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# It's Time to Refuel the Mortgage Industry

Follow these steps if your organization is ramping up its recruitment

According to the U.S. Bureau of Labor Statistics, loan-officer employment is going to grow 8 percent from 2012 to 2022, about as fast as the average for all jobs. The Bureau even has an occupational handbook directed at mortgage professionals that is aptly titled, "How to Become a Loan Officer."

The Bureau's handbook goes into details about the requirements of becoming a loan officer, details that could potentially be helpful to banks and brokerages that are stepping up their recruitment efforts. First on the list of the Bureau's requirements is education. The handbook notes that loan officers typically need a bachelor's degree, ideally one with a focus in business or finance. They also note, however, that some loan officers may be able to enter the field without an undergraduate degree if they have related work experience, particularly in sales, customer service or banking.

Not surprisingly, the Bureau's handbook also emphasizes the necessity of training. Of course, once a loan officer is hired at a bank or brokerage, that employee will usually receive some on-the-job training, which may be a combination of formal, company-sponsored training and additional informal training during the first few months on the job. No one can originate a loan before completing at least 20 hours of national prelicensure education and passing national- and state-required testing.

With these requirements completed and after submitting to background and credit checks, loan officers then receive their licensing, although individual states may have certain requirements in addition to those already noted. The Bureau's handbook also offers a number of other

important qualities for loan officers to have, each of which go beyond the aforementioned set-in-stone requirements of licensing. In particular, the handbook calls out:

- **Decisionmaking skills.** Decision-making skills are important for loan officers, who must assess an applicant's financial information and decide whether to award a loan.
- **Initiative.** Loan officers should have initiative when seeking out clients. They often act as salespeople, promoting their lending institutions and contacting companies to determine their loan needs.
- **Interpersonal skills.** Because loan officers work with people, they must be able to guide customers through the application process and answer their questions.

What the Bureau does not post, however, is how an employer might get connected with the people who are reading the Bureau's handbook and are interested in pursuing careers in the origination industry. If we as an industry want to attract the next generation of mortgage bankers and brokers, we must provide that generation with information about the benefits of being an originator, processor, underwriter or account executive. How can mortgage organizations do just that?

Mortgage banks and brokerages working to increase — or simply improve — their recruitment efforts should focus on building strategic partnership initiatives to help young professionals train and prepare for the future. Hold open houses, for instance, and invite students from local colleges to listen to mortgage professionals speak about the various job opportunities and benefits of working in the industry. Mortgage companies may also work together to

develop training programs to help students transition into the industry.

Regardless of your company's specific approach, mortgage banks and brokerages should follow several steps to successfully begin recruiting new loan officers. Consider the following five in particular.

## 1. Educate

In working with potential new recruits, begin with stressing the type of back-ground that an individual might possess that would lend itself well to the mortgage industry. In regard to college students, finance and marketing majors have great backgrounds for origination-related jobs.

## 2. Locate

Searching for places to find new loan officers is central to maintaining high-quality recruitment efforts. Look into whether or not colleges and universities in your area hold open houses or career workshops. Some schools — such as North Lake College in the Dallas area — even have mortgage banking programs.

In any case, check with the schools in your area to find out what programs they have in disciplines that relate to

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finance, marketing and banking. Talk to the schools' faculty to see if you may speak during the term on the many benefits of working in the mortgage banking world.

### 3. Engage

In conjunction with your search efforts, work to create interesting company programs to generate a working knowledge of the origination industry among your potential recruits. Internship programs, for instance, can be a great way to allow a student to learn about the mortgage industry and receive credit from their school at the same time. Some mortgage organizations already do this, offering summer internship programs and school-year programs, so if your company doesn't have such offerings, it may be falling behind the curve.

### 4. Speak their language

When recruiting new employees, originators should strive to make a lasting impression on their recruits and speak in terms that they will understand and relate to. According to a study by the University of North Carolina's Kenan-Flagler Business School and the Young Entrepreneur Council (YEC), millennials will make up 36 percent of the workforce in 2014 and 46 percent by 2020. With baby boomers making up roughly 40 percent of the workforce as of 2011, many in the mortgage industry must

learn how to collaborate in multigenerational work environments.

### 5. Sell the benefits

Finally, be sure to share what you love about the mortgage industry and what makes you get up in the morning to build your business. The aforementioned study by the Kenan-Flagler Business School and the YEC notes that 92 percent of those surveyed between the ages of 21 and 24 said that entrepreneurship education is vital in the new economy. This suggests that this demographic is well-positioned to succeed in the mortgage industry, so banks and brokerages should feel confident that their business will greatly appeal to a large segment of up-and-coming workers.

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There are many other ways to engage and refuel the mortgage industry. The preceding strategies are just the beginning, but they're a beginning that banks and brokerages must take now to make certain that they're educating the next generation on the many benefits of working in this industry. With the right approach and thorough outreach, your organization can help ensure that the mortgage industry of tomorrow will consist of capable, practiced originators who serve their clients well. ●