

EXSell

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AMERIQUEST[®]
MORTGAGE COMPANY



Case Study

Ameriquest Corporation Client Success Story

LMS X.5, Online Learning Path, and Incognito 2.0 Implementation

■ THE COMPANY

Ameriquest Mortgage Company, a leading residential lender in the United States consisting of over 12,000 employees and over 1,000 retail branches across the country, chose EXSell to deliver a custom learning management solution in response to a large class-action lawsuit filed against the lender.

Early in 2006, Ameriquest was facing a considerable challenge: The company was handed a class-action lawsuit of great magnitude for predatory lending practices. United States Attorney General provided the company with a listing of required changes to be made to the business model, central to which were detailed requirements for ensuring that each and every customer-facing employee acted in compliance with state and federal regulations at all times. This case study details the custom learning management solution that EXSell developed in order to fully meet the terms of this settlement.

For more information, please
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■ Settlement Overview

The majority of the terms of the settlement revolved around disclosure, or the full explanation of loan terms to customers in plain English. Many customers in multiple states had alleged that they were not disclosed the terms of the adjustable rate loan which they had signed, and were experiencing financial difficulty once the interest rate of the loan adjusted and the payment became significantly higher. The company was tasked with verifying that they had fully disclosed loan terms to customers and ensuring that the customer was aware of the financial impacts of the particular loan chosen. The company also needed to verify that loan officers were competent in correcting customer misperceptions of the qualification process and home appraisal process.



All I have to say is wow! I am very impressed. I knew that it would be sharp, but this is amazing! There is a lot of really good information on here that new LOO's are not getting right now. I think this really puts us ahead of other competitors in the industry. We have always been known for good training, but this is a whole different league. I think that this allows them to feel like they are a part of something bigger than just their branch. - Area Manager



■ Challenges with Existing Training

EXSell began building the ideal solution by working with the client to gain a better understanding of the current training environment. EXSell discovered several existing challenges that would prevent the client from ensuring that their work force was at all times compliant.

The company offered one core week-long in-class training program for new loan officers. The time and cost associated with having new hires and trainers travel to hotels to attend training made this model a very expensive endeavor. With multiple trainers in multiple locations conducting training each month, it was difficult if not impossible to guarantee the consistency of the message. In addition, the company was receiving a less-than-favorable return on investment due to the low learner retention typically associated with classroom-based training. Research indicates that learners retain only 17% of course content within 3 weeks of having attended a course. In addition, no method existed to keep branch managers connected with training content. This meant that even if learners received the correct messages in training, they could return to the branch and “unlearn” the correct process if coached by the manager, who had not attended the class. Furthermore, the company was relying on a network of consultants to provide supplemental training. At EXSell's suggestion, the company conducted a legal audit of these training materials, and the attorneys discovered that the messages being sent were contrary to the terms of the settlement and were in need of immediate correction. Lastly, the company did not currently track the results of their training efforts beyond sign-in sheets, so mastery of training was not assessed and no follow-up was performed after the initial week of training. Clearly, the company needed assistance in aligning its training function to help the organization through this time.

■ Proposed Solution

EXSell collected and presented its findings to the client. Their recommendations included:

Construction of a 20-module online learning path for loan officers complete with intensive tracking and assessment

The benefit: The company was able to streamline the new hire training process from 5 days plus travel to 20 hours in the branch without travel. With above industry-average turnover, the company was able to realize significant cost savings as they did not need to continue to hold multiple training sessions across the country to indoctrinate new employees. They also mandated that existing employees take the training to comply with new policies. By offering online learning with full voiceover and tracked assessments, the company could literally guarantee that each and every employee had been given the same exact message.

Launch of EXSell's LMS X.5 Learning Management System to house the online training

The benefit: Through LMS X.5, the company was able to verify that each customer-facing employee had been educated about new company policies and procedures BEFORE they interfaced with any customers. LMS X.5 was integrated with the company's lead management system so this could be verified prior to allowing loan officers to access any customer data. Because loan officer compliance was a critically important piece of the Multi-State Agreement, the company set the mastery rate for assessments at 100% so that each and every loan officer was required to review and master every element of the curriculum. With this standard in place, the company could rest assured that they had a "bulletproof" training system in place that guaranteed compliance of loan officers.

■ Proposed Solution

Design of a unique online university to share tips, updates, best practices, and success stories

The benefit: As previously stated, the company provided jobs for 12,000 employees with over 1,000 retail branches across the country. Each office held approximately 7–15 employees. The setup of the company's operational infrastructure caused employees to feel somewhat isolated and also caused managers to take ongoing development into their own hands, which contributed to compliance issues. Providing a central location for news, best practices, updates, tips, and success stories helped to create a single learning culture and essentially eliminate rogue training efforts

Integration of EXSell's Incognito 2.0 High Security Edition to covertly screen loan officers and evaluation performance

The benefit: By implementing Incognito 2.0 High Security Edition as a follow-up to training, the company could guarantee that the loan officers who received training were modeling the new behaviors in actual on-the-job performance. By covertly screening all employees, the company created a verifiable paper trail to submit to regulatory agencies to prove that loan officers were doing the right thing in their actions and words. When loan officers performed at a less-than-satisfactory level of performance or violated state and federal regulations in any way, the high security component of Incognito 2.0 was activated and LMS X.5 actually barred the loan officer from receiving any customer leads until the issue was resolved. Pursuing covert screening in this manner fully met the terms of the settlement.

■ The Curriculum

EXSell incorporated their “Read It, Hear It, See It = Learn It” courseware design standard to bring the company's loan officer curriculum alive:

1. Your New Company
2. Your New Career
3. Ethics in Lending
4. Mortgage Policies
5. Compliance and Information Security
6. Understanding Credit
7. Understanding Income
8. Understanding Property
9. The Basic Application Process: Completing the 1003
10. The Advanced Application Process: Relationship Building
11. Refinance Loan Product Overview
12. Navigating Your Loan Origination System
13. Outbound Selling Skills
14. Developing Loan Proposals
15. Closing a Loan
16. Inbound Selling Skills
17. Home Purchase Product Overview
18. Home Purchase Market Overview
19. The Home Purchase Loan Closing Process
20. Home Purchase Players

■ The Implimentation

Due to the time-sensitive nature of the settlement terms, the company needed to select a vendor that could offer a custom learning management solution in a rapid time frame. Many learning management solution providers could not meet the required implementation time frame, which was a key reason why EXSell was awarded the project.

EXSell worked with the client to deploy LMS X.5 and the first 4 modules of the 20-module curriculum in 90 days. The additional 16 modules were rolled out within 5 months. The Incognito 2.0 High Security Edition was integrated and launched in 60 days within those 5 months, bringing the total time to implement LMS X.5, Incognito 2.0, and supporting courseware to 6 months.

In terms of cost, the company was able to save approximately \$10 million per year on its annual training budget, and another \$10 million per year in reduced procedural errors as a result of proper training. Learners, managers, and training staff alike responded positively to the solution and appreciated this form of training and development.

To find out more about how EXSell can deliver a custom solution for your organization, please call 888-977-1628 or visit us on the web at www.exsell.com.

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