

BUILDING AN EFFICIENT

Workplace

With brokerage Home Loan Experts experiencing rapid growth and increasing workloads, greater efficiency had become essential. Director **Otto Dargan** explains how the business achieved it while remaining sane

A LACK of clients walking through the door was never a problem for Home Loan Experts. Based just 15km from Parramatta's CBD, the company is always busy.

"It was clear to everyone that if we wanted to grow – and keep our sanity – then we needed to improve our efficiency," director Otto Dargan says.

Mr Dargan was forced to reassess both the company's new and its old business channels.

"We looked at our sources of business and worked out which types of customers we wanted to do more business with and which were wasting our time," he says.

"Secondly, we looked at the way we were spending our time and worked out which tasks were slowing us down."

This allowed the company to pinpoint areas that were chewing up large amounts of staff time.

"Since taking a step back and assessing our business, we were able to amend our marketing activities to focus more on the sources that gave us the best possible results," Mr Dargan says.

"We identified First Home Owner Grant (FHOG) applications and the settlement of loans with one particular lender that were giving us headaches."

SEEKING OUTSIDE ADVICE

Before implementing any changes, Mr Dargan decided to seek the help of his peers, picked up a few books and even took a closer look at his local McDonalds restaurant.

"I'm a strong believer in implementing systems in a business that ensure everything is done the right way every time, no matter who picks up the file," he says.

"McDonalds is a great example of how a large, complex business can deliver a consistent product, even though each franchise is effectively run by teenagers.

"The biggest help has been speaking to experts in our

industry – such as other brokers who have faced these challenges before – my lender BDMs and my aggregator.”

This opened the door to several simple but effective strategies.

“For example, when we take on new staff, we ask them to read *The E-Myth* by Michael Gerber,” Mr Dargan says.

“This teaches them the importance of having good systems in place and then they help us to build better systems rather than trying to do things their own way.”

Mr Dargan was also able to identify several training programs which he has since incorporated into his business.

“CBA, in particular, has been very helpful with improving our business as their PD days are very informative, which helps improve the training and quality of our support staff,” he says.

IMPLEMENTING CHANGE

One area in which Home Loan Experts has improved its operations is time management.

“We limit BDM meetings to 30 minutes, customers come to our office whenever possible and we have one of our support staff go out to pick up lunch for the brokers,” Mr Dargan explains.

The team was also experiencing problems with processing FHOG applications, mainly due to requirements introduced by one lender, which was adding to time required to complete the job.

“We now report the submission and settlement results on a whiteboard in our office,

which highlights particular process improvements, such as our FHOG error rate,” Mr Dargan says.

“We have already seen a reduction in the rework of FHOG applications which has made everything much smoother at settlement.”

Home Loan Experts has also introduced fees for customers who do not complete a loan or who lie on the application.

“We don’t charge these fees very often; they are more of a deterrent,” Mr Dargan says.

“We’ve managed to rid ourselves of those customers who aren’t going to deal with us honestly, and we’ve since seen a 20 per cent increase in our settlements.”

A MORE EFFICIENT FUTURE

Even though a business might have improved its processes and become more efficient, in a competitive environment there is no room for complacency.

“In finance, change should be an ongoing process not a destination,” says Mr Dargan, who has introduced a continuous development program that includes quarterly staff meetings and an annual review.

“When I hired my first admin assistant four years ago, I asked her to create a training manual as I trained her, and later to create an operations manual outlining how each

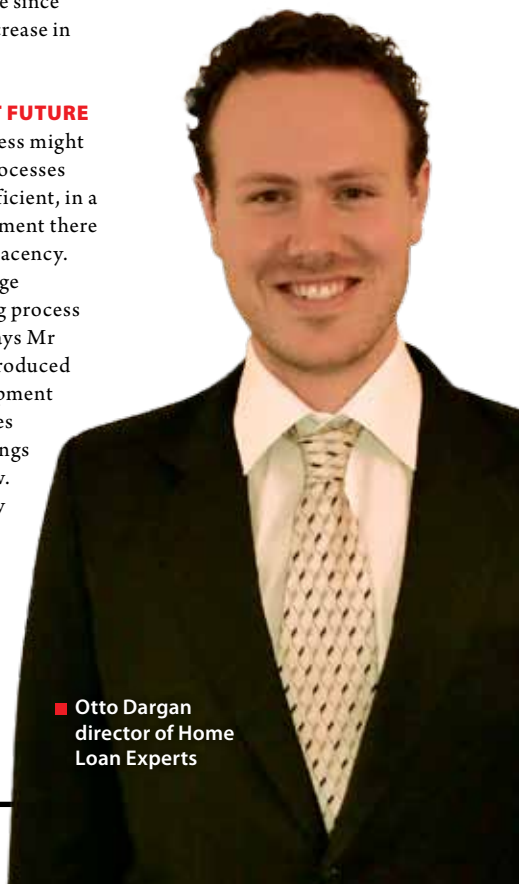
task is to be completed,” Mr Dargan says.

Home Loan Experts has also sought the help of an external business coach, whom they plan to bring on board in the near future.

“We are looking at engaging CBA’s Kaizen process improvement team,” Mr Dargan says.

“This will be a much more involved process, with a full week of staff assessments and business efficiencies, followed by the implementation of several new strategies aimed at improving the way all staff members operate.”

As an extra touch, Mr Dargan is developing a customer survey. ■



■ Otto Dargan
director of Home
Loan Experts