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**You can use  
your computer  
or dial the  
number on the  
panel to listen**

How to ask a question





# Business Planning 2020

Another Year – More Change

Certified Mortgage Advisor™

**Dave Hershman**  
Founder OriginationPro  
Mortgage School

# Dave Hershman

- Produced almost 600 transactions in his first 18 months in the industry—including closing 60 in his 12th month
- Run sales forces for large production organizations
- Directed the sales force for Ellie Mae
- Published 7 books in the areas of finance, management, sales/marketing – plus 100's of articles.
- Director and founder of a federally-chartered bank
- Held national management conferences
- Been a keynote speaker at hundreds of industry events



**Senior VP of  
Sales,  
Weichert  
Financial  
Services**

# Our Goals Today

- Brief legislative/market update
- A glimpse at the future
- Main goal today is change:  
*It is about doing, not about just planning*
- Loan Term Goals – what is important
- Annual Goals -- evaluation
- Segmenting Goals – day-to-day
- Implementation Obstacles





# Industry Update

# News & Markets



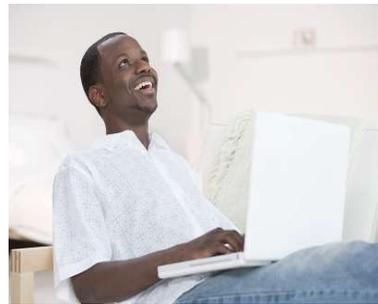
- Biggest news – unexpected lower interest rates.
- New conforming limits: \$510,400 base/\$765,600 high cost areas
- FHA limits: \$331,760 base/\$765,600 high cost
- VA has eliminated loan limits—awaiting rules (but also has raised the VA funding fee.
- FHA has issued spot condo rules.
- Coming soon—a Presidential Election Year



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# Welcome OriginationPro Marketing System Trial Members and OP Mortgage School Students

- ✓ Trial Members get full access our system for 14 Days
- ✓ We will not go over our system today because we have so much information to go over.
- ✓ New micro courses.



# Business Planning 2020

# Applicability

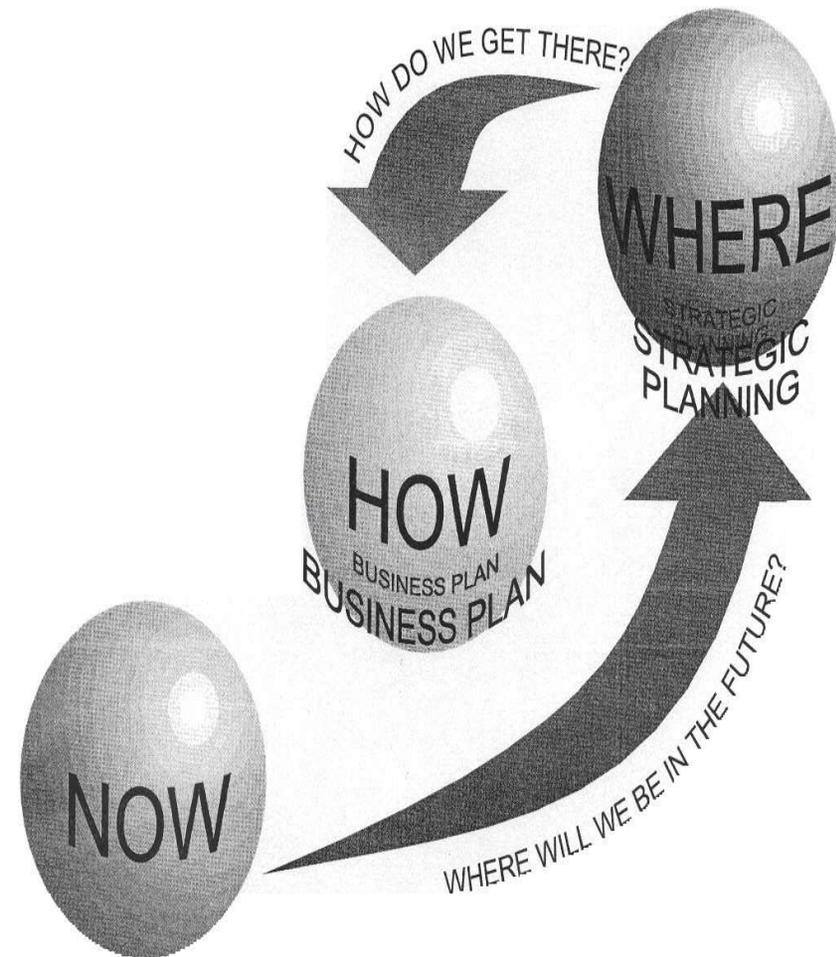
## This program applies to

Anyone in business: loan officers,  
Realtors, financial planners

*This is a program that is not about  
planning—but doing.*

*This exercise is not “sexy”—it is rolling  
your sleeves up and getting dirty—  
and is designed to make you think.*

