Home Lending Case Study

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Tools used: PowerPoint, Excel, HLCC, Figma, Figjam

Skills demonstrated: UX and product research, UX design, UI, data analysis, storytelling, empathy, knowledge of ABC Bank and mortgage industry and best sales practices.

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Overview

Overview

My Role

I am a Branch Home Lending Advisor at ABC Bank. I used my knowledge of our systems, tiered intervention strategies from my years as a teacher, and best practices from my UX/UI Design Certification. I used data analysis, UX strategy and research, as well as Figma to design several creative solutions.

Scope

As a current Home Lending Advisor, my scope is limited. I have access to funding numbers through HLA Overview, and can use my own experience as a user, however I did not want to bring any attention to myself and wasn't sure it was appropriate to be doing a large-scale interview process or testing among my peers.

Overview

Problem

How do we enable Branch Home Lending Advisors to continue to fund units, despite recent downward trends due to higher interest rates?

Solution

By utilizing different Salesforce platforms into the already existing Home Lending Client Central, we can support lead capture, retention, and management more effectively. We can also use it's built in reporting feature to inform trends in lead quality.

We can acheive this by enabling a no/low code SMS messaging system to targeted leads, adding a Velocify call strategy for realtors and realigning the Closed/Lost Reason deposition for proper analysis and identifying possible knowledge gap in bankers.

Research

"

Currently, there are seven loan officers for every one listing, nationwide."

- Jerry Grubin, Managing Director, Home Lending Executive, ABC Bank

Recent Statistics in Home Lending

- Rates are rising and it is causing the mortgage industry to buckle. Lenders are seeing a decrease in applications that are worse than the recession of 2008.

- ABC Bank has hired a lot of new Home Lending Advisors since the previous recession. The vast majority of those working in the field now have not seen this type of market.

- ABC Bank HLAs have been operating in an environment where they are order takers, not having to rely on their sales skills in order to help them close a deal.

Purchase Mortgage Applications Index, Weekly
Source: MBA, Investing.com
WOLFSTREET.com

Refinance Mortgage Applications Index, Weekly
Fed cuts to 0%
rates rise
2000
Source: MBA, Investing.com
WOLFSTREET.com

Image taken from www.wolfstreet.com
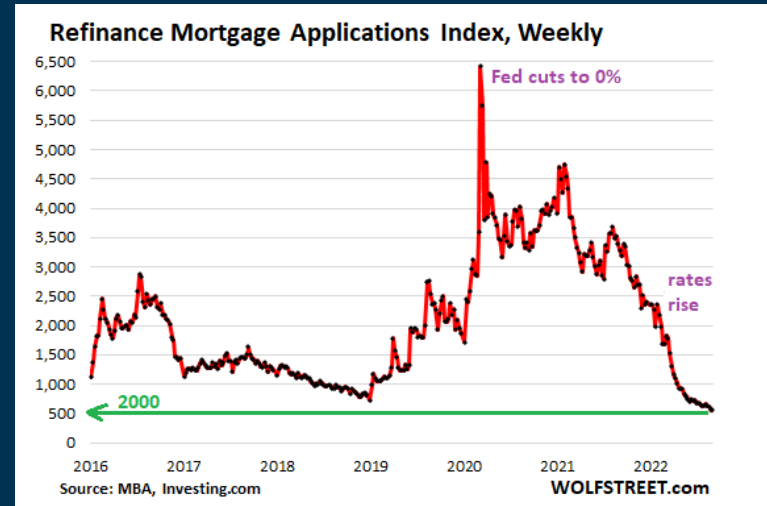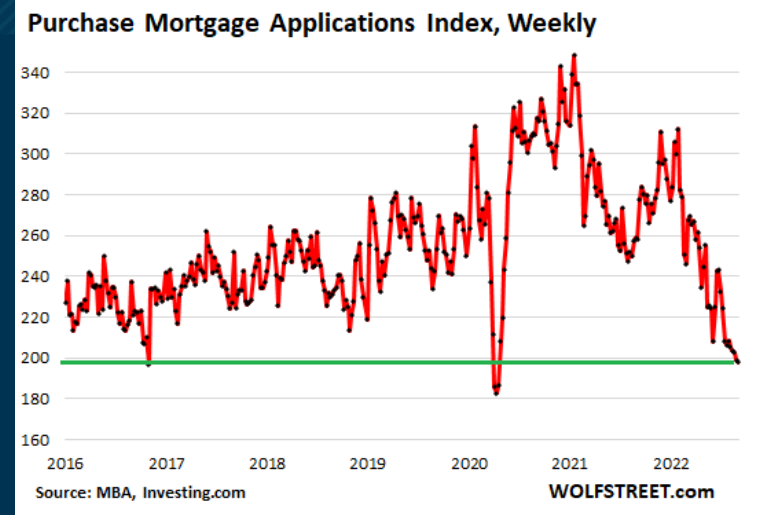
Changes in Compensation Model

- It has recently been announced that sometime in 2023 the Branch HLA model will return to a commission pay structure after having a high base salary for over two years.

- Though HLAs have ample time to prepare for this change in compensation, it puts the urgency for production on the shoulders of the individual HLA as well as stakeholders and management.

- This is good news for stakeholders, since now, if a Branch HLA wants to continue to hold his job and make money, he will need to be open to make necessary changes.

