



Challenges Make Leaders

Market conditions are tough to say the very least, but with the right approach you can still succeed.

We've seen a lot of industry consolidation. Maybe you have fewer competitors. And we all know that you're the best at what you do, or so everyone tells me when they're talking about their own business or product. Now is not the time to tout past success, now is the time to show that you're a market leader of the future.

How do you do that. I was reading an article called "How to Excel at Anything" by Jeff Haden that had some pointers. He started by asking: "Have you hit a performance wall? You're good. You could be better. Consider a skill you've developed: Business, sports, personal, anything. At first you were terrible. Terrible is a great place to start because improving on terrible is easy. With a little practice you turned terrible into mediocre. And you had fun, because improvement is fun. Then with a lot more practice—practice that started to be a little less fun—you got even better. Now you're good. Maybe you're even really good.

"But you're not great," he continued. "And somewhere along the way you stopped improving, stopped having fun, and started to think you weren't capable of being great. Why did you stop improving and stop having fun? Hitting the wall wasn't due to a lack of effort, or willpower, or even talent. You stopped improving because of the way you applied your effort and willpower."

What does he mean by this? Let me give you an example: say you've developed reasonable proficiency at a physical skill. Take golf. At first, every swing of the club felt awkward, but you gradually found a

groove. You started to think less. You quit thinking about your hips. You quit thinking about the height of your back swing. You quit thinking about what your wrists do in your follow-through.

You started thinking less because your skills became more automatic. In some ways that's a great sign: Automatic means you internalized a skill. But automatic is also a bad sign. Anything you do automatically, without thinking, is really hard to adjust. To get better you must find ways to force yourself to adapt and modify what you already do well.

As I talk to industry insiders they say they feel a degree of uncertainty. Why? A lot of my colleagues automatically start talking about current news like the power of the CFPB, for example. In fact, the biggest headline in our industry recently has been the president installing Richard Cordray as head of the country's new consumer financial watchdog, the CFPB. Industry experts expect that Cordray's appointment will have far-reaching consequences even if those consequences are not felt this year.

Reuters reported that some analysts said Cordray's appointment may not have an immediate impact on the lending industry. They said much of the bureau's time over the next year, whether Cordray was in the director's chair or not, would be spent building up its operations. "I don't think this changes much at the CFPB because the agency is going to be overwhelmed in 2012 with Dodd-Frank rulemakings and setting up and strengthening its bank supervision program," said Jaret Seiberg, policy analyst at Guggenheim Securities.

Cordray's appointment will, however, allow the bureau to begin focusing on lenders outside

The way I see it, our industry has been thrown a **few curve balls** and more are coming, but that doesn't mean we're destined **to strike out**.

Learn from **every mistake**. Adapt and modify your techniques so you **constantly improve**.

the banking industry. Under the Dodd-Frank law, without a director in place the CFPB can supervise banks but it cannot regulate the “shadow banking” industry such as payday lenders and certain student loan providers.

The way I see it, our industry has been thrown a few curve balls and more are coming, but that doesn’t mean we’re destined to strike out. In fact, I think you can still get that game-winning homerun. How? You need to be agile enough to use market changes to your advantage. The greatest leaders emerge from adversity.

In the article that I referenced earlier by Jeff Haden, he provides four ways to force yourself to adapt—and in the process rediscover the joy of improving. He advises:

Go fast. Force yourself to perform a task more quickly. You’ll make mistakes; probably lots of them. Don’t get frustrated. The more mistakes you make the better, because the best way to learn is from making mistakes. If a product demo usually takes 10 minutes, fly through it in five. (As a practice run, of course.) You’ll break free from some old habits, adapt to the faster speed, and find ways to make a good presentation even better.

Go slow. Take your time. Take too much time. Swinging a golf club in slow motion allows you to feel muscles working that you normally don’t notice. Taking more time to run through your sales pitch will uncover opportunities to highlight additional customer benefits. Going slower is a great way to notice habits that have become automatic—and to examine each one of them critically.

Go piece by piece. Every complex task is made up of a series of steps. Pick a step and focus solely on that step. Break a sales call into component pieces; first focus on perfecting your opening. No customer is the same, so develop modifications you can instantly apply to different scenarios. Deconstruct each step, master that step, and move on to the next one. When you put all the pieces back together your skills will be markedly improved.

March to a different drum. We all settle on ways to measure our performance; typically we choose a method that lets us feel

good about our performance. So pick a different measurement. If you normally measure accuracy, measure speed instead. If you normally measure leads generated, measure conversions instead. Use video. Ask a colleague to critique your performance. Your customers, your vendors, and your employees all measure your performance differently than you do. View yourself from their perspective and you’ll easily find areas for improvement.

Think this process won’t help you excel? Consider this passage from Andre Agassi’s autobiography:

“Every ball I send across the net joins the thousands that already cover the court. Not hundreds. Thousands. They roll toward me in perpetual waves. I have no room to turn, to step, to pivot. I can’t move without stepping on a ball...

Every third ball... hits a ball already on the ground, causing a crazy sideways hop. I adjust at the last second, catch the ball early, and hit it smartly across the net. I know this is no ordinary reflex. I know there are few children in the world who could have seen that ball, let alone hit it...

My father says that if I hit 2,500 balls each day, I’ll hit 17,500 balls each week, and at the end of one year I’ll have hit nearly one million balls. He believes in math. Numbers, he says, don’t lie. A child who hits one million balls each year will be unbeatable.”

According to Haden, when you try to do your best every time, every mistake you make is obvious, even if only to you. Learn from every mistake. Adapt and modify your techniques so you constantly improve. Because when you keep improving you keep having fun—and all the focused effort you put in will once again feel worth it.

Think about it this way: what was in fashion a few years ago is not today. Trends change. In our industry there has been a huge shift away from client-server technology in favor of Software as a Service. Why? Lenders want to be more flexible, control cost and remain competitive. As market demands change, technology has to be ready, which means that technology vendors themselves have to be ready. Tomorrow’s leaders are those that stay one step ahead of what’s happening today. ❖

Michael Hammond is chief strategy officer at PROGRESS in Lending Association and the founder and president of NexLevel Advisors. NexLevel provides solutions in business development, strategic selling, marketing, public relations and social media. He can be reached at mhammond@nexleveladvisors.com.