



Welcome
to
MAC



Business/Strategic Planning Your Path to Success



Your Path to Success...



All successful mortgage professionals have one important tool in common: a strategic plan for succeeding in the mortgage Industry.

For these individuals, success is not about personality or powers of persuasion, but about working efficiently and effectively to meet their goals and their clients' needs. Getting your client "The Right Mortgage".

Anyone can develop a business plan, but few take advantage of this tool to success and profitability.



Introduction

Welcome
to
MAC

...Your Role. Leading the Charge

CEO
Chief Executive Officer



After completing “Your Path to Success” session you should be able to:

- ▶ Recognize the importance and benefit of developing a business plan to increase your efficiencies and profitability.
- ▶ Identify the key elements of an effective business plan and set realistic targets for income, time management and target market.
- ▶ Apply specific strategies to increase the efficiency and effectiveness of your business in each phase of the sales cycle.
- ▶ Calculate the numbers you need to achieve targets and incorporate them into your own business plan.

The Importance of Planning

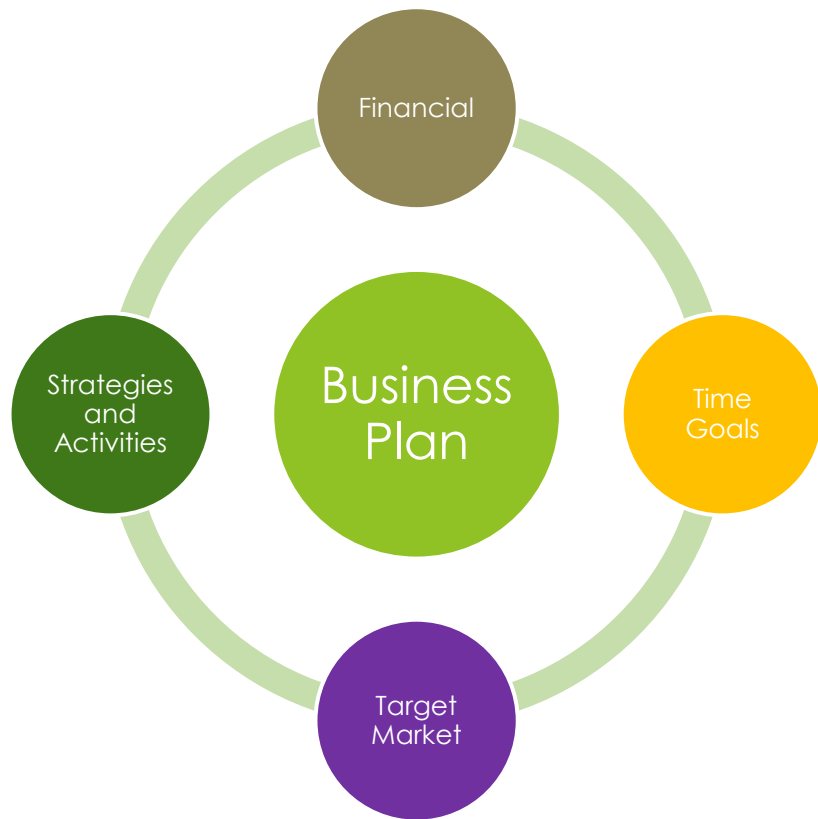
Many mortgage professionals do not achieve the profitability they expected when they first enter the profession, typically because:

- ▶ They have not properly identified targets or established goals; or,
- ▶ Their proposed targets and goals are not realistic; or,
- ▶ Hoping to succeed is not as effective as planning to succeed

Planning to succeed means that you have a clear understanding of:

- ▶ Your targets and goals
- ▶ The type of tasks and activities required
- ▶ The areas and activities in which to focus your efforts
- ▶ The actions and activities required to achieve your goals
- ▶ The benefit of setting goals and the value of incorporating them into an effective business plan
- ▶ Executing your business plan

The Importance of Planning...cont'd



Financial:

- ▶ Your financial goal is your targeted annual income

Time Goals:

- ▶ Time Goals include the number of hours you plan to work each day, each week and how you plan to allocate your time

Target Market Goals:

- ▶ Target Market Goals determine with whom and where you plan to do business

Strategies and Activities:

- ▶ Strategies and Activities define how you will approach each task and work efficiently and effectively, for example, prospecting or marketing plans
- ▶ Build your Sphere of Influence/database

Contacts = Deals

Building and sustaining a successful book of business can be defined with a simple equation...

Contacts = Deals

There are 3 key objectives related to 'Contacts = Deals':

- I. Finding Clients
- II. Helping Clients
- III. Keeping Clients

'Contacts = Deals' looks simple enough, however, it takes strategic planning and dedication to develop an action plan and execute!

