

## Loan Officer

### Introduction

I would like to be a banker in a global international bank. A banker is a person working within a bank who has the responsibility to establish and maintain positive customer relationships with customers plan and deliver sales strategies effectively and monitor the progress of both new and the existing financial products for that particular banking institution. Banking has many various fields including a bank teller, a loan, credit or mortgage officer, bank manager and bank officer. The role I would be interested in is that of loan officer. A loan officer has the responsibility of helping individuals and companies apply, appraise and acquire financing from the bank. Loan officers are specialized to deal with three loan types: consumer, commercial and mortgage loans. Consumer loans are for individuals who require small loans for example loan for personal development, education or acquire vehicles. Commercial loans are loans taken by either small or large businesses for start-ups, boosting current business or venturing into another field. Mortgage loans are loans given for purposes of buying or construction purposes both for individuals and businesses.

your words?

source?

### Requirements and Education

To become a loan officer, certain requirements must be met. In order to work as a loan officer, one requires a bachelor's degree in finance, economics or any other related field (~~Education Portal~~). However, some smaller banks would hire individuals with high school diplomas by providing on job training. Individuals with prospects of becoming loan officers need to go through several training programs besides their bachelor's degree in finance. One such program is the Mortgage Loan Officer Certificate. A mortgage loan officer is one who brokers mortgage loans to both individuals and companies. A mortgage loan officer needs to be trained on how they will manage the process of intake, preparation of financial documents and how to read and analyze rate sheets. In the program, they learn federal regulations on consumer rights, lending on equal opportunity and predatory lending. Commercial loan officers only require a bachelor's in finance where they acquire skills on negotiating and presentation of financial packages for the benefit of both the bank and the individual. Mortgage loan officers unlike commercial loan officers have to be certified. Some institutions do background checks for their prospective loan officers and they have to pass a drug test. Individuals with prior or outstanding criminal offences cannot work as loan officers.

(How to become?)

good info  
source?

### Experience

TRANSITION

Bankers who have worked as tellers find it easy to transit into loan officers since they have had time to work for the bank and learn its operations. Prospective loan officers with no work experience at all but have educational requirements find it difficult to jump into the shoes of a loan officer in a bank for which they have no clues on its operations and its financial regulations. Therefore, several banks have introduced trainee programs where fresh graduates are inducted into the bank operations over a specified period before they take up other roles. Most banks offer training for the inexperienced loan officers which is usually 2 to 4 weeks. During this training, they acquire skills on how to advice clients, gauge a clients credit worth and close the deal.

SOURCE?

### Responsibilities

A loan officer is responsible for:

- Sourcing potential individuals and companies that need loans;
- Persuade these potential individuals and companies to apply for loans from their banks;
- Assist clients apply for loans;
- Determine the credit worthiness of clients
- Analyze and verify the applications placed by clients.

SOURCE?

### Skills

In order for a qualified individual to become a loan officer certain skills are required and these are:

- A loan officer needs to be an active listener who gives complete attention to clients when they talk, understanding points being put forward, asking appropriate questions and being keen not to keep interrupting clients.
- A loan officer needs to a critical thinker who uses logic rather than emotion in identification of positive and negative sides of different solutions.
- A loan officer needs to be a confident individual able to bring new business to the bank through socializing and having the ability to persuade people to apply for loans.
- A loan officer needs to an active learner. They need to understand the importance of new information as pertains to clients and federal financial regulations.
- A loan officer needs to be a good system analyst able to learn how a system is working and determine how change in internal and external factors will affect outcomes of both the bank and the clients.