*If you are looking for a short-cut—  
forget it. **You will not finish this  
exercise today. We are just starting.***



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# The Key To The Future

The Joint Center For Housing Studies of Harvard University projects 12.4 million additional households will be formed between 2018 and 2028, making this ten-year period one of the strongest in housing in U.S. history.

This housing demand surge will be driven by Hispanics, Asians and Millennials—and now Generation Z.

## Are You Ready?

# What Is It Going To Take...

## ...for you to succeed? Leadership!

- Confidence. Not only confidence for you—but confidence to lead others. We need leaders now—not skeptics.
- The ability to adapt to change—example, tax changes.
- You need to instill this positive attitude to your prospects.
- There are opportunities which are very unique today. But you can only take advantage if you have the plan.

# Goal Planning

## All About Goals. Today We Will Look At...

- Long-Term Goals: What is important.
- Medium Term Goals: Year-to-year, including evaluation of the previous year.
- Short Term Goals: What actions will lead you to your long-term goals? Segmentation of your plan.



# The Keys To Goal Planning

## To Be Successful...

- Need to be realistic
- Need to be significant
- Need to be finite or limited
- Need to be measurable, which means specific
- Need to be public—make a commitment!
- Implement immediately **BUT** one step at a time!  
Not used to planning? Try baby steps.





# The First Step—What is Important

# What Is Important

- Too many times we go into life worrying about the next check and ignore the big picture. We tend to completely ignore important areas of our life, especially when things get tough.
- For example, your health. Making money is not important if you are not healthy to enjoy it. This is not an “all—inclusive” list....
  - ✓ Exercise regularly
  - ✓ Stop drinking in excess
  - ✓ Stop smoking cigarettes
  - ✓ Get off the caffeine
  - ✓ See your doctor
- Boggles my mind, someone who spends hundreds of dollars per month on coffee, booze and/or cigarettes, but can't afford to fund their retirement plan or invest in their business or join a gym.



# What Is Important—Stress

- Stress kills and tougher times increase stress levels
  - In this day and age—we are always connected to work (crackberry syndrome). Is this what saving time is all about?
  - What do you do to lower stress?
  - Leisure activity (mine are.. golf, exercise, playing guitar—all badly; walks with my wife and movies)
  - Perhaps you need to spend 15 minutes each day decompressing ---without your cell phone!
- Spending time with your family
  - My wife and I have reached that age that older family members are going and younger ones (kids) don't need us anymore.
  - No one dies and says—I should have spent more time working.

# What Is Important—Finances

Moving towards financial security –everyone wants to make more money, but the key is what the money is for.

- Is your retirement plan funded?
- What about long-term needs such as college for kids, long-term care and life insurance?
- What interim steps do you need to take—for example, increasing your credit score and paying off debts?
- Do you have a will?
- Do you have a financial planner? So many “mortgage and real estate planners” do not have plans themselves—how can they lead others?

---

# What Is Important—Career

Is your career rewarding?

- Are you helping enough people achieve the American dream and/or helping people develop a career helping others?
- Are you where you want to be? Manager vs. leader. Realtor/LO vs. expert.
- Do you enjoy what you do? What would make it more enjoyable?

***Recognize the difference between short-term factors that are not making it enjoyable.***

***We do something really important in this industry!***

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# Our First Set of Objectives

- Back to the keys to goal planning
  - Need to be realistic
  - Need to be significant
  - Need to be finite or limited
  - Need to be measurable, which means specific
  - Need to be public—make a commitment!
  - Implement immediately **BUT** one step at a time!
- Your first goals based upon what is important?
  1. \_\_\_\_\_
  2. \_\_\_\_\_
  3. \_\_\_\_\_
  4. \_\_\_\_\_



**Note we have not said  
much about business  
yet.**



# Second Stage – The Evaluation Phase Leads to Mid-Range Goals

# The Evaluation Phase

- You can't change if you don't know what you are doing now and what is working and what is not. *Thus, we are still focused big picture.*
- Everyone is doing good things—enhance these
- Everyone is doing things that are not productive—minimize these
- List three most productive activities/relationships
  1. \_\_\_\_\_
  2. \_\_\_\_\_
  3. \_\_\_\_\_
- List three least productive activities/relationships
  1. \_\_\_\_\_
  2. \_\_\_\_\_
  3. \_\_\_\_\_
- How are you going to ***add/eliminate/enhance/minimize?***
- If you don't change what you are doing, you can't change your results--  
Guaranteed!