What are some tasks and actions required to achieve the 3 **key** objectives:

Finding Clients:

- Goal setting
- Understanding the Mortgage Sales Cycle
- Building your contact/data base; Social and Digital Media presence

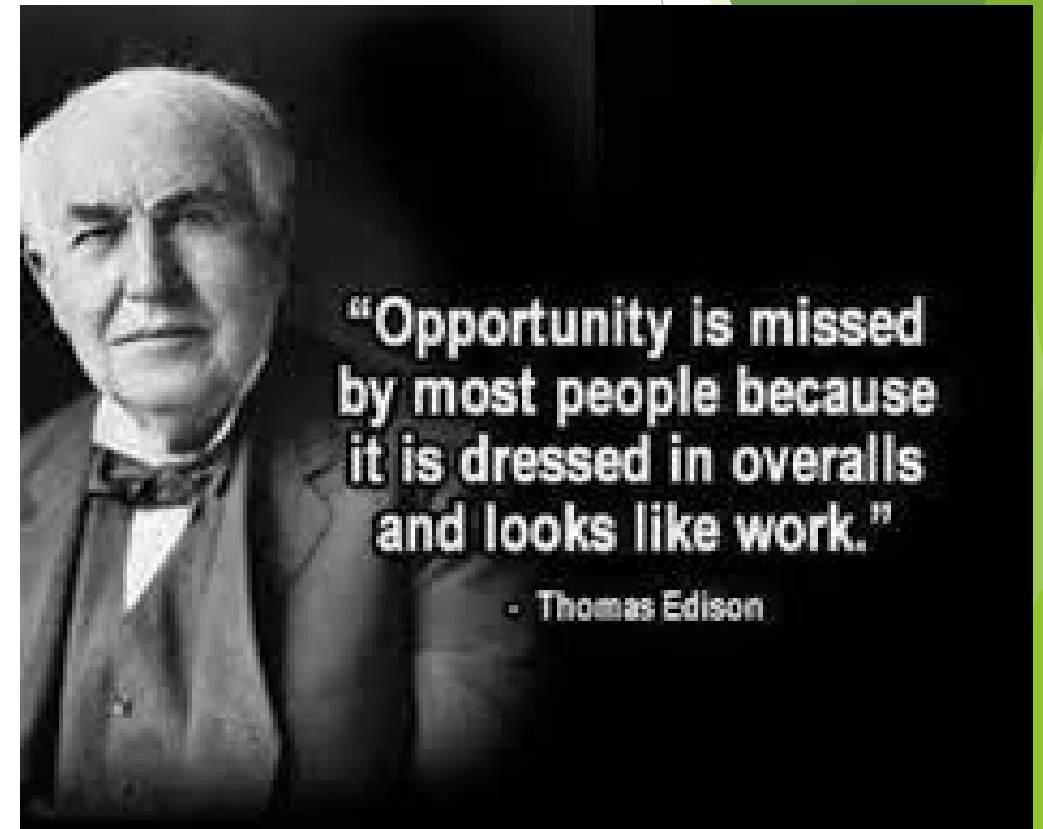
Helping Clients

- Product and process knowledge
- Lender relationships
- Pay attention to what your client is saying

Keeping Clients

- Establish a client follow-up program (Impact)
- Say 'thank you'!!
- Maintain communications; Social and Digital Media Presence

Work Hard or Work S.M.A.R.T.



S.M.A.R.T.

S - be specific with your goal...I want to earn \$75,000 in year 1

M - make sure your goal is measurable...how many transactions to close?

A - ensure your goal is attainable and realistic...average 4 funded deals per month

R - make sure your goal is relevant and has significance

T - ensure your activities are time bound and realize consequences if not achieved

Mortgage Sales Cycle

Step 1: Lead Generation

Determine your prospecting method and calculate the number of contacts and prospects you require in order to achieve your goals

Step 2/3: Initial Contact/Needs Analysis

Establish criteria and process for qualifying leads...such as, type of transaction; # of borrowers; credit rating/score; fixed or variable and so on

Step 4: Presentation and Proposal

Package and present fully disclosed and completed mortgage application to lender

Review mortgage commitment and conditions associated with approval with your client(s)

Step 5: Negotiate and Handle Objections

Prepare for client questions/requests...such as, lower rate posted elsewhere (bruised credit); condition associated with the approval (payout credit facility)

Step 6: Close

Prepare signing package; collect supporting documentation and submit to lender

Step 7: Follow Up

Create a client follow-up/thank you program (Impact)...ask for referrals

Maintain communications with past clients (marketing campaign; annual mortgage check up)