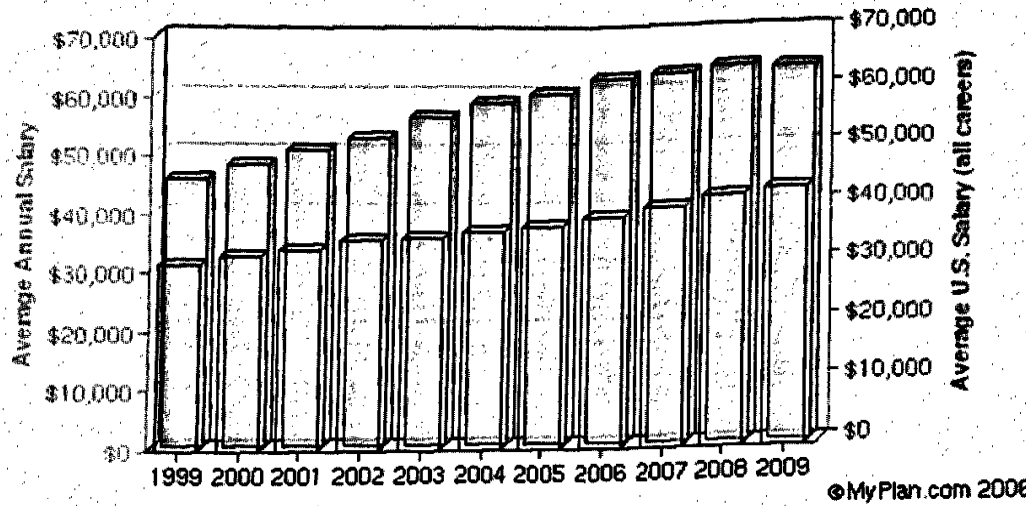
SOURCE?

### Salaries

Loan officers are usually paid on commission depending on the loans they place while some banks offer a base salary in addition to commissions. Loan officers at small banks make between \$30,000 and \$60,000 while successful loan officers in big banks can earn up to \$80,000. In 2008 there were about 328,000 loan officers (US Department of Labor). Loan officers on commission usually earn more than those that are salaried though commissioned loan officers will have to work longer hours to place more loans. Some banks pay bonuses on the basis of sales targets met or exceeded. These bonuses are offered to promote more production and reward high performers (ehow). Below is a graph for loan officers' salaries compared with average annual salaries for all careers between 1999 and 2009.

"Loan officers"

("What is a")



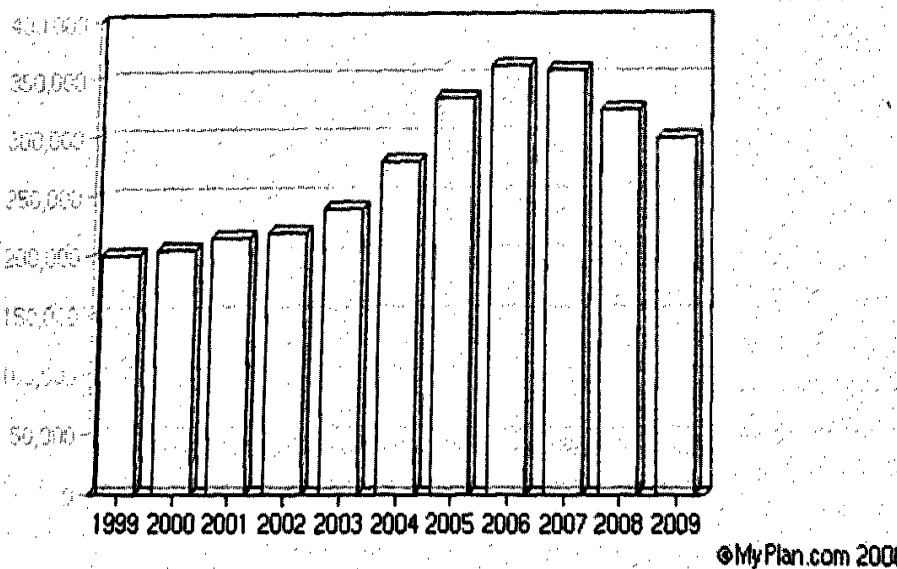
**Benefits**

Loan officers on commission receive commission for every loan they place meaning the more the loans, the higher the commissions. Salaried loan officers receive benefits such as sick leave, health insurance and vacations paid for by the bank.

*source?*  
*un developed*

**Drawbacks**

Commissioned loan officers suffer a lot when there's an economic recession and fewer people are willing to take loans. They are required to work longer hours to earn the same as their salaried counterparts. The following chart shows how employment levels dipped at the onslaught of the global recession.