Image taken from www.shopify.com

HLA Overview

- I started my research by collecting data from HLA Overview on loans funded over a 12-month period. I took one team in my organization and assigned each HLA a number to protect his or her identity. I then created several graphs showing the number of loans that were funded each month, and average funding over three-month intervals.

Screenshot of HLA Overview

Raw Data

Funding by Month

HLA		21-Nov	21-Dec	22-Jan	22-Feb	22-Mar	22-Apr	22-May	22-Jun	22-Jul	22-Aug	22-Sep	22-Oct
1		7	4	8	7	2	3	2	2	0	3	1	1
2		6	11	12	6	9	5	2	4	3	3	1	1
3		5	0	0	2	10	12	9	6	8	8	9	4
4		8	5	11	6	4	0	1	2	0	2	1	1
5		3	7	4	4	8	6	3	2	3	0	3	2
6		7	2	5	7	3	1	5	1	0	1	1	0
7		13	8	11	7	7	9	2	4	2	2	2	1
8		9	2	6	10	4	4	3	4	1	1	2	1
9		2	2	1	2	2	4	5	1	0	4	3	1
10		4	0	3	6	6	2	1	3	3	0	1	0
11		9	6	2	2	5	2	0	1	0	4	3	0
12		7	3	4	2	2	6	0	1	0	4	1	0
13		9	9	8	4	10	5	3	3	1	1	2	1
14		11	9	9	3	2	5	5	5	1	5	2	1
15		15	12	8	3	7	3	4	4	3	1	1	2

Three-month average Funding

| HLA		Q4 21	Q1 22	Q2 22	Q4 22
1		6.333333	4	1.333333	1.666667
2		9.666667	6.666667	3	1.666667
3		1.666667	8	7.666667	7
4		8	3.333333	1	1.333333
5		4.666667	6	2.666667	1.666667
6		4.666667	3.666667	2	0.666667
7		10.66667	7.666667	2.666667	1.666667
8		5.666667	6	2.666667	1.333333
9		1.666667	2.666667	2	2.666667
10		2.333333	4.666667	2.333333	0.333333
11		5.666667	3	0.333333	2.333333
12		4.666667	3.333333	0.333333	1.666667
13		8.666667	6.333333	2.333333	1.333333
14		9.666667	3.333333	3.666667	2.666667
15		11.66667	4.333333	3.666667	1.333333

Funding Averages
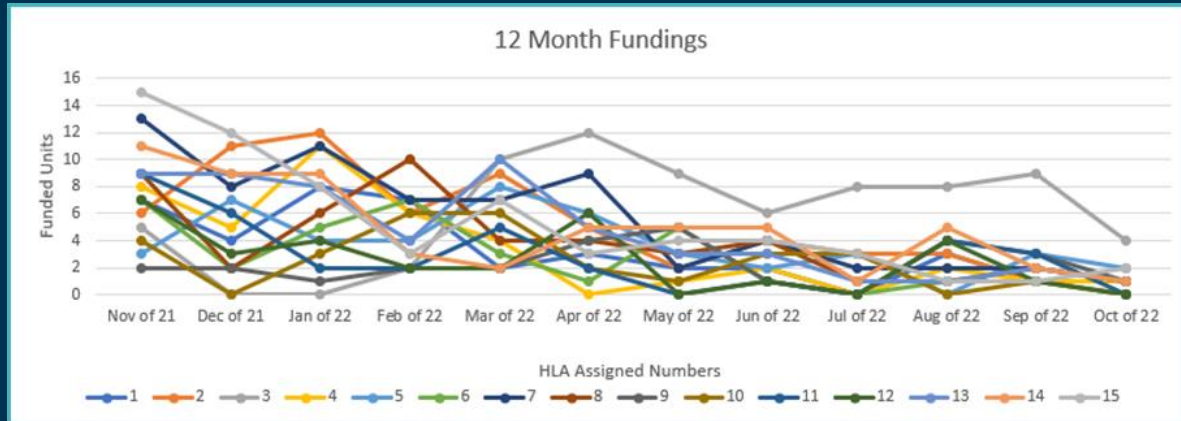
I first plotted funded units on a graph over 12 months.
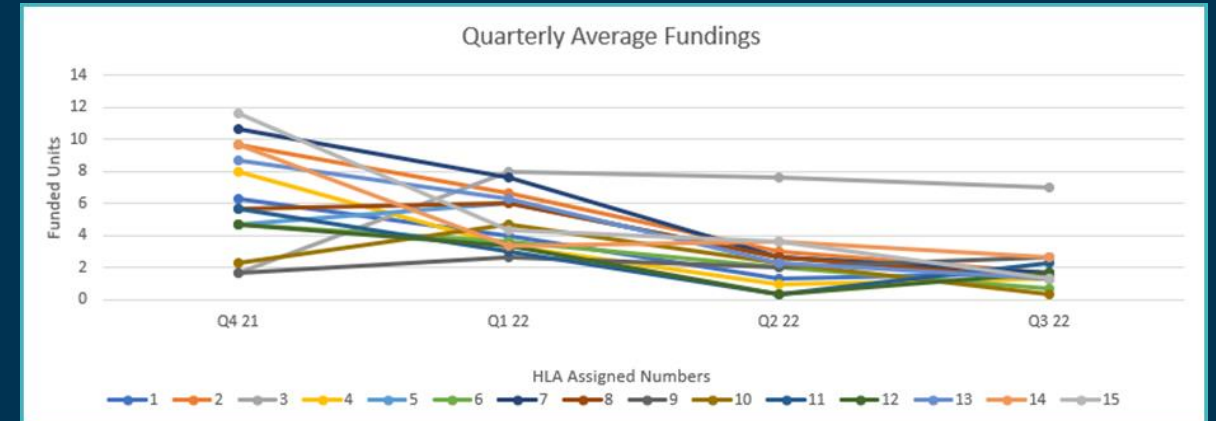
I then took the quarterly averages of the funded units and plotted them accordingly.

