



**Southwest Lending
& Collections Conference**

Consultative Lending

Don Arkell

CU Lending Advice



Who is this Guy?



The Good Old Days



....are no longer

85%



Are loan applications seen as opportunity or transactions?

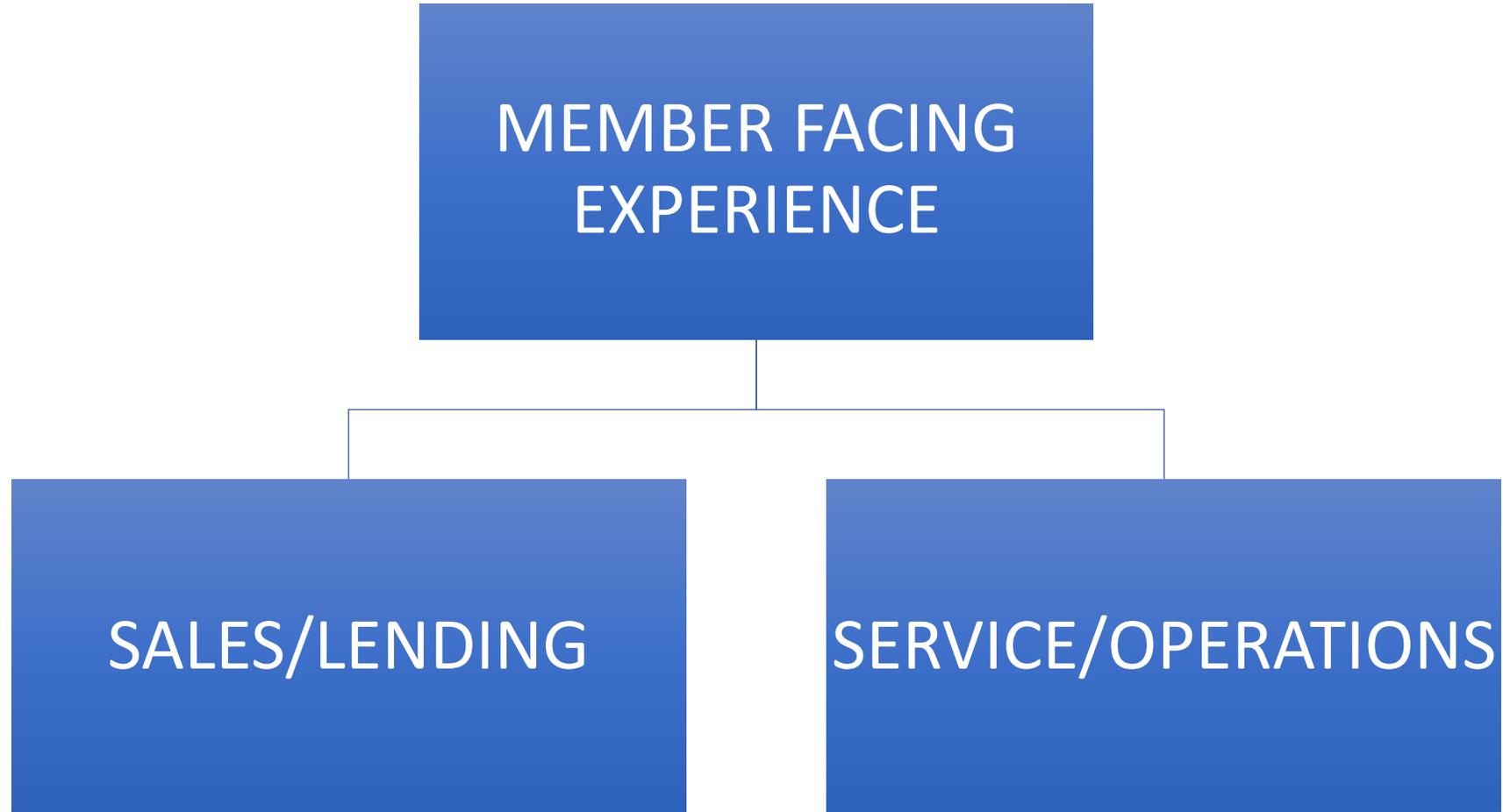
Walter



Sue



ORGANIZATIONAL DESIGN



Consultative Lending Steps



Make a Connection with the Member



Own the Issue



Build Confidence



Gain Commitment



Close with the Relationship In Mind

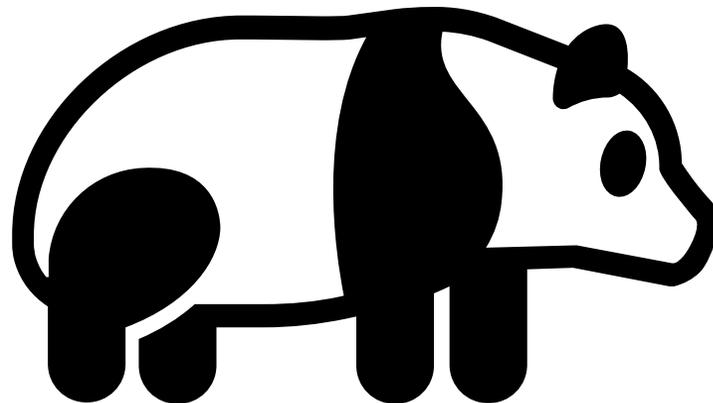
Making a Connection with the Member -The Greeting

Rarely is a relationship made in the first 30 seconds of the call, but plenty of relationships are lost....

1. You are a Trusted Advisor
2. People are calling you everyday to solve problems
3. NNVA
4. “Like you, we take your personal information security seriously.....”
5. “If you can fake the sincerity, the rest is easy.”

Making a Connection with the Member –Promoting Conversation

1. Avoid using “Why” at all costs.
2. Help me understand...
3. With your permission...
4. Tell the member what you are doing.... Inform the member what you are doing....



Making a Connection with the Member -



Tailor your Approach – Understand the Primary Issue of the Member



Your product knowledge doesn't guarantee the sale



“Nobody Cares How Much You Know, Until They Know How Much You Care!”



Your tone and words should express empathy



Match the pace of the Member

Own the Issue

When you taking a call– a sales opportunity or problem resolution, you need to communicate the following to member with **confidence**:

- You are working on the member's behalf to get this issue resolved
- You will communicate directly with them about the next steps needed
- You have set **timelines** that you are working within and will communicate with them if they change
- You will “Go to Bat” for the member when needed
- This will be the **simplest process that they have ever experienced**
- You are a credit union expert– a Trusted Advisor

Build Confidence

The member needs to know that someone “has their back” and a professional is personally handling their request. This is especially true for issues that come in online.

