

## Experiences with Model Match

### Recruiting as a Business Driver — A Leader's Perspective



#### CASE STUDY

#### PURPOSE

The purpose of this case study is to illustrate the decision of Caliber Home Loans – TPO (CHL) to implement the Model Match platform to support an Organic Growth Strategy and Account Executive Recruiting.

#### BACKGROUND

CHL is a national, large-sized, mortgage banker with multiple delivery channels. After several years in business as two separate entities – Caliber Funding and Vericrest Financial – Caliber Home Loans merged in 2013.

One important component to their overall strategy was the continued organic growth of production by hiring and retaining the top Account Executives across the country. As corporate production and revenues rose steadily from the combined entities, efficiencies were created that provided an opportunity to strategically identify open market share/volume opportunities. The challenge came when their network of relationships became exhausted and that is when they began looking outside for more talent.

#### GOALS

**CHL wanted to increase production and revenues and improve overall profitability.**

#### STORY

After years of investing in infrastructure while maintaining and marginally growing production, CHL made the corporate decision to pursue Organic Growth of producers as a strategy to incrementally add production and profitability. As Phil Shoemaker, EVP of CHL-TPO put it:

“ *We had done what we had to do to respond to the compliance changes that came into the industry over the last few years. We gave our people and our firm a solid foundation. But it came at a steep price in terms of focus on growing production.* ”

In late 2015 as the executive leadership team met to plan initiatives for 2016, the decision was made to grow net headcount by 50% in the 2016 calendar year, as well as increase the minimum volume standard of producers being hired. As Phil Shoemaker explains, sometimes seeing the right path is the easy part.

“ *We knew as a leadership team that adding Model Match producers was the way to improve our volume from both an increase in retaining the talent we do hire as well as increase the starting volume of our new hires. In addition, we knew how much we could grow to maximize our returns based on our operational infrastructure. What we realized however was that we didn't know how to add this many people over such a relatively short period of time. We were mortgage bankers, not recruiters.* ”

CHL managers were familiar with and had spoken in the past with representatives of Hammerhouse, one of the mortgage industry's leading production recruiting firms. Hammerhouse was preparing to launch their recruiting management system Model Match which appeared to be the perfect solution for CHL. As **Phil Shoemaker** put it:

“ We had heard wonderful things about Hammerhouse but had convinced ourselves over the years that we didn't have the expertise necessary to pull off a sustained recruiting effort. When Drew Waterhouse, Managing Partner at Hammerhouse told us that their principles were the backbone of a new web-based tool to facilitate sales recruiting, we felt the timing was perfect. ”

Having a tool to help manage the process was one thing, but knowing how to recruit successfully was quite another. CHL leaders wanted to teach their managers how to recruit and wanted it to become ingrained in their culture. **Phil Shoemaker** put it this way:

“ We needed to go to school. We are very good at originating, underwriting, and buying loans but frankly we had only been marginally successful at recruiting producers. Model Match comes with exactly what we needed—Model Match University— which takes our people through the fundamentals of mortgage sales recruiting and then demonstrates how the easy-to-use web tool puts both basic and advanced techniques into practice. Kind of like combining the Art and Science of recruiting. ”

## RESULTS

After six months of utilizing Model Match, the results for CHL have been very impressive. **CHL has successfully recruited 16 new loan officers since putting their team through Model Match University and implementing the Model Match tool.**

**Jim Jones** explains:

“ We got off to a fast start since we implemented the Model Match system. We are ahead of pace which is great, but most importantly, **the quality of our producers previous average book of business increased over 30%. In addition, the new hire adoption to our platform lead to a decrease in ramp time of up to 50%. The icing on the cake is that their post hire production at full run rate has grown by 17-33%. Moreover, from what we can see so far there is an increase in the retained efforts of our top producers. The overall “match” across the six core principles of model matching is what is truly impressive. ”**

## CONCLUSION

CHL is leveraging Model Match to realize its corporate goal of increasing their net headcount, growing volume and enhancing profitability over a 12 month period. As **Phil** sees it:

“ **Model Match has put us firmly on the road to reach our business goals. We are a people business that needed the expertise and tools provided by Model Match to manage a sustained effort to bring more good people—more of the right “model matched” people—aboard. We are doing that and volume, revenues and profitability are on a record-setting pace. ”**

MODEL  MATCH  
SUPERCHARGING GROWTH & RETENTION

## MODEL MATCH CUSTOMERS ENJOY

Better than  
**35%**  
increase in  
total volume

Over  
**25%**  
increase of average  
production volume

More than  
**50%**  
increase in  
ramp time

Higher than  
**35%**  
increase in  
retention