Grouping HLAs
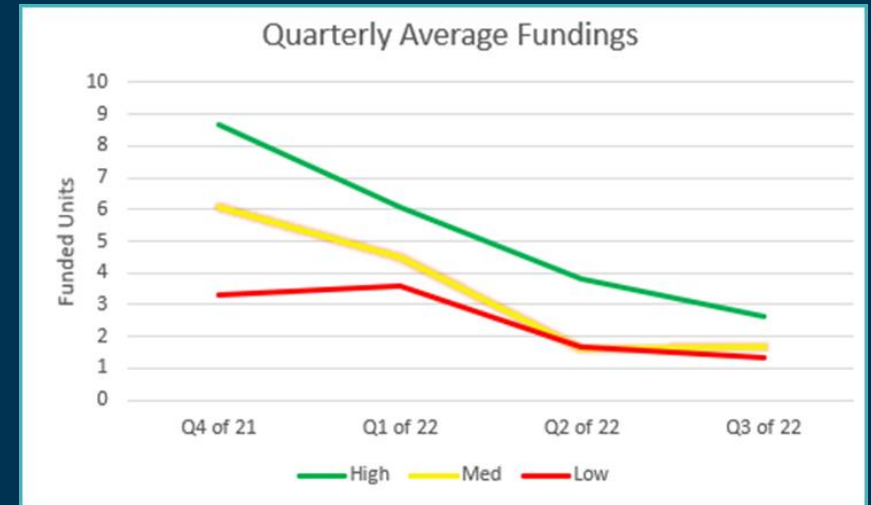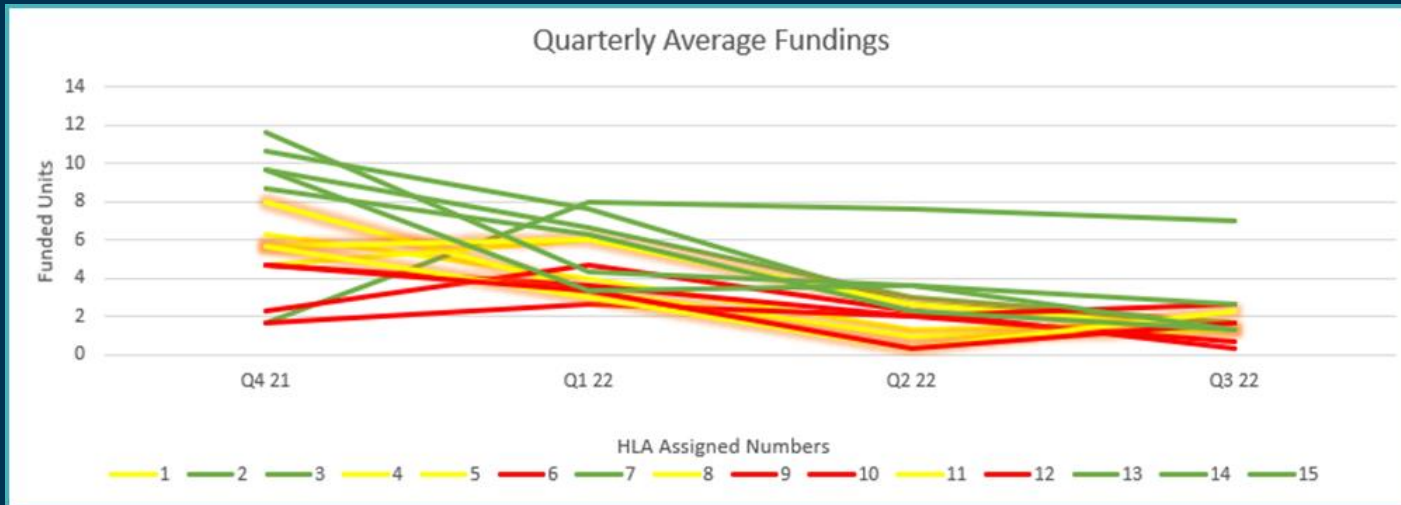
Next, I grouped the HLAs into three categories, High, Medium, and Low and
assigned them a group color, plotted their average fundings on a graph.