SalesCoach123

Revenue Drivers

- ▶ Average dollars received per transaction
 - Number of transactions needed to achieve your goal
 - Application to fund ratio
- ▶ Other revenue streams (Simplinsur; Personal Loans, etc)
 - Channel Analysis (where is the business coming from?)
 - Sphere of influence - family; friends; close acquaintances
 - Referral Sources - realtors; financial planners; solicitors
 - Past client database

Revenue Drivers - Sample Plan

- Income Goal - \$75,000
- Average \$\$ per transaction - \$3,000
- Transactions funded - 25
- Application to Fund ratio - 70%

Channel Analysis	<u>Transactions funded</u>	<u>Applications</u>
Sphere of Influence - 50%	12	18
Referral source - 30%	8	12
Client database - 20%	<u>5</u>	<u>8</u>
	25	38

What Could Get in the Way...SWOT Analysis

S. - Strengths

- access to multiple lenders
- ability to offer alternative lender solutions
- mortgage professional

W. - Weaknesses

- competitors offer similar products
- minimal experience
- limited start up or capital resources

O. - Opportunities

- niche lending market (ie. Alternative; Business for Self; Bruised/damaged credit)
- ability to focus on specific transaction or client types (ie. Refinance; switch; self-employed)
- social media branding and marketing

T. - Threats

- regulatory changes (ie. Stress test)
- increased competition

Your Key Business Assets



You (CEO)....

Knowledge and Education

- AMP designation
- Continuing education courses (ie. MPC)
- Lender and insurer webinars
- Lion's Share
- Industry info (ie. Canadian Mortgage Trends)

Reputation

- Ethical
- Fraud detection
- Honest
- Professional

Interpersonal Skills

- Established oral and written communications
- Superior listening skills
- Be clear and concise with your communications
- Friendly and approachable
- Networking skills

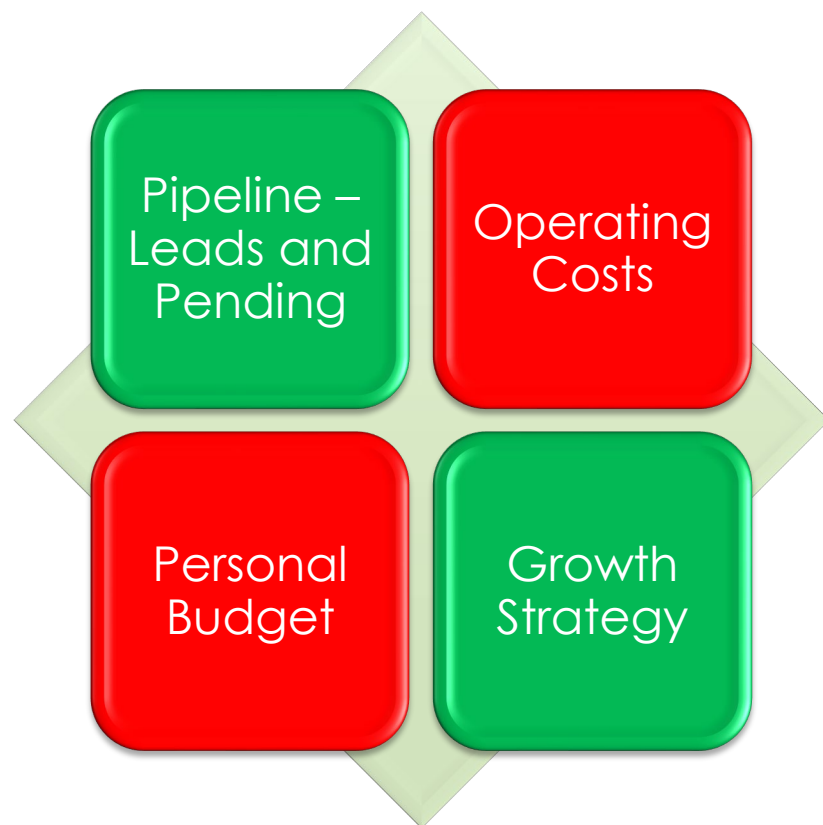
Time Management

- Work with efficiency
- Plan your work day accordingly with structure and purpose
- Complete tasks before moving on to next task

Health and Well Being

- Work life balance goes hand in hand with time management
- Take time for yourself...part of your business plan should include vacation time

Working Capital - Cash Flow



Pipeline – active deals (live or preapproval)

Leads – farming referral sources; spheres of influence (family; friends); social media presence

Operating Costs – credit bureaus; marketing; licensing; BDS fee; E&O insurance

Growth Strategy – target market; daily structure; consistent activity with direction and purpose

