

Technology Reshaping The LO's Role

Mountain West recently surveyed its loan officers to find out what strategies are working in terms of growing the business.

By Gary Martell Jr.

During the past 30 years, the strategies used to achieve successful originations have stayed somewhat consistent, but the tools and resources that originators have available to them have changed dramatically. Obviously, the use of technology has been the biggest change in origination. Access to instant information, online applications and marketing platforms means loan originators can more effortlessly get in front of clients and Realtor partners. At the same time, loan officers' (LOs) tactics have had to adjust along with new and emerging technology.

There are several ways to apply technology to work within an LO's personal style. Although years ago, lenders would hire to their weaknesses, with an LO assistant today, one can leverage technology tools to enhance the client experience. This allows today's LOs to use their time and personal strengths to be even more successful.

We recently surveyed our top originators from various geographic regions to find out how they acquire and grow their businesses. We asked how they overcome obstacles, how they meet their objectives and, most importantly, how they preserve the human element in the midst of all of this new technology.

We started with a simple question: Where do you get your business? Answers ranged from referral partners to online sources, professional networks and past clients. One consistent response was that technology tools help LOs stay "top of mind" for borrowers, so when the time comes to buy or refinance, borrowers know exactly where to turn.

Jerad Burke, an LO with Financial 2000, a DBA company of Mountain West Financial, says, "Referrals are the primary source of my business and where I spend most of my time/energy working with Realtors to gain their trust. My next best source of referrals comes from my past client database. If I have done a good job for them, they are likely to refer their co-workers, family and friends. I stay in contact with as many of them as possible through birthday emails, periodic loan information, Christmas cards and occasional phone calls/emails to check in. Social aspects of life come into play for referrals, such as children's

birthday parties, athletic events, church, etc. I am more interested in creating relationships than handing out my business card at first contact."

There are a lot of mortgage lenders to choose from, so we asked, "How do you overcome objection - and why would a client want to work with you during their home loan process?" Responses varied, but most LOs said they listen to their clients and present the options that their businesses are able to offer.



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Nick Street, branch manager of Mountain West Financial, Point West branch, says, "I'm selling a service and not a price. Therefore, if the objection is based on the price, I'm quick to point out that [the borrower] can always find something cheaper to perform any service. Cheaper, however, does not equal better. In a life-changing transaction as large as a mortgage, price should not be a borrower's only concern. People will object to the amount of paperwork, but I simply remind them that I am on their team, and these are the rules everyone plays in. I reiterate the numerous benefits to any objection and try to find a solution when possible."

We also asked, "Since every LO is different, what would you say is your biggest strength, and how do you sell it?" Strong product knowledge and being able to provide various options to clients and Realtor partners was a top response.

Nathan Rufty, an LO at our Rancho branch, says, "I do more presenting options versus selling the customer. The consumer is much more educated today about the lending environment, and they do not want to be sold - they want options. I also speak with confidence, and I think the customer feels that."

We also asked, "Every transaction doesn't go through smoothly in the fast-paced industry - what obstacles does the industry face?" Responses ranged from how LOs distinguish themselves from their peers to low inventory in the housing market.

Melissa Chagolla, an LO at Financial 2000, says, "One of the biggest is educating the consumers. With the constant regulatory changes designed to help protect the borrower, the client does not always understand them, and it is frustrating for clients when their transactions are delayed. Educating our clients is the best way to overcome this obstacle."

We also asked, "In the mortgage industry, relationship-

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building with not only one's clients, but your referral partners, is essential to growing your business. What do you do to ensure repeat business?" Most responded that customer service and communication are the biggest parts of the loan process - especially with regard to ensuring future referrals. For the consumer, nothing is more frustrating than being in the dark or having unanswered questions during one of the biggest transactions in one's life.

Burke says, "It is cliché to say you never have a second chance to make a first impression. My philosophy has always been, the best way to get a loan is fund one by doing it to the best of your ability. Every single loan presents an opportunity for future business. On a purchase transaction, you have the opportunity to gain at least three potential referral sources: your borrower, the selling agent and the listing agent. I ensure repeat business by doing the best job I possibly can on every single transaction, no matter how big or small it is. Every single transaction is important. Above and beyond, staying in constant contact with my Realtors and being 100 percent available to them is critical. Staying in contact with my past clients is another way to increase referral sources for new business."

When asked where they spend their marketing budget and time, many LOs indicated that they are spent keeping in touch with their past clients and partners - in fact, some are now using direct mail pieces and social media to reach customers outside of their normal reach.

"Everyone looks online first," Street says. "So I believe you have to make sure you are found quickly. I ask my clients for online reviews so that I come up more frequently in the search windows. My main focus, however, is building relationships with my industry referral partners. I try to market in mutually beneficial ways so that both our businesses can grow.

"I know that if I am able to assist in growing a referral-partners business, then that will grow my business but also strengthen that relationship," he adds. "Time and budget are focused on long-term returns, not always where I can see a return immediately."

The other consistent message we got from our LOs is that they feel they must always advocate for their clients because they are not transactions or loans; rather, they are people and families. LOs have the privilege to be involved in a process that, in many cases, will be life-changing.

The most important takeaway, however, is that today's LOs must use technology if they are to grow their businesses. At the same time, however, they must be cautious not to let the technology they select define who they are. After all, the mortgage industry is still about people. **SME**

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