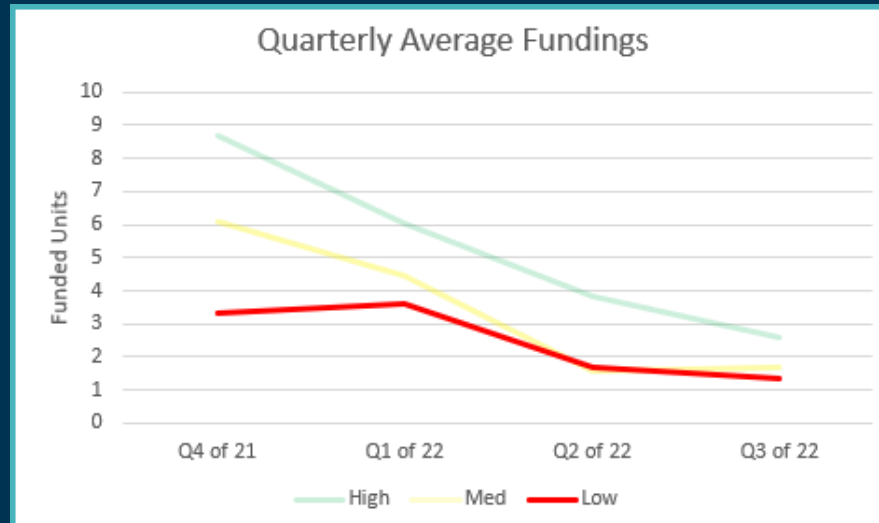# Grouping HLAs


Low HLA

Med HLA

High HLA

Personas

Low HLA

Quarterly Average Fundings

Behaviors

- Calls leads assigned and sent to them
- Does not participate in new strategy brainstorming
- Adverse to pivoting sales strategies in changing environments

Needs

- Reminders to follow up with realtors and leads
- An easy system that does not make them think
- Support and coaching from management

Personas

Med HLA
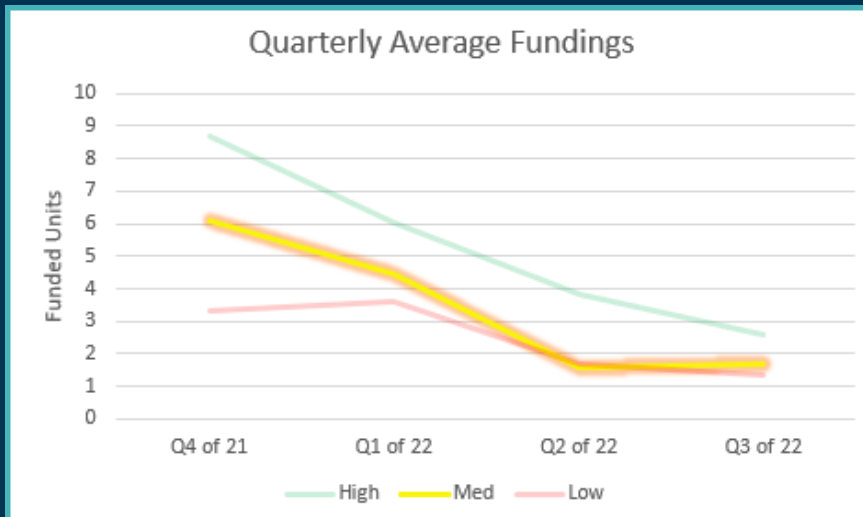
Behaviors

- Call all leads assigned and sent to them

- Practice strategies that have been taught to them for getting more leads

- Don't have the tools to track leads outside of HLCC

- Have trouble pivoting sales strategies after working in a low rate environment for several past years

Needs

- Notice from bankers regarding banker touchpoints

- An easy system that is designed to help them find more opportunities

- Support to identify banker knowledge gaps

Personas

High HLA
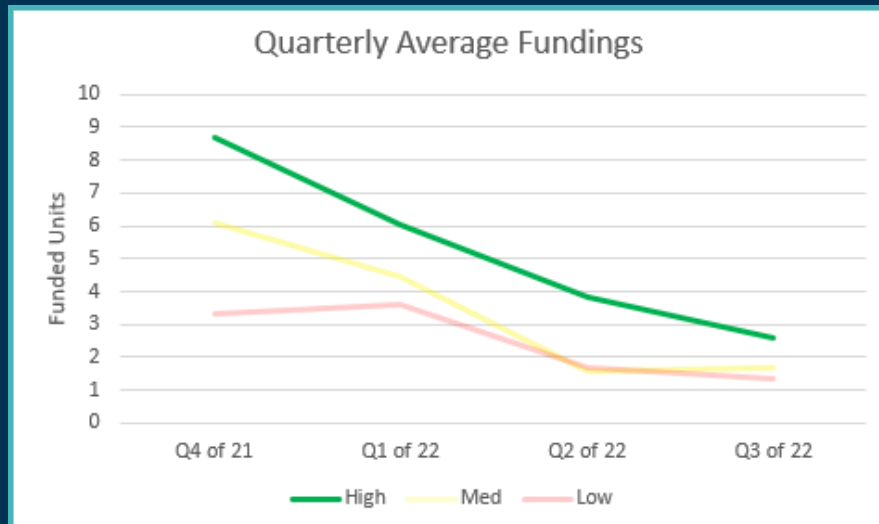
Quarterly Average Fundings

Behaviors

- Goes above and beyond the call strategies in Velocify and makes their own spreadsheets and marketing strategies

- Identifies high, medium and low bankers and develop a growth plan for them

- Habitually engages bankers for more quality leads

- Pivots to and invents new sales strategies in changing environments

Needs

- A way to streamline their activities into one central system

- Ample opportunities to brainstorm new ideas

How Might We…

- Enable all HLAs to jump up one level (low to med, med to high)?

- Assist High HLAs to achieve more than thought possible despite higher rates and lower lead volume?

- Utilize one of our existing systems to support lead capture, retention, and management?

