



Recovery Tips

What LOs Need To Know

Smart loan officers need to conduct a careful self-analysis and thoroughly research potential lender partners.

By Shane Stanton

Historically, mortgage production slows at the end of the year. It's also a time when many loan officers begin to explore the possibility of switching companies to find a better career situation. But rather than rushing into a decision, smart loan officers need to conduct a careful self-analysis and thoroughly research potential lender partners.

As they move through the process of making a potential change, loan officers need to consider several factors to help them find the right model-match to build a better business. In far too many instances, loan officers focus on a single, or current, pain-point that is impacting their business. For example, if their current company does not have a strong marketing support capability, then marketing becomes the issue they try to address. In many cases, this singular focus can lead loan officers into making a rash decision.

As a first step, a loan officer must decide what their individual business vision is for the future. This could include origination sources, production potential, product needs, company

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values, marketing strategy, and other factors. At our company we call this part of the process "business mapping."

Business mapping provides a loan officer with a full 360-degree view of their business. It provides the loan officer an opportunity to systematically evaluate and decide which com-

pany is best suited to partner with to build a stronger business over the long-term. Clearly defining both a unique business vision and a plan to achieve success is critical.

Below are eight core areas loan officers should always include in their business mapping process. A monthly or quarterly examination of their business map will assure they remain on track.

Compensation: What is more important to you, making as much money as possible on every single transaction, or creating a business built on repeat business and referrals? Creating satisfied customers by always providing the best pricing and service possible ultimately generates more volume and in the end more income.

Volume: Do you want to self-generate 100% of your business or do you want company-supplied sources of business? If your goal is to increase volume growth through your own sources, you need to find a company that has the same focus. This will narrow your company choices to search and then allows you to verify if the lender has a high number of top-ranked producers and ask: How do you support those top producers to be successful?

Products and Price: Do you want a business predicated on having a full breadth of products, including unique niche products? Does having the best rates matter to your business? If your business is built on a single niche product, diversity and price typically won't matter to you.

Marketing: Do you want to maximize social media? Is client retention marketing important to you? Do you want to utilize co-branded marketing? Marketing is a key engine to volume delivery and growth. Loan officers need to fully understand what marketing support and tools a company provides to help increase business and enhance their own personal brand.

Culture: Do you want an open culture from top to bottom? Do you need to be held accountable by your manager to perform weekly business development tasks, or do you perform better with

Once this process is accomplished, the loan officer will fully understand all that is important to their business. As a next step the producer needs to evaluate their current company's bus-

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limited supervision? As an example, many of our loan officers are high-volume producers that would be held back by the micromanager. But many new originators we have hired do benefit from experienced oversight and direction.

Operational Support: Do you prefer to simply take the application and move onto the next deal, or do you feel being involved in the entire loan process is vital to best-in-class service? Do you believe in a partnership with your operations team, or do you not care who works your files? This is a big topic to consider, as many companies have their own vision of operational support.

Transitioning: What are your transition goals? Defining this enables you to ask some very important questions. Will your new lending partner help you to transition, even before you come on board? For example, if you are coming to a mortgage bank from a large commercial bank, will the new company help you get the proper licensing? Does the new company have a "concierge" team to help you adjust, or are you more or less on your own? One rule of thumb: If it takes you more than 10 minutes to do anything, and the company isn't able to offer you some kind of help, perhaps you need to find a lender who will.

Chemistry: How important is it for you to have the right chemistry with your co-workers? The mortgage industry is a people business. You cannot underestimate how important having the right chemistry is with all the people you will be partnering with to succeed. Take the time to get to know your potential employers / partners. Visit the potential branch office you will be working in, and if possible, the company's national headquarters. Meet the team, ask questions and get a better understanding of the company's culture first-hand.

iness map against their own. If they aren't lined up, it's time to look elsewhere. To find the right match, the loan officer might create a "decision matrix" leveraging what they discovered in their business map.

In the first column, include all the key factors, and rank them in order of importance. In subsequent columns, rate each company, including your current employer, and how they rank in each category.

Once each company is evaluated, it should begin to become clear which firm represents your best model-match.

Making a switch to a new lender is a big decision and takes a lot of introspection and research. Success happens when loan officer priorities and lender priorities are in synch, rather than in opposition, to each other.

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Shane Stanton, is National Director of Business Development of Walpole, MA based Mortgage Master, a standalone Division of loanDepot, LLC. He can be reached at sstanton@mortgagemaster.com.