



Farm Loans Report

*a discovery report including findings and
recommendations to enhance the producer journey
July 2018*



**CUSTOMER
EXPERIENCE**
CENTER OF EXCELLENCE

Executive Summary



Executive Summary

The Customer Experience (CX) Center of Excellence (CoE), established by the General Services Administration (GSA), supports federal agencies seeking to deliver excellent government experiences.

In 2018, the CX CoE partnered with the United States Department of Agriculture (USDA) and the Farm Production and Conservation (FPAC) mission area to improve the loan experience for producers.

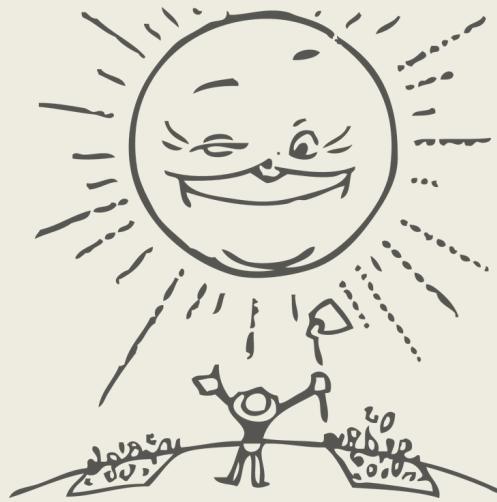
This report contains the background information used to create the Farm Loans Customer Journey Map, and 13 key findings and related recommendations.

“When you are buying your first piece of land, everything is overwhelming.”

- Producer the CX CoE team interviewed

Research Question

How might FSA improve the direct loan process for first time borrowers?



As a producer and first time borrower, I need:

- for FSA to understand that this loan application is one small part of my overall journey
- someone who can explain the whole loan process to me in terms I understand.
- someone I can trust to give me good advice and maybe even some business tips to be a successful producer.
- help to understand how to fill out the loan application.
- to be able to fill out my loan application online while still accessing help from my loan officer.
- to be able to check online for my loan application status.

As a loan officer, I need:

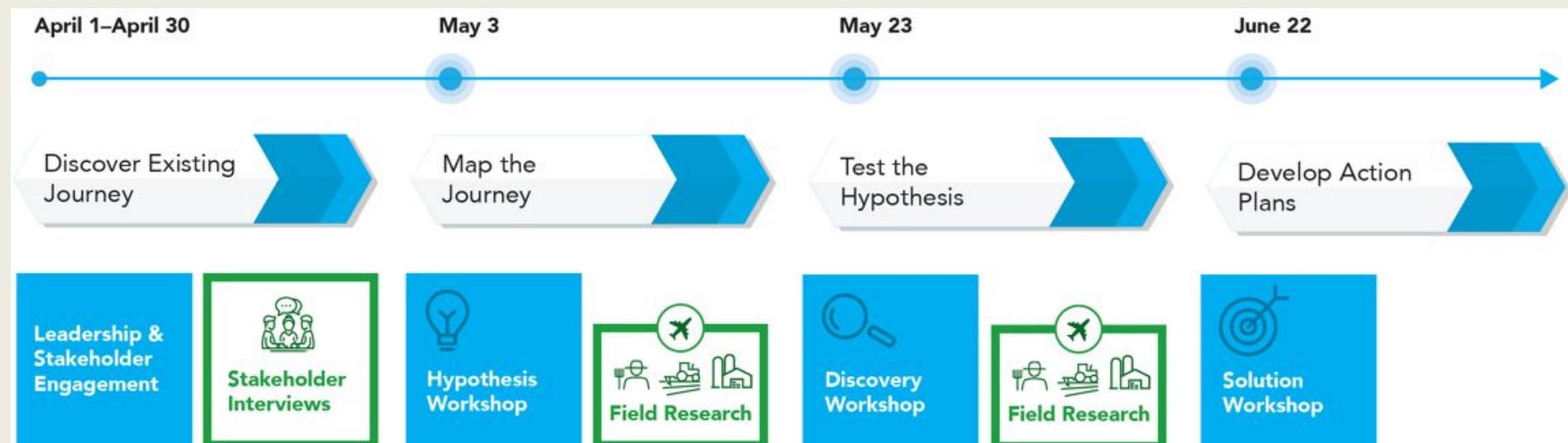
- reliable technology and connectivity in my office
- a centralized data management system for my customers
- a tool that allows borrowers to see the status of their loan application and then to see their balance and payments on their own - I spend so much time looking this info up for borrowers.
- training to help me stay confident through difficult conversations, and to help problem solve with my customers.
- someone to listen when I come up with good ideas about how to help customers more efficiently.