It is imperative that the member has confidence that this request isn't getting shoved into some black box somewhere. Trust me, your survey numbers will rise if the member has confidence in you!

Build Confidence

- PRONOUNS ARE IMPORTANT! – WE VS. THEY
- As a Contact Center Expert
 - Terms and Conditions of all the Products you Sell
 - Intimately familiar with the Software Systems – (especially OLB,Solutions By Text)
 - Competitor Offerings
 - Common Objections and Errors
 - The Fulfillment Process

Gain Commitment

Examples of Today commitments:

- Sending them an email with my contact information
- Additional Products and Services
- Downloading the Mobile application
- Accepting a Text Notification
- Referral to a different Loan Department (R/E, Commercial, 3rd Party Relationship)

Gain Commitment - The Doctor

Primum, Non Nocere – First, Do No Harm

1. How about we take a look at that?
2. While we're here, let's take a look at it?
3. Trusted Advisor
4. The second sale is the simpler sell



Close with the Relationship in Mind

Relationships are all that matter. Period.

- Thank them for the call. I don't care if this is the absolute "worst" call you've taken all week!
- Briefly review their issue or concern.
- "I want to make sure I have all the information XXX will need (Assuming you can't close the call)."
- Summarize the next steps, be clear and concise with firm timelines.
- The close of the call should match the pace and tone of the beginning of the call.



WHAT IS KEEPING
YOUR LENDERS
FROM AVERAGE
PERFORMANCE?

Setting Expectations for Production

	Funded Loans	Penetration	Applications Day
Average	\$1M/Month Consumer	30% CD/CL 40% GAP 10% MBI/Warranty	8-10 / Day
Exceptional	\$1.5M-\$3.0M	45% CD/CL 75% GAP 30% MBI/Warranty	15-20 / Day

Phone Sales Results- \$1B CU in Midwest

Product	Industry Average	2018 CU Average
GAP	40% Penetration	68.84%
Warranty	10% Penetration	33.63%
Debt Protection	30% Penetration	30%

AVERAGE MONTHLY LOAN VOLUME - \$1M/ REPRESENTATIVE

They sold 1270 Warranties and 2600 GAP

Like What
You Heard
Today?





Questions?

Owner

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