# Evaluation Phase— RESULTS

- What was your income goal last year? \_\_\_\_\_
- What did you actually make last year? \_\_\_\_\_
- If you achieved your goals—congratulations!
- If you did not achieve your goals-give three reasons why it did not happen (only one “external factor” is allowed)?
  - ✓ External factor (example—economy) \_\_\_\_\_
  - ✓ Event factor \_\_\_\_\_
  - ✓ Internal factor \_\_\_\_\_
- Now that you have gotten the “excuses” out of the way, if you had a “do-over” what would you have changed what **you did** about these factors in the past year? (a great hint about the future)
  - ✓ \_\_\_\_\_
  - ✓ \_\_\_\_\_
- This exercise will lead to your number of transactions and income goals for this year.

# Speaking of Yearly Goals

- Again, here you need to be specific.
- Not just your income and transactions.
- How many leads from each referral source?
- What will your conversion percentage be?
- What will your *fall-out* rate be?

Later we will discuss your business  
“segments”

# Yearly Goals

<u>Goal</u>	<u>Last Year</u>	<u>This Year</u>	<u>What do I need to do?</u>
Income	_____	_____	_____
Transactions	_____	_____	_____
Leads	_____	_____	_____
Conversion	_____	_____	_____
Fallout	_____	_____	_____

The planning form provides for ranges—low-medium and high



# Coaching

Remember that I will be answering questions at the end of the webinar



***ON ANY TOPIC***



Use the panel to submit a question.





# Third Stage: Getting Down to Specifics – Segmenting

# Goal Phase--Specifics

- After a “cursory” look at the previous year and the long-term goals—it is time to drill down to specific goals for the coming year...
- It is more than just “how much I am going to make” or “I will do this many transactions.” It is imperative that you know what is going to support the achievement of goals
- We need to divide these goals into segments to consider
- The sum of the achievement of these segments will greatly enhance our ability to achieve the medium-term goal of income earned this year.
  - ✓ **Long-term goals: what is important**
  - ✓ **Medium-term goals: what I am going to achieve this year**
  - ✓ **Short-term goals—what is going to help me achieve these medium-term goals. Specific actions that get us from A to B.**

# Segment 1—Mirror

<u>Characteristic</u>	<u>My rating</u>	<u>Rating goal</u>	<u>What I need to do</u>	
<b>Internal Honesty</b>	_____	_____	_____	<b>The most important sales tool is a mirror</b>
External Honesty	_____	_____	_____	
Attitude	_____	_____	_____	
<b>Opportunistic</b>	_____	_____	_____	<b>Step One: Alcoholics Anonymous</b>
Hard Work	_____	_____	_____	
<b>Communication</b>	_____	_____	_____	
Professionalism	_____	_____	_____	<b>The Exercise: Rate yourself on a “1 to 10” scale (10 being great)</b>
Knowledge	_____	_____	_____	
Organization	_____	_____	_____	
Call Reluctance	_____	_____	_____	
Planning Skills	_____	_____	_____	
Leadership Skills	_____	_____	_____	
Sales Skills	_____	_____	_____	
<b>Investment</b>	_____	_____	_____	<b>You can't do it all!</b>
<b>Follow-up</b>	_____	_____	_____	
<b>Sense of Urgency</b>	_____	_____	_____	

# Opportunity: The Transaction

Traditional Goal Planning—

“I will do this many transactions.” It should be—

“Each transaction will lead to this \_\_\_\_\_”

Don't miss the opportunity...

- To provide great customer service
- To remove stress from their lives
- To distinguish yourself from the competition
- To generate a lifetime of referrals by leveraging
- Each transaction has its own sphere—do you focus upon the big picture? For example, for a Realtor, a listing should be a lead machine!