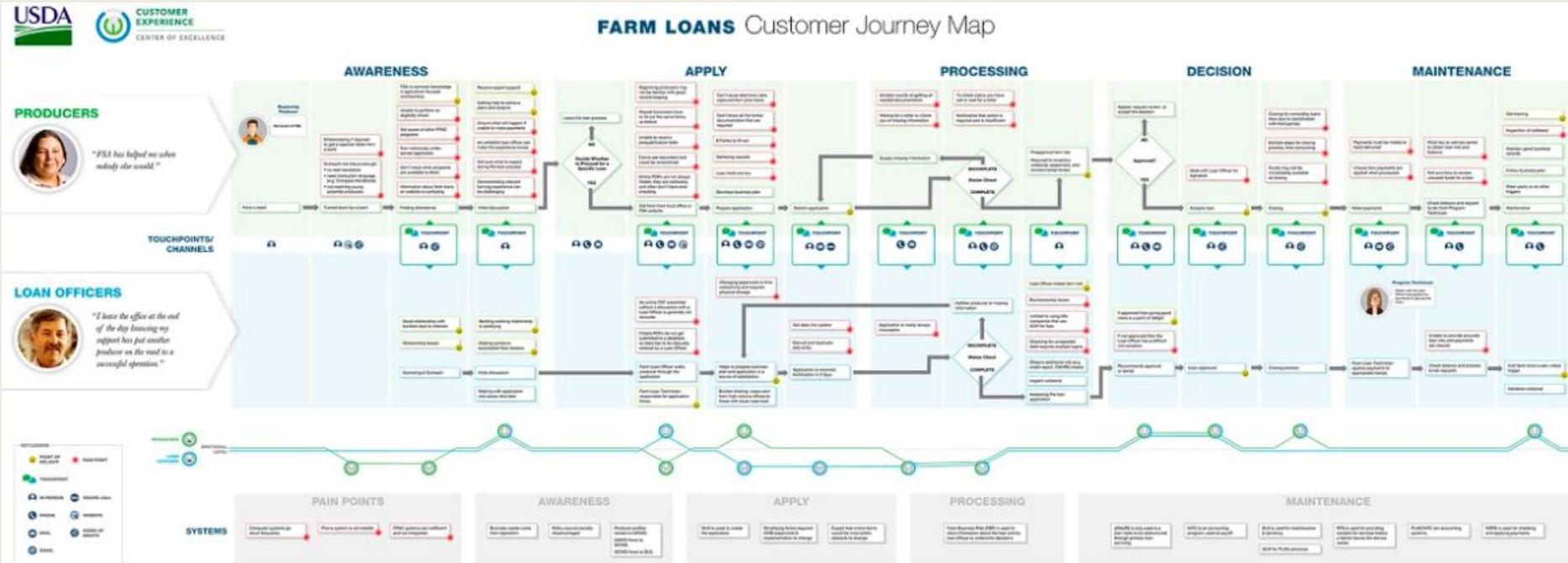
Approach

Using a human-centered design discovery process, the team interviewed over 40 loan staff and almost 40 customers, visited **six** service centers, and held **three** workshops to generate (1) the customer journey for first time borrowers and loan officers and (2) a series of findings, recommendations, and proposed tactical solutions.

These artifacts illustrate the viewpoints of the producers who went through the FSA Direct Loan process as well as the front line loan officers who service them.



Farm Loans Customer Journey Map



Findings and Recommendations





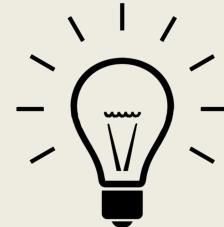
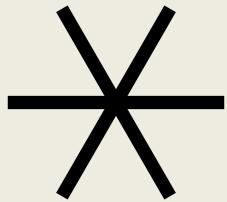
.....

