change Request

To Generate a Report to a Spreadsheet

Step 1

In the **Other** database view, select one of the six (6) reports links that is prefaced with 'Report."

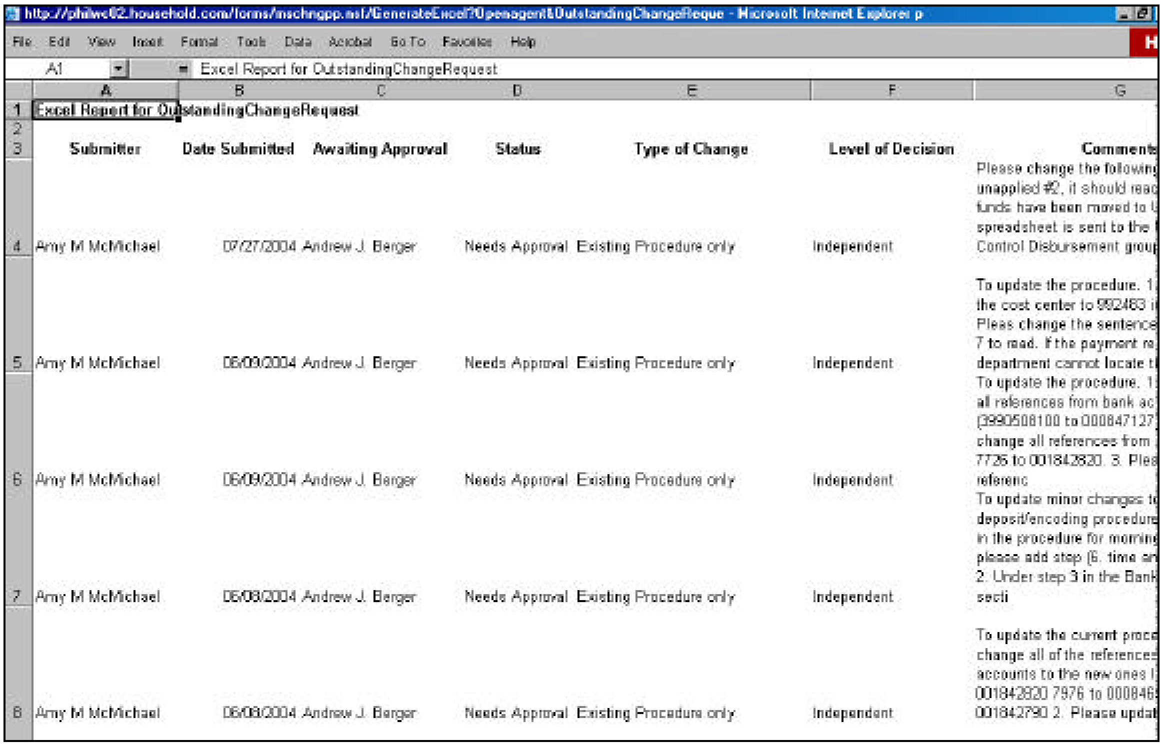
The report displays on the web page.



Step 2

From the navigation buttons at the top of the report, select **Generate Excel**.

Internet Explorer opens the form in a spreadsheet format.



	A	B	C	D	E	F	G
1	Excel Report for OutstandingChangeRequest						
2							
3	Submitter	Date Submitted	Awaiting Approval	Status	Type of Change	Level of Decision	Comments
4	Amy M McMichael	07/27/2004	Andrew J. Berger	Needs Approval	Existing Procedure only	Independent	Please change the following unapplied #2, it should reac funds have been moved to U spreadsheet is sent to the Control Disbursement grou
5	Amy M McMichael	06/09/2004	Andrew J. Berger	Needs Approval	Existing Procedure only	Independent	To update the procedure. 1 the cost center to 992463 i Pleas change the sentence 7 to read. If the payment re department cannot locate t
6	Amy M McMichael	06/09/2004	Andrew J. Berger	Needs Approval	Existing Procedure only	Independent	To update the procedure. 1 all references from bank ac (3990508100 to 000847127 change all references from 7726 to 001842820. 3. Ples referenc
7	Amy M McMichael	06/08/2004	Andrew J. Berger	Needs Approval	Existing Procedure only	Independent	To update minor changes t deposit/encoding procedure in the procedure for mornin please add step (6. time an 2. Under step 3 in the Bank secti
8	Amy M McMichael	06/08/2004	Andrew J. Berger	Needs Approval	Existing Procedure only	Independent	To update the current proc change all of the references accounts to the new ones (001842820 7976 to 00084 001842790 2. Please upda

Note: You can format the columns, save, and/or print the spreadsheet, as you would normally do in any spreadsheet software application.