# Investment—So Important

- There are three things you must invest in order to succeed—
  - Money
  - Time
  - Energy
- Consider yourself as a business owner.
- Imagine you are opening a retail store--
  - How much money would you invest? \$50,000? \$250,000? More?
  - How much time would you spend running the business? 50 hours? 60 hours? 80 hours per week?
  - How much energy?
- Think of your job as a business. What are you willing to invest?
  - Make sure you invest wisely!
- **Start by investing the time to take this planning exercise seriously.**



# Segment Services: Originator

Basic Services vs. Niches vs Diversification-- (pick one or two to focus upon)

<u>Basic--Mortgage</u>	<u>My rating</u>	<u>Rating goal</u>	<u>What do I need to do?</u>
<b>Purchase</b>	_____	_____	_____
<b>Refinance</b>	_____	_____	_____
FHA	_____	_____	_____
VA	_____	_____	_____
Jumbo	_____	_____	_____
Rehab	_____	_____	_____
Investor	_____	_____	_____
First Time Buyers	_____	_____	_____
Reverse Mort	_____	_____	_____
Credit Enhancement	_____	_____	_____
Rural Housing	_____	_____	_____
State Bond Issue	_____	_____	_____
Other	_____	_____	_____

**Remember  
the law of  
infinity**

# Segment Services: Agent

Basic Services vs. Niches vs. Diversification.

<u>Basic—Real Estate</u>	<u>My rating</u>	<u>Rating goal</u>	<u>What do I need to do?</u>
<b>Listings</b>	_____	_____	_____
<b>Purchase</b>	_____	_____	_____
First time buyers	_____	_____	_____
Investors	_____	_____	_____
Fixer-uppers	_____	_____	_____
Rentals	_____	_____	_____
Credit Enhancement	_____	_____	_____
FSBOs	_____	_____	_____
Foreclosures	_____	_____	_____
Short-sales	_____	_____	_____
Commercial	_____	_____	_____
Military	_____	_____	_____
Other	_____	_____	_____

**Remember  
the law of  
infinity**

# Segment Business Sources

You need to assess where your business is coming from---(*approximately*)

<u>Business Source</u>	<u>% of Income</u>	<u>Goal</u>	<u>What do I need to do?</u>
Sphere Referrals	_____	_____	_____
<b>B-to-B Referrals</b>	_____	_____	_____
Gen. Marketing	_____	_____	_____
Cold Calling	_____	_____	_____

Three Top Referral Sources—**Get Specific**—What can you do to enhance?

_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Three Referral Sources **to Add or Strengthen**

_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

**Remember  
the law of  
infinity**

# Segmenting Actions

You will not improve business without improving your marketing  
Three to five marketing actions you now take on a regular basis--

<u>Actions</u>	<u>% of Income</u>	<u>Goal</u>	<u>What do I need to do?</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Be specific— for example, what do you send out, how often and to how many within your sphere? Actions included phone calls, mailings, seminars, articles, etc.

Actions to eliminate or add (do not be unrealistic here)

_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

**Remember  
the law of  
infinity**



# Implementation is the Key

# Goal Phase—Implementation

- It is one thing to set goals and quite another to implement them.
- Each goal needs an implementation plan
- With that plan you need to be specific---where, when, how, how often
- You must be realistic
  - You can't have too many things to implement at once
  - Remember, that you must implement one step at a time
- Put the plan in writing – **planning form**
- Announce the plan—make sure everyone knows your plan.
  - Psychological **commitment** is important
- Implement immediately! Even if ten minutes per day

**If you don't spend a day doing this at the end/beginning of the year, what are the chances that your**

***RESULTS* will change?**

# Example: Sphere Marketing

## *Execute a sphere marketing plan—Referrals Are King!*

This should be the basis of all marketing plans and every action. This is your most precious resource—it is actually a compendium of your life. Marketing without this actually is like boxing with one hand behind your back.

- Backwards: Migration of present database and recapturing what you lost.

- Perhaps you need to add email addresses—what a perfect reason to call! Two calls per day is 500 per year. Think that will add production?
- Identify parts of your present sphere you are missing