Producers and loan officers consistently agree that solid **collaboration** between them is a leading indicator of the producer's success and satisfaction with the loan process.

.....

“Who your loan officer is makes a big difference [in how easy the loan process is].”

Finding: Producers value in person interactions with Loan Officers



Observations

- + Producers consider a good loan officer as their counselor
- + Service center consolidation had downward impact on customer interaction with loan officers
- + A poor loan officer creates a negative customer experience
- + Training for program technicians is not sufficiently case-based

Recommendations

- + Offer offline as well as online solutions to include producers unable or reluctant to use technology
- + Consider holistic producer-focused integration across multiple channels
- + Technology should augment, not replace, working with staff
- + Create a customer-centric organization

Solutions

- + Means for producer to share info with loan officer prior to applying
- + Increase service center staffing
- + Add new service center positions to field basic questions
- + Collect, analyze and respond to customer satisfaction data
- + Offer new loan officers and program technicians training on handling difficult conversations



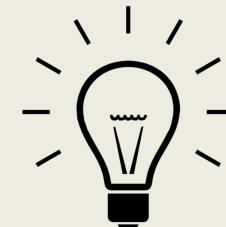
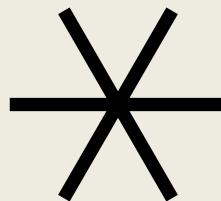
.....

A producer's primary objective is to **start or expand their business**, which may include obtaining licenses, permits, hiring workers, purchasing land and equipment, or accessing other FPAC services, etc. Obtaining a loan is just one step in this broader journey.

.....

“When you are buying your first piece of land, everything is overwhelming.”

Finding: Obtaining an FSA loan is only one part of a producer's larger journey



Observations

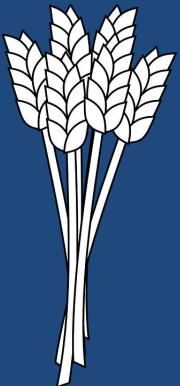
- + New producers have many other pressing concerns besides obtaining a loan 
- + Commercial banks often refer producers to FSA 
- + FPAC offices that share space are more likely to cross-promote services

Recommendations

- + Align outreach with the producer's larger journey
- + Make sure the needs of all visitors to farmers.gov are addressed, including needs outside of FPAC

Solutions

- + Cross train loan officers and FPAC staff
- + Provide an online tool to determine eligibility for FPAC programs
- + Consider outreach to commercial lenders to assist in making referrals
- + Ensure farmers.gov contains content addressing the broader journey

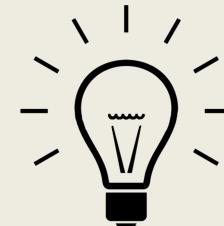
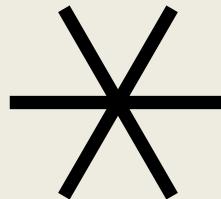


.....

Producers seeking a loan for the first time do not have a good understanding of the entire loan process, and often **learn as they go**, particularly concerning servicing.

.....

Finding: First time borrowers need help understanding the entire loan process



Observations

- + Existing outreach was described as incomplete, filled with jargon, and too hard to find 
- + Producers were unclear what the eligibility criteria is for direct loans 
- + Borrowers learned of steps in the process, particularly servicing, as they went through the process instead of upfront 
- + Borrowers expressed anxiety over not knowing how servicing might work 
- + The thoroughness of the loan officer is a large factor in how satisfied producers are
- + When a loan officer informs the producer in-person what is required, the odds of success are much higher

Recommendations

- + Provide detailed information about the entire loan process upfront to first time borrowers

Solutions

- + Simplify outreach and make the information more easy to find
- + Provide producers a handout of the loan application journey
- + Ensure online content describes all stages of the application
- + Train loan officers to be more thorough upfront
- + Train loan officer to make explicit requests for information early
- + Build online eligibility tool
- + Recruit experienced producers to mentor new borrowers
- + Offer workshops to educate groups of producers
- + Post instructional videos online
- + Add staff at service centers dedicated to answering 18 basic questions from producers



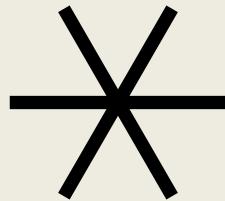
.....