Personal Budget – set a monthly budget for operating costs

****TIP**** - leverage marketing tools and resources available to you via MAC Studio

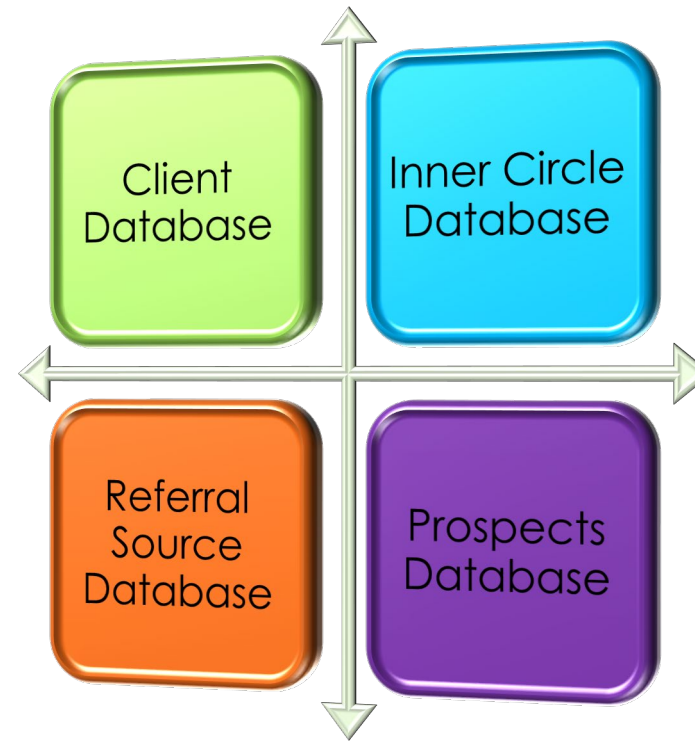
Client Relationship Management (CRM) Database

Inner Circle – family; friends; close acquaintances; sphere of influence

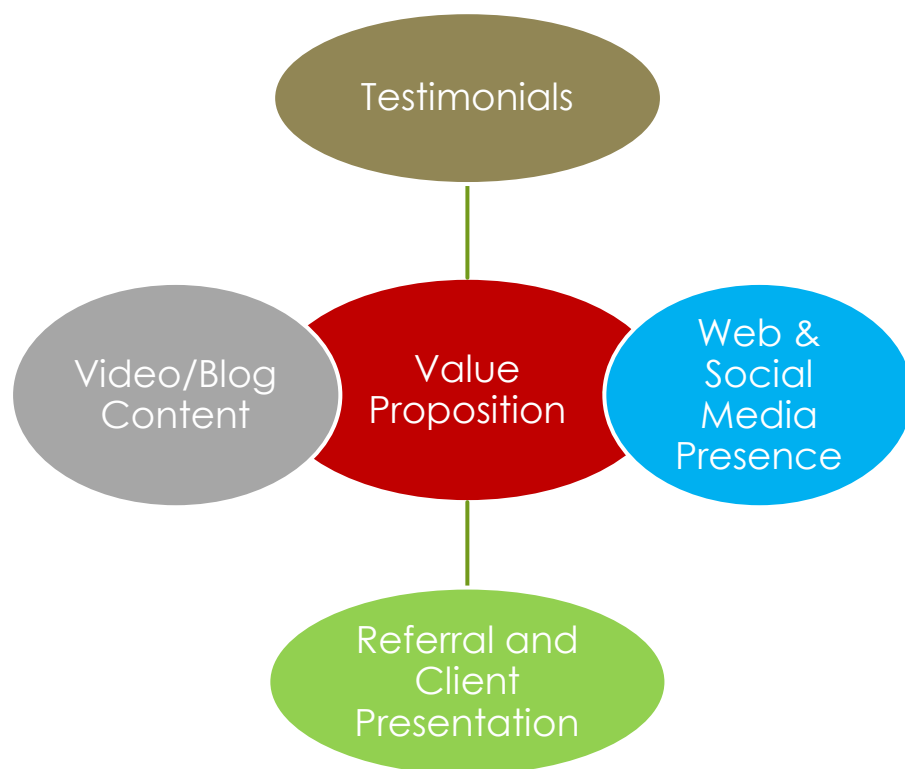
Referral Sources – realtors; financial planners; solicitors; networking groups

Prospects – prequal leads; social media and networking groups (ie. Chamber of Commerce; Rotary); MOPOLO

Past Clients – marketing campaigns; email communications; Impact; annual mortgage checkup; ask for referrals



Your Brand & Marketing Strategy



Value Proposition – a simple and clear statement that summarizes why a client would select your service

Web and Social Media – website; Facebook; Twitter; LinkedIn...review MAC Studio for tools and resources available

Referral/Client Presentation – develop a referral source and client presentation that highlights your business and services.

Video and Blog - establish a monthly communication piece that promotes you and your business and provides industry insight and updates (ie. Rate forecast)

Testimonials – highlight and promote client and referral source testimonials on various media platforms

Operations and Processes