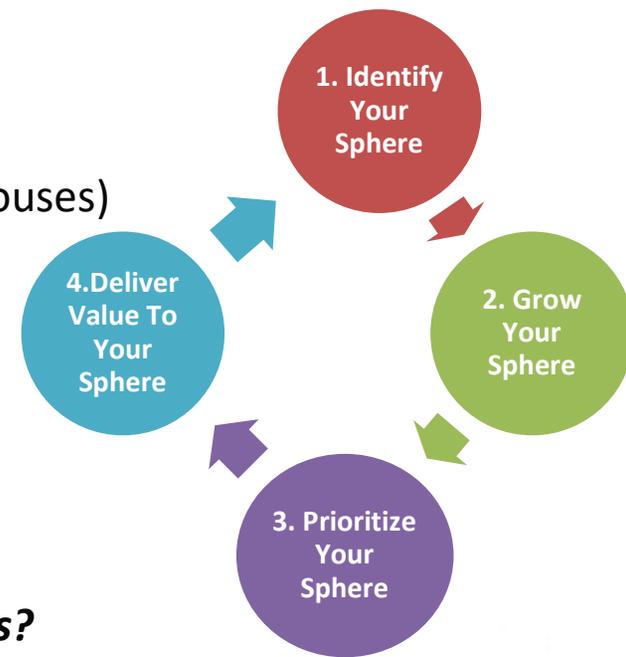
- Forward: Expansion of present database

- Actions to grow sphere (networking meetings, seminars, open houses)

- Prioritize and deliver value—from lunches to newsletters

- One step at a time rule—everyday commitment

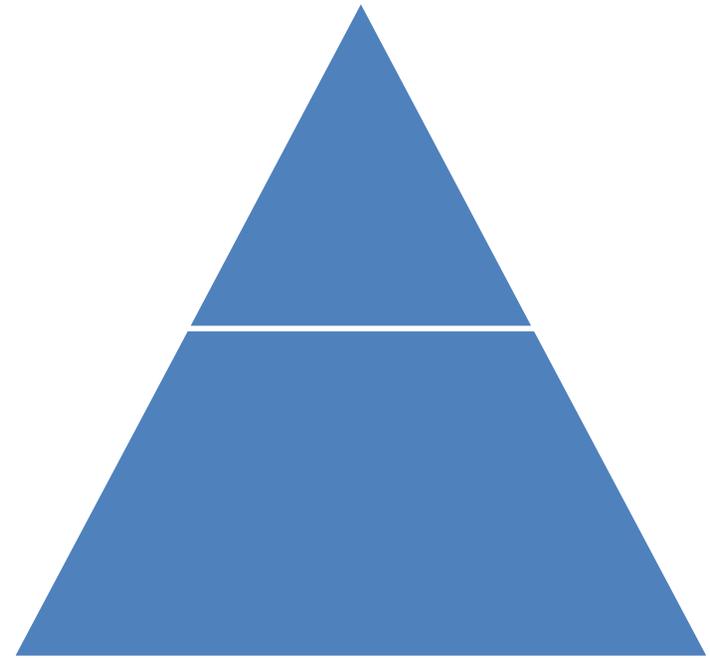
- Goal is to add 5 per day (say 3 going back & 2 moving forward).
- 1200 more by the end of the year
- 6,000 more by the end of five years
- 12,000 in ten years. ***How many do you now have after ten years?***
- What would that do to your results?