The volume of information needed to complete the loan **application is daunting**, and not all parts are applicable for every situation. The checklist handed to producers can be confusing in its present format.

.....

“There is probably too much verbiage [on the forms].”

Finding: Producers find loan forms challenging



Observations

- + Number of forms and required information is intimidating, but necessary to form a good business plan
- + Producers need help from loan officers to complete the forms
- + The current checklist can be confusing
- + Not every section/form is needed for every producer
- + Redundant information is requested
- + Existing online PDFs are inadequate
- + Repeat borrowers must provide the same information as before

Recommendations

- + Reduce complexity of the forms
- + Provide clear guidance on exactly what is needed to complete the application
- + Provide way to collect form information that supports immediate validation
- + Foster reuse of previous form information, rather than require it to be provided for each subsequent application

Solutions

- + Simplify forms (e.g. consolidate, less jargon)
- + Ensure checklist is clear and concise
- + Pre-populate forms with producer information
- + Customize loan packet for the producer in person and online (based on input from producer)
- + Provide way for producer to access data from prior applications



.....

Producers are interested in obtaining loan information details on their own instead of having to rely solely on loan staff or a mailed statement.

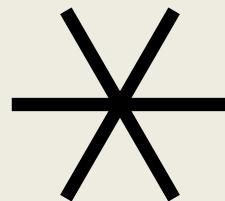
.....

Finding: Producers desire self-service to track their loan information



Observations

- + Producers are interesting in viewing their loan information on their own
- + A portion of service center staff workload involved responding to inquiries about the loan
- + A toll-free number for loan info exists, but few people know about it
- + Existing options to obtain loan info are limited to asking staff or waiting for a paper statement



Recommendations

- + Provide and promote a means for producers to obtain the loan information themselves



Solutions

- + Allow producers to view loan information online
- + Promote the existing toll-free number to producers
- + Educate service center staff about the toll-free number option

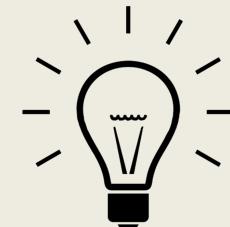
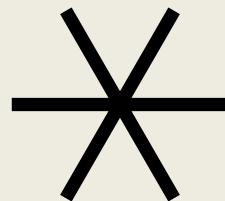


.....

Providing a **singular status** of an application **may not be possible**, because once a loan application is submitted, the review process entails several independent activities, each with their own status, Further, the application may even sit in queue until it can be reviewed.

.....

Finding: Providing the status of a submitted application is complex



Observations

- + The actual processing time for a submitted loan application varies greatly from a few days to several weeks
- + If the service center has a backlog of applications to review, a submitted application may sit in queue for some time before review can begin 
- + The tasks needed to perform a review may vary based on several factors
- + The individual review tasks are not always dependent on each other, and may happen in parallel

Recommendations

- + Ensure the loan application status reports what is happening with the application similar to how loan staff might respond when asked

Solutions

- + Ensure the loan application status reports whether review has started.
- + Once the review starts, provide the status of each task involved in the review.

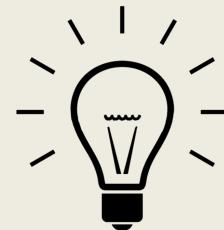
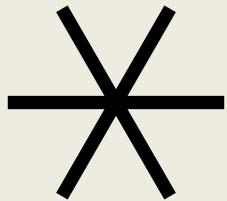


.....

Producers know the information they are seeking, including the topics and terminology, so they can inform decisions about content design (e.g. online, in outreach materials)

.....

Finding: Producers are experts in their own information needs



Observations

- + First time borrowers found information (particularly eligibility rules) on the website hard to find and understand 
- + Producers with existing loans advised new borrowers to do extensive research online before meeting their loan officer 
- + Producers were unsatisfied with information pertaining to different loan types 

Recommendations

- + Get input from producers about what content they would like to see
- + Write in a voice compatible with how producers think and speak

Solutions

- + Conduct user panels and focus groups to gather feedback on content directly from producers
- + Follow the guidance of 'Write for the Web' to improve comprehension.
- + Prior to production, test materials with producers to ensure the information meets their needs
- + Ensure the materials can be readily found online or offline

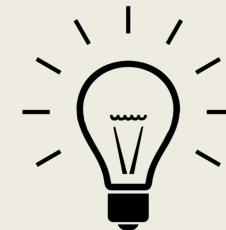
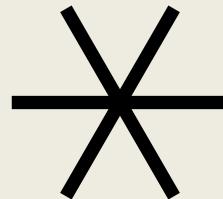


.....

