

# ACADEMY MORTGAGE'S PROGRAM

**A**cademy Mortgage Corporation, Salt Lake City, is a nationwide independent mortgage banker and retail lender originating in 43 states. In 2012, Academy generated \$4.7 billion in volume. It has 120 branches with 600 loan originators.

Following is an interview with Bill Bent, executive vice president, national sales manager for Academy Mortgage.

**Q: Why did Academy decide to roll out a rookie program?**

**A:** We decided that market conditions were such that it was difficult to recruit good originators who matched our culture. And industry originators are aging. We felt we needed to bring in younger people. In our view, the primary goal of the rookie program is to increase the number of future top and President Club-level producers.

**Q: Was it difficult for you to get corporate support for the rookie program? How did branch managers react to the program?**

**A:** Corporate was very positive with adding the rookie approach to our talent-acquisition goals. The branch managers had a mixed reaction—some were excited; others were against it because of prior experiences they had had with rookies. However, I would say most were very positive.

**Q: What approach did you use to roll out a rookie program?**

**A:** Originally, we wanted to recruit college graduates. We decided to start the program and not wait until later in the year when students are graduating. As a result, we decided to offer our local branches the opportunity to drive the program and let them hire and train rookie candidates. So, our approach was decentralized. We felt that this would be best for our system and, more importantly, for getting the program off the ground.

Regional managers decided which local branches would be permitted to have a rookie program. Corporate supported the rookie program by paying the training costs and any expenses that were part of the program.

The local managers recruited the participants, and it was mandatory that they follow our screening process—including pre-hire and character assessments. We also appointed a mentor to the rookies

from the branch; these individuals receive an override for their mentorship. Mentors were selected based on being good originators and having a high level of customer service in their business model.

**Q: What does Academy's rookie training look like?**

**A:** After the rookie has been hired, the rookie receives about 30 days of core training and then they are given more loan officer sales training over the next 30 days.

**Q: What has been the performance of the rookies?**

**A:** We actually started the rookie program in the first quarter of 2012. We have had 30 rookies participate in 2012. We had to let go about 17 percent. We have seen several become top producers already, so we are pleased with the results. We have found that it takes rookies on average four months to fund their first loan; the potential top producers can originate a loan within 60 days.

**Q: What would you recommend to a lender that wants to start a rookie program?**

**A:** The No. 1 issue is to get the hiring part right. Our managers have learned the hard way the value of having a validated pre-hire assessment such as QFS Sales Solutions'. When managers hired against what QFS' assessment had recommended, they learned that gut decisions are not effective. We have found that when we hired rookies that fell into the "avoid" category, their turnover was twice the rate of those who had passed the assessment.

Second, the importance of having a good mentor cannot be overstated. We found that the better the mentor, the better the results were for the rookie. Third, we have moved the SAFE Act [Secure and Fair Enforcement for Mortgage Licensing Act] test to earlier in the program. When we had it later in the training program, it didn't work because if the rookie can't pass the SAFE Act test, we have delayed the termination process.

**Q: What are your plans for the 2013 rookie program?**

**A:** We would like to centralize the training process at some point and ramp up the rookie hiring. We feel that bringing younger people into mortgage origination is a smart strategy.