HLA Growth Model
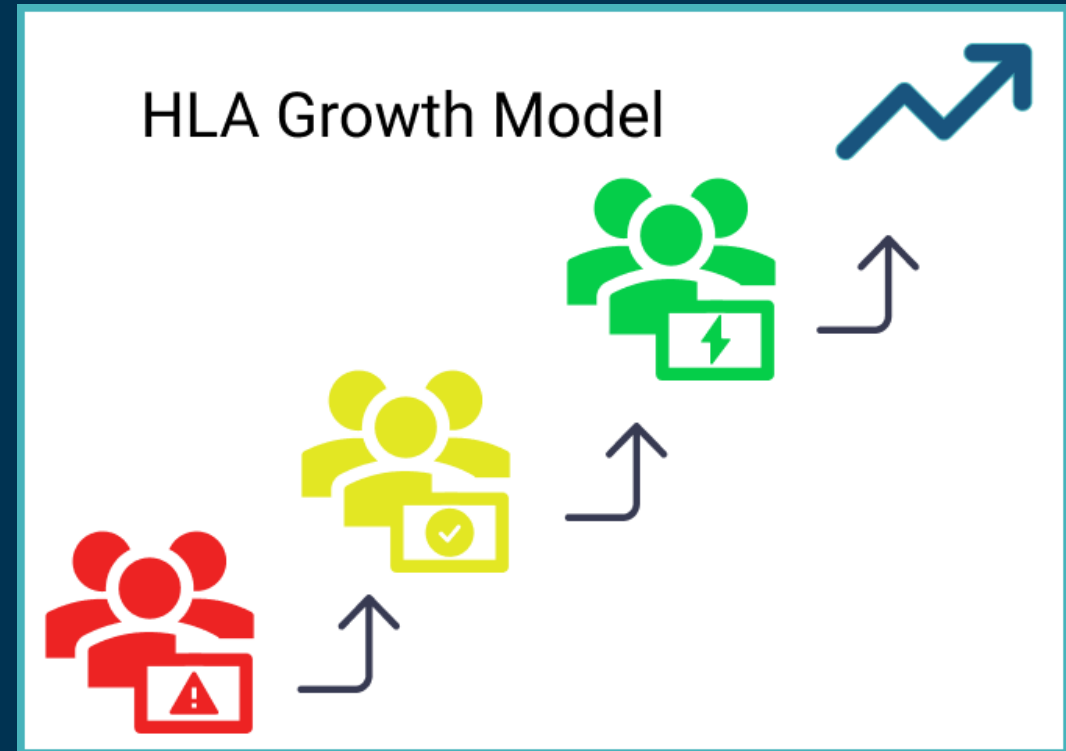
Ideate

Home Lending Client Central

- Currently, the push is for all HLAs to utilize Home Lending Client Central (HLCC, a Salesforce based system) for the management of leads, tasks, and appointments.

- HLAs are expected to use HLCC to complete tasks every day. Those tasks are calling leads from bankers (warm leads), calling Proactive Signal and Doppler leads (cold leads), manage realtors, and send marketing emails to customers in their area.

- **There are things that could be added/replaced to the HLCC home page that would benefit HLAs and help them capture and convert more leads.**

Screenshot from HLCC Home Page

Brainstorming (Crazy Eights)

1.
Updating Closed/ Lost Reasons in HLCC so they align with actual closed/ lost reasons

2.
Ability to add realtors like leads

3.
View comments in reporting in Velocify

4.
Velocify call strategy for realtors

5.
Text messages for marketing

6.
View details when bankers interact with customers from the HLA's designated branches

7.
More freedom in creating reports in HLCC

8.
Utilize existing platforms built in to Salesforce with no/ low code

Enable SMS Messaging

- HLAs get dozens of cold leads every day to call on. AI has identified these leads as someone looking to purchase a new home soon.

- Currently, HLAs are calling these leads with about a 30% answer rate.

