

SA HOME LOANS WESTERN CAPE

DIARY OF A CREDIT SALES MANAGER – PART 3

Some time ago in the dreary depths of the recession I addressed a gathering of industry professionals. A group of us had decided to inject some positivity into the prevailing mood by hosting an event with a positive message. Each of us aimed to encourage the gathering, to make a positive contribution to the event and to share our strategy to overcome the prevailing economic doldrums. We did not want to go in with false claims of an economic upturn or inflated expectations. Everyone is interested only in the truth.

At the time I saw the recession as a doughnut. You could be a pessimist and focus on the hole. You could be an optimist eyeing the scrumptious syrupy dough. You could also be a realist. Now, a realist would grab what is on offer and eat it, leaving the others to realize that they had missed out!

I related how the economic environment at the time could elicit similar reactions from us and that we would be well served to be realists. We had to take what was on offer and make it work for us.

As a loan provider, our traditional business model up to that point had been the bond switch market. As this requires a combination of elements including asset equity and competitive pricing it was no longer the best option. A bit of a hole, as it were. We had to look elsewhere to find our “syrupy dough”.

Our strategy at the time was to shift our focus from the switch market to the new purchase market. This entailed engaging estate agents for business. We had a no relationship estate agents and we were unable to offer any referral commission, which is an accepted manner in which business is gained. Our proposition was that we facilitated property sales, which result in sales commission for agents. It also closed more linked transactions that generate increased income and revenue across the industry.

I did not say as much, but I did indicate that all of us had to be aware that existing alliances were likely to crumble under the weight of the credit crunch. I believed that there would be plenty of opportunity to forge new alliances and that everyone in the property industry should be aware of opportunities and grab them.

In the ensuing months we did indeed forge alliances. We also changed our core business away from home loan switches to financing new purchases. We changed our business source to include estate agent referrals. In this way we literally doubled our lead opportunity with each transaction. The net end result is that we have grown our business tremendously and the strategy proved to be a great success. So much so that we are achieving better results than in the halcyon days before the credit crunch!

So how did we do it?

We realized that we already had an inherent company culture that attracts and retains loyal clients. We simply had to define it, re enforce it and allow for estate agents to experience it. We would approach these important industry players, ask them for business and show them what we could do. We believed that we could provide a superior product and service and wanted to prove it in order to gain more business from them. We defined our culture in three simple words. We did not announce it to anyone but we embraced it fully and went out to the market to solicit business through living it, and it worked!

Our three definitive words, or concepts, are (1) Care, (2) Commitment and (3) Communication. I am happy to share how we embraced this with you and hope that you find it useful.

Care seems obvious, but it is important to remember that it relates to everyone in the process, from the end user client right through to the conveyance attorney and the deeds office clerk. Everyone is important and deserves to be handled with care and dignity. When we really care it earns us respect and trust, vital ingredients to building meaningful business relationships. Brushing anyone off is not an option.

Commitment runs deep and is multi faceted, so I will elaborate on one aspect. All applications require our commitment, not just the "good" ones. Commitment does not have to imply a lengthy process, but does imply a thorough review and understanding of all the facts at hand. We are committed not to waste anyone's time. We commit to giving an honest, up front opinion to any applicant. Sugar coating and leading people up the garden path, hoping for the best, is something we don't do. On the other hand, when we do take your application on, we will fight tooth and nail for you.

Communication is important in terms of quality and frequency. We appreciate that a lot hinges on a home loan application and we commit to keeping all the relevant parties up to date on progress, or lack thereof. We know that bad news is better than no news. We do not delay in giving thorough information, even if it is not what you want to hear. Communication is not just giving good news to make someone feel good; it is being transparent at all times and keeping everyone in the know. While we use all the communication technologies available we also know that an email is not the best way to deliver bad news and do not shirk from making a call. Similarly we enjoy giving good news in person and, if accompanied by a small gift as a token of thanks, so much the more pleasant the delivery!

Internally we have developed outstanding relationships and communication so that our processes flow easily and hitches are dealt with quickly and efficiently. We have a unique advantage in that we have a personalised credit process. While computer scoring programs are useful in identifying credit risks, we do not fully rely on this. We prefer to debate the merits of an application with an experienced credit team and thereby reach logical decisions. This is good communication in action.

We value personal interaction. It has served to provide us with good paying clients who have a pleasant home loan experience and are happy to refer others to us.

This all may seem overly simplified but it is not. Our strategy is effective due to its simplicity.

By focusing on Care, Commitment and Communication as a Team we realize that we are jointly accountable. A focused team works well because one or two simple acts by one person combined with one or two simple acts by another, stack up. They combine into a sophisticated and efficient process. This is how good intentions translate into good experiences for our clients and business partners.

If you want to know more about SA Home Loans and what we are about just ask our clients and business partners. I know that you are interested only in the truth.

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