# Identify Your Sphere

## Categories Lead To Segmentation

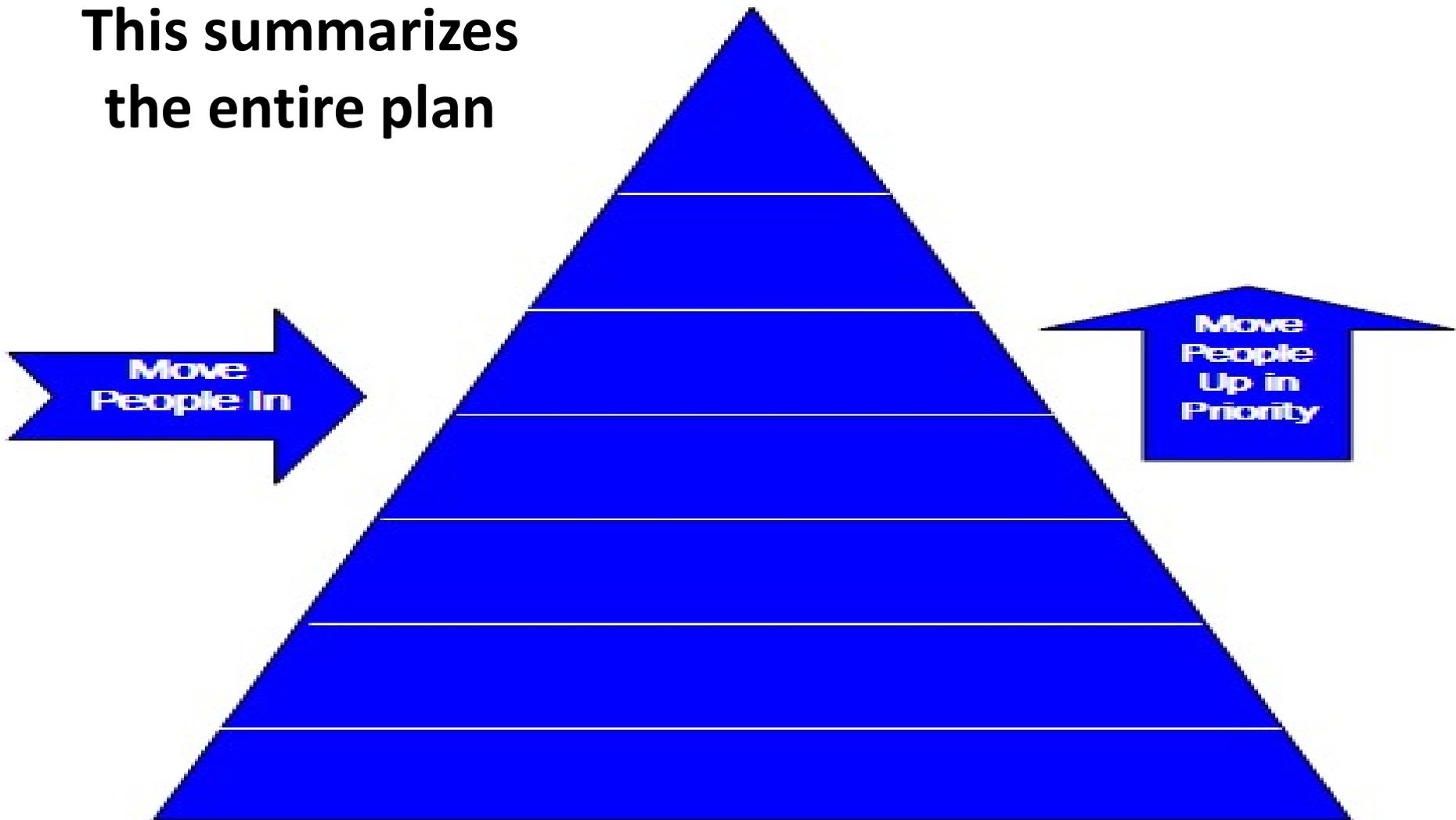
- Personal Sphere- Friends, Family & Neighbors
- Present & Previous Customers
- Previous Prospects
- Associations
- Vendors
- Coworkers
- Professionals
- Top Referral Sources



*Some contacts exist in more than one category.*

# The Pyramid

This summarizes  
the entire plan



# Implementation Obstacles

*I just get pulled into the fires every day. How can I implement the plan?*

- This is the biggest challenge you will face—how to focus.
- A few keys..
  - We are drilling “down” to a daily plan with action goals for every day. You must have a daily list—do it every night before you go to sleep or every morning before you go into the office. Make adjustments the next day if you don’t get things done—not next week or month. Daily adjustments.
  - Do a little every day to accomplish a lot. Again, step-by-step.
  - Be strong enough to say the word “no.” The day-to-day fires are louder—but are they more important?
  - Delegate. What are you doing that you should not be doing? Are you typing into your database or writing newsletters? Are you personally doing credit repair? You should be talking to prospects/ building your sphere.
  - How about teaming up with a “buddy”
  - Make it fun. Have a contest. Reward yourself.
  - Use Synergy: Relationship with a builder—what about those who will buy elsewhere? Low-hanging-fruit!

# Putting It All Together\*

## *Summary of Goals—Add/Enhance/Eliminate/Minimize*

- What is important...the goal \_\_\_\_\_  
\_\_\_\_\_
- Present activities: what do I need to a/e/e/m? \_\_\_\_\_  
\_\_\_\_\_
- Mirror phase—what do you need to change? \_\_\_\_\_  
\_\_\_\_\_
- Services—what do I need to a/e/e/m? \_\_\_\_\_  
\_\_\_\_\_
- Business sources—what do I need to a/e/e/m? \_\_\_\_\_  
\_\_\_\_\_
- Actions—what do I need to a/e/e/m? \_\_\_\_\_  
\_\_\_\_\_
- Implementation obstacles—what do I need to overcome? \_\_\_\_\_  
\_\_\_\_\_

**\*Again, goal sheet will be available**



# Summary

# The Question

Are you  
Ready to make a difference  
in 2020?



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