- Customers are typically more likely to respond to an SMS message than answer a phone call from an unknown phone number (all HLAs have a corporate NY area code).
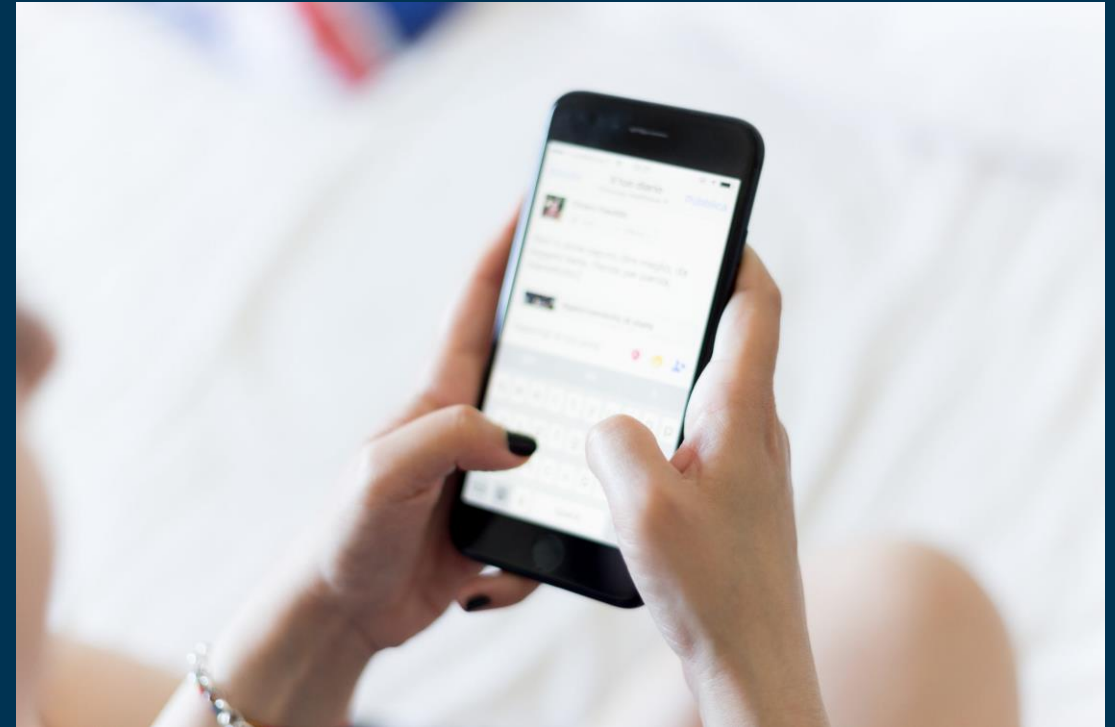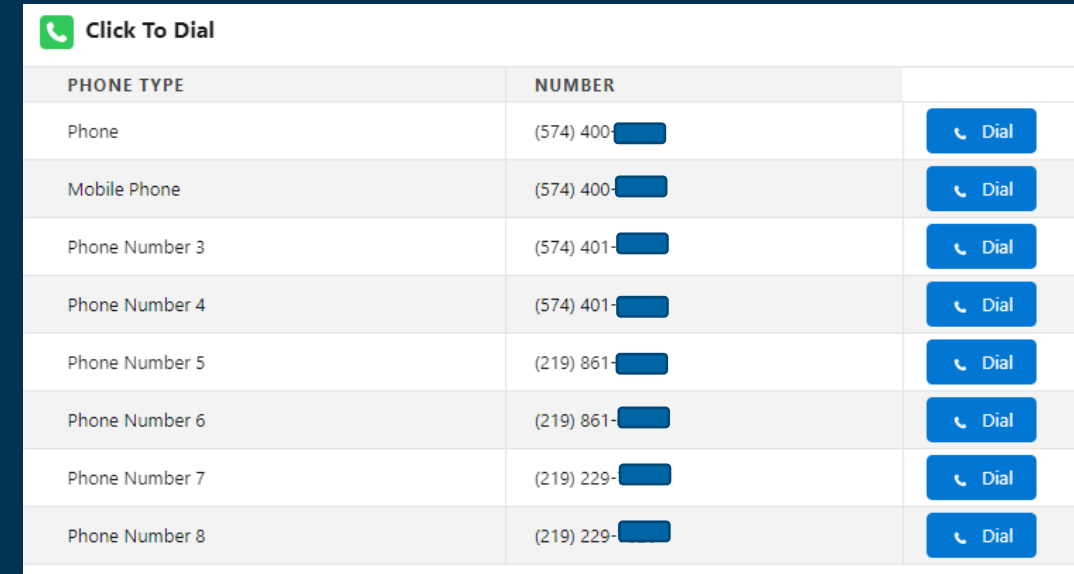
Image taken from www.ijungo.com

Potential Problems for SMS Messaging

- The phone numbers in many leads do not match up to the customer's actual phone number.

- In order to ensure that the message will go to the customer's cell phone, this would need to be fixed.

Image taken from a lead in HLCC for one customer

Example

The following screens were taken from the same customer in HLCC. The phone number marked as mobile in the Client Info Screen is the correct cell number.

When viewing the lead information however, three new numbers come up, one is even marked as a 'mobile phone', however it is typically a disconnected phone number or sometimes a business phone number for the customer's employer.

We would need to pull directly from the Client Info screen to have a successful SMS message sent, or we would have to change the lead screen to mimic the real phone numbers.