## Conclusion

Becoming a loan officer is a job that requires one to be a critical thinker and pay attention to even the least of details. The more social and persuasive one is, the more loans they are able to place. Becoming a commissioned loan officer means working harder but no limits to the amount of money one can earn. A loan officer on salary is immune to economic recession and they are guaranteed of an income all year long.

<b>SUMMARY</b>	
<b>Quick Facts: Loan Officers</b>	
2010 Median Pay	\$56,490 per year \$27.16 per hour
Entry-Level Education	High school diploma or equivalent
Work Experience in a Related Occupation	None
On-the-job Training	Moderate-term on-the-job training
Number of Jobs, 2010	289,400
Job Outlook, 2010-20	14% (About as fast as average)
Employment Change, 2010-20	41,000

Source?

## Works Cited:

Alex Johnson. *Loan Officer Training*. Lulu.com, 2007.

ehow. *What Is a Mortgage Loan Officer Commission?* Web 27<sup>th</sup> March 2013  
<http://www.ehow.com/info-7757337-mortgage-loan-officer-commission.html>

Educational Portal. *How to Become a Loan Officer: Education and Career Roadmap* Web 27<sup>th</sup> March 2013  
[http://educationportal.com/articles/How to Become a Loan Officer Education and Career Roadmap.html](http://educationportal.com/articles/How-to-Become-a-Loan-Officer-Education-and-Career-Roadmap.html)

Bureau of Labor Statistics, U.S. Department of Labor, Occupational Outlook Handbook, 2008-09 Edition, *Loan Officers*, Web 27<sup>th</sup> March 2013 <http://www.bls.gov/oco/ocos018.htm>

Interview

not quite

## Appendix

The interviewee was McGuire Malone, a Mortgage Loans Officer at 5/3 Bank. The jovial and articulate gentleman, happens to be my father, who worked in this field for 23 years.

Malone studied in St Peter Chanel High School and later in Edinboro University in Pennsylvania. Also, has work experience with Comsys, US Bank, NA, Isaganix and Key Bank in various roles mostly dealing with the mortgage business before joining 5/3 Bank. He has worked for over a decade in the industry. He says he has derived satisfaction from assisting persons acquire financing for their first home, purchasing vacation homes, investing in real estate and refinancing to assist in improving cash flows.

good! But not in the report?  
don't forget to  
write him a  
"professional"  
Thank you note!  
(Thank you note!)  
←

**Effectiveness of the topic.** The topic is clear, focused, and specific. It is sustained consistently throughout the essay.

Superior			Strong			Average			Weak	
A	A-	B+	<b>B</b>	B-	C+	C	C-	D+	D	D-

**Response to the assignment.** Report addresses the topic set forth in the assignment and addresses all aspects of the writing task. Has at least one interview as a source and three secondary sources.

Superior			Strong			Average			Weak	
A	A-	B+	B	B-	C+	C	C-	D+	D	<b>D-</b>

*no evidence of interview*

**Support.** Report is fully and convincingly developed, supported with good reasons, explanations, and examples.

Superior			Strong			Average			Weak	
A	A-	B+	B	B-	C+	C	C-	D+	D	<b>D-</b>

*missing citations*

**Organization.** The report is well structured and its form contributes to its purpose. Paragraphs are well organized and carefully linked to the thesis. The graphic is supportive not decorative.

Superior			Strong			Average			Weak	
A	A-	B+	<b>B</b>	B-	C+	C	C-	D+	D	D-

**Style.** The sentence-structure, word-choice, fluency, and tone of the paper enhance its effectiveness and reinforce its purpose.

Superior			Strong			Average			Weak	
A	A-	B+	B	<b>B-</b>	C+	C	C-	D+	D	D-

**Grammar and mechanics.** The essay is correct in terms of its syntax, grammar, spelling, punctuation, and correct use of MLA style, including correct citations and a Works Cited page.

Superior			Strong			Average			Weak	
A	A-	B+	<b>B</b>	B-	C+	C	C-	D+	D	D-

**Comments:**

*You have done some good research, but you have not cited all your sources, and there is no evidence of your interview. This is also very undeveloped without the graphics, pages 2/4*