Producers prefer to collaborate with loan officers, which they value for their insight and counsel while developing a business plan, prior to submitting a full online application.

.....

Finding: Producers doubt their ability to complete an online application successfully



Observations

- + Producers are concerned about  submitting a full loan application without input from a loan officer
- + Producers and loan officers value the time spent collaborating on a loan application 
- + Portions of the loan application are straightforward for producers, while others require more assistance
- + Some producers are concerned they might lose their work if the Internet cuts out mid-application

Recommendations

- + Focus an online application on simple or high-value sections, while enabling collaboration between producers and loan officers

Solutions

- + Limit the online application to sections producers can readily complete on their own
- + Provide the entire application online, but make only the simple section mandatory
- + Allow the producer's online application to be viewed by the loan officer
- + Design the online loan application to be saved frequently



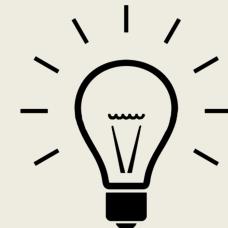
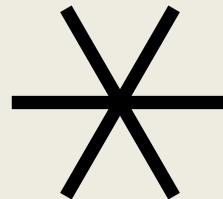
.....

Producers and loan officers cite the current direct
loan limit of \$300K is no longer sufficient
considering the cost of materials, labor and land.

.....

“The cost of me operating a farm has doubled since 2005”

Finding: Producers find current loan limits constraining and inadequate to cover their needs



Observations

- + Loan limit not enough to support increased cost of operations 
- + Producers are not aware of the limit 
- + Producers seeking additional funds must find alternative sources 
- + Generational producers seek special consideration for higher limit 
- + Loan officers concerned higher limit would result in fewer loans issued 

Recommendations

- + Support policy changes to increase the loan limit
- + Increase producer awareness of limits

Solutions

- + Explain online that limits are statutory
- + Work with Congress to increase limits
- + Allow producers more flexibility in how loans can be used



.....

Because producers value their interaction with loan staff, they are advocating for any new self-service options to **add new channels to existing channels** for accessing information or conducting business with FPAC.

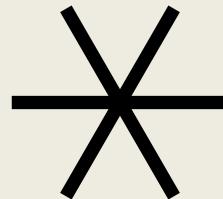
.....

Finding: Producers expect new self-service options to augment, not replace, existing processes



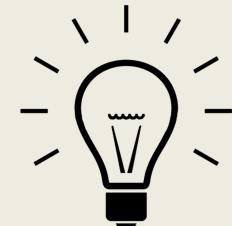
Observations

- + The comfort level of producers with technology varies, but not necessarily due to age or geography 
- + Producers want to retain their highly valued relationship with loan officers 
- + Many producers are concerned new technology will replace existing offline processes
- + The most favorable self-service options for producers were those that augmented existing services



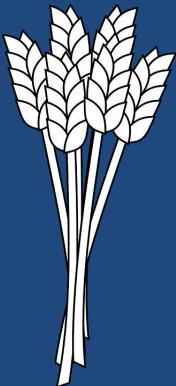
Recommendations

- + Continue to provide traditional channels for support while adding new channels alongside them



Solutions

- + Give priority to self-service technology that provides expanded utility to producers beyond traditional channels
- + Consider self-service options that continue to involve staff members in the process, while simultaneously reducing their workload

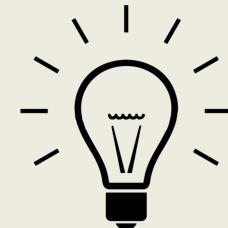
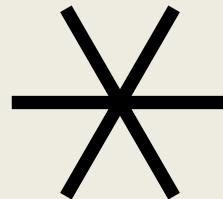


.....

Service centers have **limited and fragile technology**. Inconsistent reliability of core IT infrastructure including Internet access, phone systems, and Link-Pass cards for authentication is limiting productivity at service centers.

