

Goal scorer

Despite stiff competition, Frontrunner Consulting Group took home an AMA for Best Industry Service this year. *MPA* catches up with the company's founder, Doug Mathlin



If Doug Mathlin does his job well, his clients end up leaving him.

The head of Frontrunner Consulting Group has been helping brokers reach their goals ever since he opened his doors in May 2004. And while he has a handful of clients who still use his services for guidance, he recognises that it's healthy for many to eventually fly solo.

"I think turnover is quite healthy when it comes to coaching. We don't want to kid ourselves that someone who signs up for a coaching program is going to be with us forever. To be a successful coach, you have to allow things to come to an end. We want them to reach their goals."

Mathlin's company specialises in business coaching for the mortgage industry. His background is in adult education, corporate communications and marketing. But Mathlin got his first taste of the mortgage industry in 1995, when he joined Aussie Home Loans as their national training manager. Aussie had

about 200 brokers when he started there, but was on the path toward massive expansion. By the time Mathlin left three years later, its numbers had swelled to 1,000.

Mathlin says Aussie was a great place to develop his network, because so many high-profile brokers started out there.

At Aussie, Mathlin helped expand the instruction for brokers from a two-day program to a week, and trained close to 2,000 brokers on their way through.

"Aussie was a fantastic learning ground for me too," he adds.

After three years, Mathlin left for a career at BT Funds Management, which he says was not the best career progression move.

He hit the milestone of 30 and decided life was too short to be unsatisfied with his career.

So he joined forces with a couple of former Aussie colleagues – Anne-Marie Syme (founder of FAST) and Dave Agena (international mortgage consultant) – to start his own business. The three

toyed with a number of names, but they settled on 'Frontrunner' as it reflected their client base: big corporate clients and top brokers.

At the time, consultants in the mortgage broking space were few and far between. But Mathlin says Frontrunner differentiated itself from its competition by focusing on boardroom consultancy rather than advising clients who were on the big stage. They also chose to tailor their services to the mortgage industry.

"When we started out we wanted to be very specific and just work in the mortgage industry. We wanted people to choose us because we were specialists."

The problem for many brokers is that they have to spend valuable time explaining the basics of mortgage broking to coaches. But when it comes to Frontrunners, no time is wasted.

"Normal business planning templates don't fit with mortgage broking very well. We know a lot about what mortgage brokers have to go through," Mathlin says.

The depth of knowledge within the Frontrunner organisation also sets it apart. Between them, the three founders have a century of experience. This was utilised to shape the company's coaching programs.

The trio parted ways amicably 18 months ago because of distance issue (Syme is in Perth and Agena is in the US), but Mathlin counts himself lucky to have had the opportunity to learn from such prominent industry personalities.

And the hole wasn't vacant for long. Former CEO of the National Brokers Group, Graham Bennett, joined the company more than a year and a half ago to lend his 40-plus years of experience to the consulting group.

GFC

Mathlin has been steering the company through the GFC, which has affected his mortgage broking business as much as any one else's.

Tighter spending budgets have meant several of his corporate clients have reined in their coaching and PD expenditures, and the pool of brokers looking for coaches has gotten smaller.

"We've survived and I think we've come out of it now and are looking quite healthy. But it was tough to find corporates and brokers with discretionary income, particularly as the GFC coincided with commission cuts."

Mathlin has recently seen an uptick in the number of brokers who are looking to climb to a new level.

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Doug Mathlin reveals the biggest mistake made by established brokers. Visit Brokernews.com.au/MPA to watch the video

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Things you should know: This information is current as at October 2009.
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"I will definitely use what I have learnt to analyse and scope my business. This will assist me to be even more confident and capable interacting with clients." Andrew Wright, Smartline, NSW.



Most brokers come to Frontrunner with a volume-based goal. The consultants then help them achieve it by breaking it down into the steps they need to take.

For instance, a broker (located in Manly, NSW) recently came to Mathlin looking to raise his yearly settlements to \$36m. His average loan size was about \$500k, so that meant he had to make \$3m a month in six settlements, or 1.5 loans per week.

The broker, who Mathlin considers to be an astute businessman, probably needed to have 10 appointments a month to achieve 1.5 loans per week. And to get 10 appointments, he needed about 15–20 leads.

“So you break it down like that. And most people can see that it’s really achievable.”

But the problem with this equation is no one really wants to work 12 months a year. So if you consider that a second goal of the broker is to take two months vacation, then the numbers need to be readjusted.

“One of the reasons brokers get into the business is to meet some financial goals, but for most businesses we’ve worked with it’s easy to write down a number and forget about it,” he says.

Mathlin says he likes to steer brokers away from a volume-based goal and turn it into a transaction goal. That way, if a broker gets a \$1.5m loan from a customer they don’t take their foot off the gas because they feel like they’re halfway to achieving their volume goal for the month.

“When they get a big settlement it can create laziness. They think I don’t need to do anything this month. So it’s a good way to keep people motivated. If they meet their transaction goal, their volume goal looks after itself.”

Frontrunner Consulting Group doesn’t offer remedial help for failing brokers. Instead, it targets brokers who have hit a plateau but feel they can do even better.

“We’d love to help newbies, but the people we coach are people who most others would consider

to be brokers that don’t need coaching. Many are in the *MPA* Top 100. That said, even top producers say ‘I can do better’. But there is a cost involved, and for newbies every dollar counts. It’s a discretionary spend that people are generally reluctant to do at first.”

Frontrunner Consulting Group offers a standard program which is open-ended, and a three-month ‘Performance Boost’ course that is basically an introduction to coaching.

Mathlin says the Performance Boost covers six modules aimed to help brokers kick the GFC blues and costs about a quarter of the annual program.

He describes it as “a bit like going to a personal trainer in the lead-up to a big event.”

Mathlin says that he suspects most brokers are doing the same things they’ve been doing since they started in the business and really haven’t evolved. Getting coaching is a good way to advance from there, he says.

“That’s what we do as coaches: we give them the good, back and the ugly – but in a nice way!”

Words of advice

Mathlin has a lot of tips to share with brokers. But one free bit of advice for brokers would be ‘don’t get complacent’.

When brokers start doing well, they tend to ignore customers who they think are ‘kicking their tires’.

“The problem with that is that once you fob someone off, they’re going to hang up the phone and say well ‘he gave me absolutely no value’. But someone else is going to look like a hero to them.”

Mathlin advises people to try and harness the enthusiasm and behaviour they had when they first started.

“Your referral rate per client in your first 20 clients will be a lot higher than the referral rate for your last 20 clients,” he says.

The trick is to look at exceeding those customers’ needs, rather than just meeting them. The rest will fall into place. **MPA**

new year’s resolutions

December is the perfect time of year to look at what you’ve achieved to date and what your goals are for the upcoming year.

Frontrunner Consulting Group’s director Doug Mathlin suggests that brokers review their KPIs and operational results for the calendar/financial year to date by tallying the number of the following for each month:

- leads and sources
- appointments
- applications
- approvals
- settlements
- client reviews
- referrals from clients