



Pat Sherlock
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Production Expert Develops Sales Manager Test

By Jennifer Harmon

Medford, NJ — QFS Consulting here, which focuses on improving sales production and effectiveness at some of the largest nationwide mortgage companies, has come out with a sales manager test to help lenders hire the best people for the job and even improve business under current sales management.

The test is based on the data Pat Sherlock, President of QFS Consulting, gathered for different books on the mortgage industry. She spent two years interviewing top producers and wrote about her findings in "Reaching the Top of Your Game: Best Practices of the Top Mortgage Originators."

In 2001, Ms. Sherlock completed a selection and development test for loan officers and account

reps. Her most current research shows that top sales managers possess more complex personality and behavioral characteristics compared to those positions.

"It's very common in the mortgage business to take top producers and make them a manager. The competency of what a sales manager has is very different than that of a top producer," said Ms. Sherlock, who has been in the mortgage business for 20 years.

"A lot of companies reward producers by giving them a managerial title. That produces a ripple effect. By not having the right person in the sales manager job, it starts a sequence of hiring the wrong person, which translates into why the industry has such high turnover."

Ms. Sherlock said the mortgage industry is actually very “primitive” when it comes to hiring techniques. “We hire based on gut feelings, with no vision of what we are really trying to do. We don’t train managers or help them improve.

“I think the mortgage industry does a poor job as a whole, and then later, companies look for a quick fix,” she added. “They spend a lot of money on motivational speakers or as a correctional tool, rather than through a systematic approach. The numbers speak for themselves.”

In her analysis of the top 100 mortgage companies, the top sales managers were put through a series of interviews. Her research determined that the key position for any mortgage company is the sales manager. If a company has the proper person in place, it can resolve many of the other problems a business faces, Ms. Sherlock said. “My firm shows you the tools it takes to help make the right selection. At the end of the day, the industry has not really looked at the manager position at all. It tends to focus on producers.”

From the recruitment and training standpoint, titles don’t necessarily matter, she added. The sales manager is the person who is responsible for hiring sales officers, be it the branch manager, regional manager or anyone else on the front line. “The market has been very strong over the last 10 years. Now, you really have to have the right people in the right spot. In this business, you have to be a low cost producer,” she said.

Top producers often form habits early on in their careers, which help fuel success. They are high-energy optimistic people, according to the research, and their behavior is based on the need to achieve and persuade. “But a lot of the times, these top sales people lack the patience necessary to be a manager.”

Top sales managers have a much more difficult job as they are required to do more work, says Ms.

Sherlock. Day in and day out, they must lead by example and follow a successful sales model. “It’s a much more difficult job. They offer positive reinforcement and know how to get more out of other people. They have to be good at coaching and hire well. They spend their time being good at help behaviors.”

The hiring test developed by Ms. Sherlock determines not only personality characteristics but sales knowledge and personal motivators. Candidates complete a questionnaire survey of top sales professionals. Software scores the survey, and the results are produced on-site, immediately. Based on the report, QFS Consulting also provides companies with specific development suggestions for creating an action plan.

“It’s a powerful screening tool, so you are not wasting your time. And it’s all paperless. After the test is completed, you then have the green light to interview candidates and see if they match your company.

According to Ms. Sherlock, 25% of sales producers fail the test, and data show there is 50% turnover in the sales slot. She said 20% to 30% of the top sales people do essentially 78% of the business, 60% to 70% have average results and 20% are underperforming, she said.

“You can increase the number of high potential people,” added Ms. Sherlock. “It’s about putting a system in place, one that’s not a quick fix. The good news is fairly rapidly, you can become successful with it. It’s a long-term strategy to grow your business with a research based approach to doing it. The results will be much more permanent.”

*“Not having the right person in the sales manager job” can lead to a high turnover.
— Pat Sherlock, President, QFS Consulting*

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