

## Three Keys To Origination Success

By Daniel Jacobs

**BLOG VIEW:** Having worked with hundreds of successful retail branch managers over the last 20 years, I am often asked what the common traits are of the most successful originators and managers. The reality is there are many factors that contribute to their success, but in today's environment, there are three standouts I think are worthy of focus.

### 1. *Intentionality*

The simple definition of "intentional" is "done in a way that is planned or intended." Avoiding what I call the "accidental originator syndrome" is critical. You know the type – they're the ones who have no idea where their next loan will come from when they get dressed each morning. Those who do not have written goals and a very specific plan of how to achieve those goals will rarely find themselves successful.

There is no right or wrong approach, no silver-bullet system to success. But you must have a plan and stick to it, review it, revise it and hold yourself or your reports accountable to that plan to achieve success. The successful originator will be able to prove his or her intention on every transaction, with every loan and with every customer.

### 2. *Your 'Secret Sauce'*

Defining what makes you different, telling your referral partners and borrowers about this secret sauce, and ensuring you liberally apply it is critical to origination success. Let's face it, we don't have niche products anymore.

In today's environment, you must compete not on the commoditized aspects of our products and pricing, but on the special extra something that you deliver that others do not. If you have read Ken Blanchard's Raving Fans, the secret sauce is similar to one of his three keys to creating raving fans: deliver the vision plus 1%. We have gone so far as to actually bottling a barbecue sauce and adding the label Secret Sauce that is given to employees and customers. On it, there is a list of our ingredients, which includes our commitment to effectively communicating with customers.

### 3. *Obsessively Measure Satisfaction*

Irrespective of your loan volume, you will never know if you are truly successful or if you are really optimizing your referral base and employee output unless you obsessively measure satisfaction and respond to the results.

In this industry, we tend to measure our success in units, volume and revenue. Oftentimes, we think we are doing a better job than we are – or we fail to recognize that our volume is lower than it could be due to opportunity loss. That opportunity loss is nearly always attributable to either a lack of planning and execution (see intentionality above) or lackluster referrals. Most often, these lackluster referrals are a result of past customers who are passives or detractors.

A really simple way to track satisfaction is via a one-question survey following the Net Promoter Score system from Net Promoter Network, which focuses on business growth through operational and ongoing customer service instead of market research. This system tracks customer loyalty, asking what it considers to be the ultimate indicator question

(on a scale of zero to 10): How likely are you to recommend "company name" to a friend, colleague or relative? People who will promote you, i.e., refer you more loans, will rate you a nine or 10. Those who will neither refer you loans nor say bad things about you will rate you a seven or eight. Those rating you from a zero to six will go out of their way to say poor things about their experiences.

You have to net out the passives, the detractors and the promoters to know your net promoter score. But whether you use this system or another system or create your own, it is the act of measuring and analyzing satisfaction that is critical.

Most originators are unpleasantly surprised when they start tracking their customers' satisfaction. Most unsuccessful originators will view negative customer feedback as anecdotal and positive feedback as credible, ignoring the opportunity to really analyze the feedback and find actionable methods of constantly improving the experience they provide.

The most successful originators I know are acutely aware of what their customer satisfaction ratings are, what they were, what they did to influence them and what they are doing now to improve them – no matter how high their current ratings are.

Of course, there are many other factors that contribute to success in mortgage originations. Without these three key factors, however, that success will not have a firm foundation and, therefore, will not last.



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