Client Info Screen

∨ Account Information

Account Owner
🐷 Home Lending Support

Account Name
STEFANO

Time Zone

Best Time to Contact
No Preference

Preferred Method of Contact ⓘ
Please Choose One

Language Preference
English

Home Phone

Mobile
(415) 987-

Work Phone

Work Phone Ext

International Phone
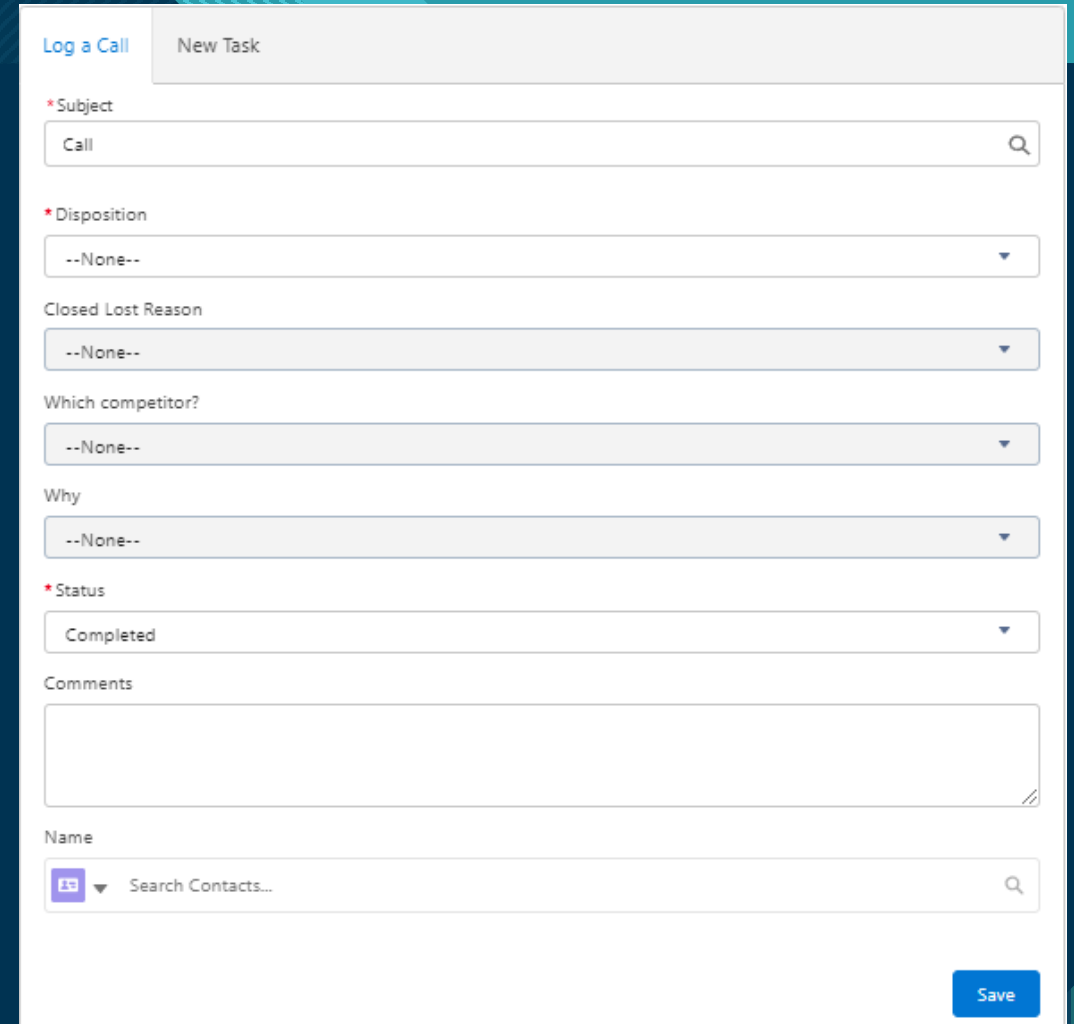
Lead Screen

📞 **Click To Dial**

PHONE TYPE	NUMBER	
Phone	(415) 431-	📞 Dial
Mobile Phone	(415) 814-	📞 Dial
Phone Number 3	(415) 826-	📞 Dial
Phone Number 4	(415) 987-	📞 Dial

Screenshots from HLCC

Realigning Closed/Lost Reason

- HLAs can create reports and view the status and possible reason why the lead was closed/lost.

- Some of the reasons are unclear or missing.

- Due to attrition, about 50% of bankers sitting in the branch are new. They are the ones that find opportunities and often are the ones in first contact with the customer.

- By changing some of the options, HLAs could use the data to analyze skill gaps in banker knowledge and address them.

Screenshot from HLCC

Before and After

Closed/Lost Reason:

Lost to Competitor
Already Purchased
Collateral Not Supported
Do Not Solicit
? Do Not Call F&F
Duplicate Lead
? Lost to Outside Referral
No Right Party Contact Achieved
Not Interested
Product Not Available: LTV/CLTV Exeeds Guidelines
? Product Not Available: JPMA
Product Not Available: Other
Quick Close Not Approved
Rate Not Competitive
Rate Not Competitive: Unable to Match
Refinance Not in Customer's Best Interest
Unresponsive
Renting Longer than 12 Months
Purchase Postponed
No Longer Relocating

→

Closed/Lost Reason:

Lost to Competitor
Already Purchased
Collateral Not Supported
Do Not Solicit
Lost to Another Chase HLA
Duplicate Lead
No Right Party Contact Achieved
Not Interested
Product Not Available: Credit Score
Product Not Available: Insufficient Seasoning for Derogatory Credit
Product Not Available: Only Wants a HELOC
Product Not Available: LTV/CLTV Exeeds Guidelines
Product Not Available: Other
Quick Close Not Approved
Rate Not Competitive
Rate Not Competitive: Unable to Match
Refinance Not in Customer's Best Interest
Unresponsive
Renting Longer than 12 Months
Purchase Postponed
No Longer Relocating

Velocify Call Strategy for Realtors

- It has been mentioned during a Sales Strategy Meeting that HLAs across the board are forgetting to check in with the realtors of customers who are currently shopping for a home.

- HLAs currently utilize Velocify in Salesforce to manage warm leads from bankers.