.....

Finding: Loan Officers deal with fragile and limited technology at service centers



Observations

- + Internet and phone systems are not reliable 
- + Authentication via the Link-Pass card can be difficult 
- + Inadequate testing of system upgrades historically has resulted in production downtime 
- + No government supported means for loans officers to communicate directly with producers via text 
- + Service centers cannot accept cash or credit cards for fees 
- + Producers have limited channels (i.e. in-person, phone) to conduct transactions 
- + Service centers are prohibited from working with title companies that do not accept ACH payments 

Recommendations

- + Highly prioritize the reliability of mission critical systems

Solutions

- + Employ phased rollouts
- + Modernize critical IT systems
- + Inform office ahead of upgrades
- + Resolve Link-Pass failures
- + Acquire commercial payment system
- + Offer alternative payment methods
- + Offer live chat help option for producers
- + Allow service centers to work with title companies even if they don't accept ACH for payment



.....

Loan staff are required to use various FPAC systems that are not fully integrated and require duplicate data entry. Also, the workflow at service centers is heavily paper-based, and not ideal for tracking progress and status.

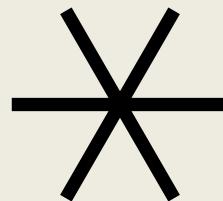
.....

Finding: Loan data is maintained in a mixture of paper and disjointed IT systems



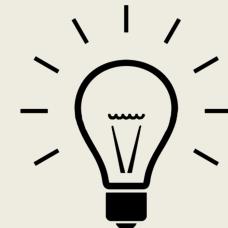
Observations

- + There are many common activities that require staff to use multiple systems to manually integrate the information. 
- + The existing workflow is largely paper-based, and creates the need to maintain filing constantly 
- + Lack of digital workflow means tracking progress of activities manually 
- + Information is routinely transcribed from paper to a system and then printed out again. 



Recommendations

- + Prioritize integration of digital tools and workflow
- + Ensure adequate funding for building and maintaining IT



Solutions

- + Provide an integrated user experience across systems staff commonly use
- + Focus on reducing the time required to process payments to reduce the need to track status manually

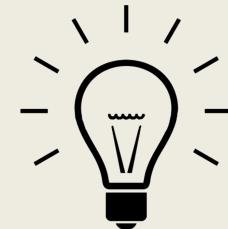
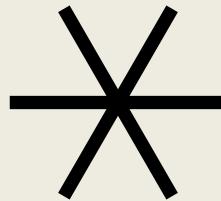


.....

Every service center visited had adopted unique strategies to accelerate their work or get past blockers. However, service centers have no **means to share best practices** they have developed with other service centers.

.....

Finding: Local service center staff often develop unique, innovative and producer-centric practices



Observations

- + Service centers self-organize to be efficient
- + Service centers without walls separating FPAC staff yields more customer-centric processes and fosters greater staff cohesiveness
- + Several offices keep electronic copies of loan paperwork for easy file sharing
- + Offices have developed accelerators, such as preparing closing documents as soon as the appraisal is requested

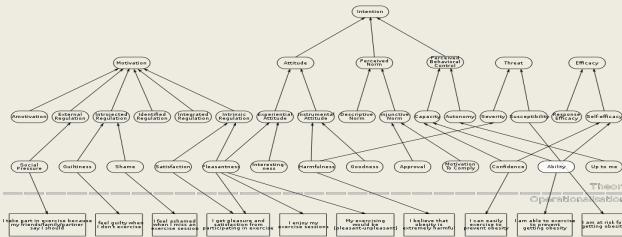
Recommendations

- + Embrace new ideas and solutions that are adopted at Service Center locations to isolate root challenges
- + Identify, share, and scale locally created solutions that indicate systemic challenges.

Solutions

- + Develop forum where service center staff can share their solutions
- + Evaluate solutions to identify underlying problems to add to a backlog for resolving
- + Have a preference for open workspaces to foster collaboration between agencies

Recommended Process Improvements



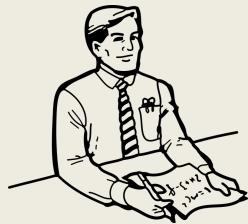
- + Means for producer to share info with loan officer in advance of first meeting
- + Collect, analyze and respond to customer satisfaction data
- + Forum to share service center solutions
- + Identify underlying problems for service center workarounds
- + Provide open workspaces at service centers
- + Inform offices ahead of technology upgrades
- + Simplify outreach and make the information easier to find online and offline
- + Provide producers a handout of the loan application journey at the onset
- + Recruit experienced producers to mentor new borrowers
- + Offer workshops to educate groups of producers
- + Simplify forms (e.g. consolidate, less jargon)
- + Ensure forms checklist is clear and concise
- + Hand producers a customized loan packet based on their situation
- + Provide a way for producers to access data from prior applications

Recommended Technology Improvements



- + Employ phased rollouts of technology upgrades
- + Modernize critical IT systems used by service centers
- + Resolve Link-Pass failures
- + Acquire commercial payment system for producers to pay fees
- + Offer alternative payment methods for producers (other than check)
- + Offer live chat help option for producers
- + Allow service centers to work with title companies even if they don't accept ACH for payment
- + Build online loan eligibility tool
- + Build online FPAC services eligibility tool
- + Pre-populate forms with producer information
- + Customize loan packet for the producer online (based on input from producer)

Recommended Training, Policy, and Content Improvements



Staffing and Training

- + Increase service center staffing
- + New Service center positions to field basic producer questions
- + Train loan officers to explain the loan process more thoroughly upfront
- + Train loan officers to make explicit requests to producers for information early



Policy

- + Work with Congress to increase loan limits
- + Allow producers more flexibility in how loans can be used



Content

- + Ensure online content describes all stages of the application
- + Explain statutory limits online

Final Thoughts



Producer Quotes

A sampling of quotes from various producers interviewed:

- + “FSA helped me when nobody else would.”
- + “Farming is a disease. Once you get it, it’s hard to get rid of it,”
- + “You can’t be a successful farmer without keeping accurate records.”
- + “FSA is the keeper of the maps. The world revolves around those maps.”
- + “I went in knowing I was referred [by the commercial bank]. I didn’t know I had other options or there were other programs.”
- + “I wouldn’t have known [about FSA loans] if my banker hadn’t steered me in that direction.”
- + On rental land...terms can change so you need to update from year to year but on my own land those forms can be repetitive.”
- + “There is probably too much verbiage [on the forms].”
- + “[It’s not possible to] start a new farm without an FSA loan.”
- + “The connection wasn’t there with the previous loan officer. I felt like a nuisance calling them.”
- + “[Poor experience with loan officer] made almost not want to get a loan through FSA.”
- + “Didn’t think the loan officer was working in my best interest.”



Loan Officer Quotes



A sampling of quotes from various loan officers interviewed:

- + “I leave the office at the end of the day knowing my support has put another producer on the road to a successful operation.”
- + “The loan process is a mentorship program to introduce producers to sources of credit.”
- + “Surprised by how much verification is required. For example, we have to verify wife’s job and debt certification but we are taking their word for yield and production history.”
- + “I don’t feel we [attract new] customers at [outreach] events.”
- + “Loan limits are way too low for this area. Not even enough to buy seed and fertilizers”
- + “We are nowhere near [an Indian] reservation but we have to send an email [to Indian groups] and wait 30 days every time. We can’t start loan work until then.”
- + “GLS (Guaranteed Loan System) needs to die!”
- + “Takes a lot of online research to figure out yield and prices.”
- + “Farmers, especially older farmers, will not trust someone they cannot physically see.”

Next Steps

- + Farmers.gov: the CX CoE team is sharing research and knowledge with the farmers.gov agile development team as they build functionality to serve producers.
- + CX CoE team is socializing the Journey Map through the USDA CIO Office, the USDA Customer Experience Office, the Farm Production and Conservation mission area, and the Farm Services Agency.
 - + This process and the journey map is one step in USDA's effort to become a customer-centric federal agency.
 - + This project leads by example; demonstrating the process of customer journey mapping has exposed hundreds of USDA employees to the impact of customer-centric design.
 - + The recommendations and solutions presented here represent opportunities for further exploration to improve the experience of producers and loan officers.
- + Understanding when producers are delighted and when they experience pain points illuminates a map for refining the Direct Loan program and its accompanying digital and offline tools and processes.