- This same concept can also be applied to realtors.
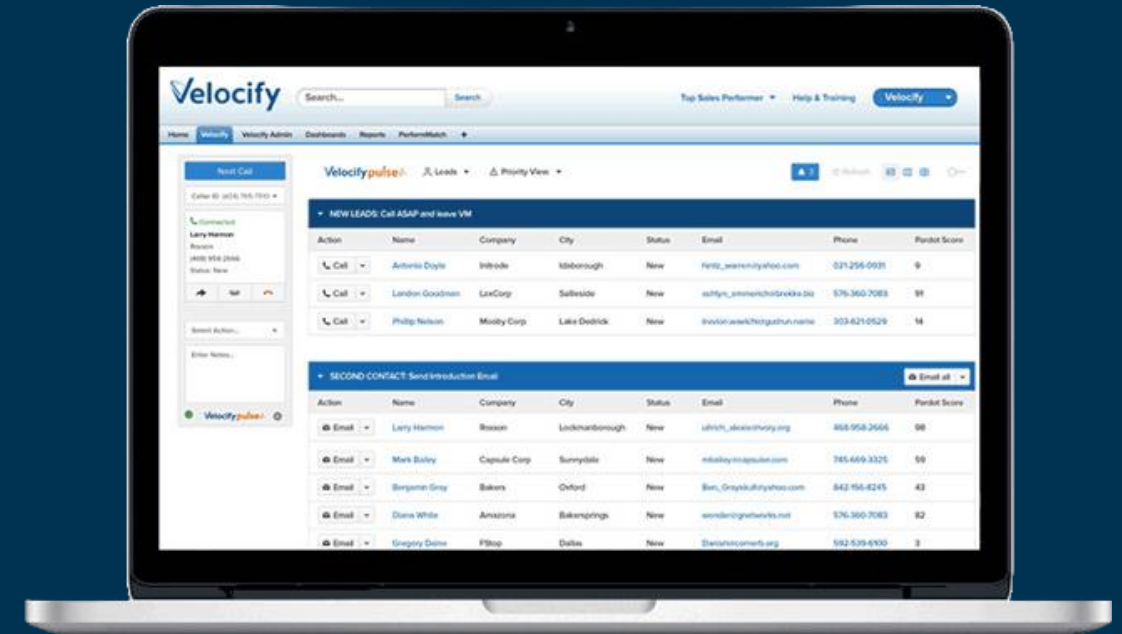
Image taken from appexchange.salesforce.com

Mockups

SMS Marketing System

- Since all the proposed solutions can easily be implemented with no/low code on Salesforce, I decided to only mockup the SMS Marketing System because it provides solutions to multiple issues.

- By incorporating it into HLCC, this system can pull from the HLAs client base and can easily plug in the customer's information to complete the SMS templates.

Proposed SMS Templates

- Proactive Signal Lead
- Touchpoint Trigger
- Referral Oppty No RPC
- New Digital Application

By turning the Marketing Cloud Emails into SMS Templates, the possibilities are endless!
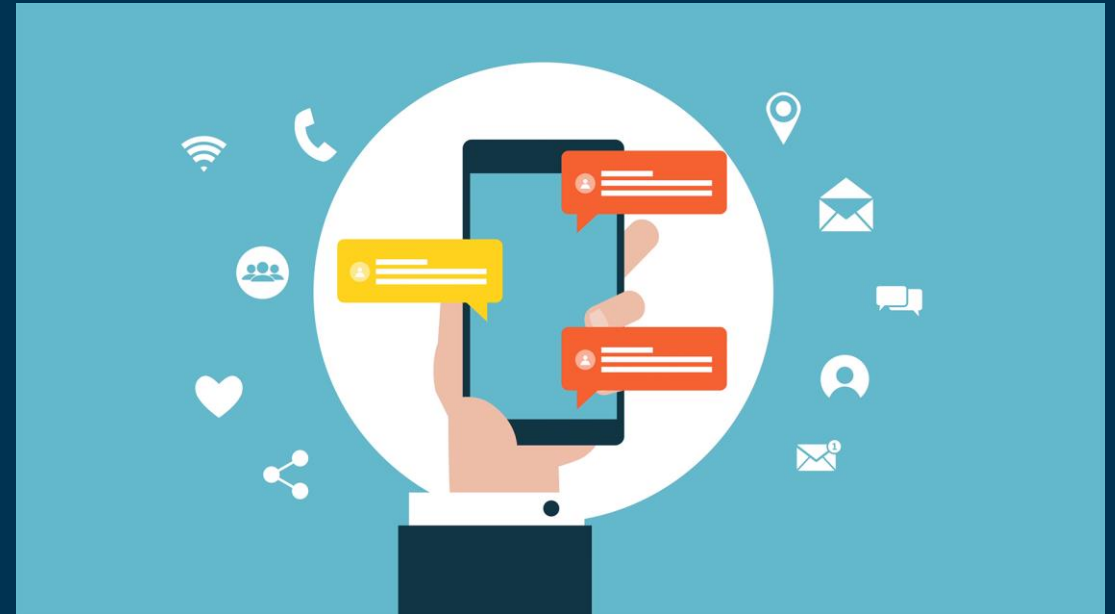
Image taken from www.thinq.com

SMS Mockups

Proposed HLCC Redesign Created in Figma

Before and After

I took some of the empty space that typically doesn't have useful information in it and added a space For the Velocify Call Strategy (with a toggle for realtor call strategy), SMS Messages, and added a spot to see comments in the meetings.

Conclusion

Conclusion

- As a Branch HLA it was important to me to find solutions to the biggest problems we face.

- Though I was able to observe patterns and behaviors in my peers to gather data, I would have preferred to do surveys and interviews to gather more information that I may be missing.

- By utilizing the existing Salesforce platforms in HLCC, we can easily convert leads at a higher rate, identify knowledge gaps in the new bankers, and give support to all three Personas. In doing this we will be able to continue funding units (the bottom line) despite the tough economic times.

Image taken from www.vecteezy.com

Meeting the Persona's Needs

1. Updating Closed/Lost Reasons in HLCC so they align with actual closed/lost reasons

2. Ability to add realtors like leads

3. View comments in reporting in Velocify

4. Velocify call strategy for realtors

5. Text messages for marketing

6. View details when bankers interact with customers from the HLA's designated branches

7. More freedom in creating reports in HLCC

8. Utilize existing platforms built in to Salesforce with no/low code

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Thank You

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