

Ancillary Services Don't Have to be a Hazard on the Road to Riches — *Systems can pave that road*

By Bob Corcoran

Hazards litter the road to real estate riches. And today, a new and especially deceptive hazard exist, adding ancillary services -- mortgages, title insurance, settlements and the like -- too quickly.

Don't misunderstand. All these services are important and closings can't happen without them. And they're proven revenue streams that can put you into the HOV lane -- laughing all the way to the bank. And it's great that NAR is recommending you give the services a closer look and perhaps offer them alongside your real estate services.

But before you open your one-stop shop, make sure your real estate business is firmly established. If it's not, you can end up careening off the road and into one deep ditch.

Read this next sentence carefully: Adding ancillary services to your real estate business too quickly is one of the worst career mistakes you can make. You can easily go from working 50 hours a week to 70 or 80. And

misery will follow. I've seen it time and time again in my consulting practice. When people lose focus in their business, it can be as ugly as a 10-car pile up. You can't serve two masters.

But here's the good news: you can add these services to your real estate business with less effort and with fewer hours at work if -- and this is a vital if -- you put the right systems into place.

Systems can put your entire business on autopilot to prevent costly employee mistakes and to give you more time for a life outside real estate.

Here are five steps you can start taking today for a smoother running business:

1. Step back from the daily bustle and take a fresh look at your business and pinpoint what's not working. Be honest (it often helps to get feedback from a third party for this task).

2. Create a picture of what you want your business to look like in one year, three years and five years. To be in a position to add ancillary services, you need to identify precisely where you want your real estate business to be in terms of income, personnel and your time commitments.

3. Write a business plan that puts service to your clients as priority number one and one that includes systems. You create systems by diagramming every function within your business. Write down tasks, required results, process steps (workflow), who's responsible, deadlines, needed resources and standards of performance. When you finish the plan, you'll have detailed checklists for every part of your business so that everyone knows exactly what has to be done. (And when you add a new hire, you'll be amazed at how quickly and easily these checklists help get them up to speed.)

4. Get employee buy-in and train them. REALTORS® aren't people managers -- you sell real estate (and other services if you choose to). People are unpredictable and managing them can be a monstrous task. But with systems, written job descriptions and your detailed checklists, you give people fool-proof jobs they can follow easily. Systems let people manage themselves. And tell your employees regularly where you are heading and how you -- with their help and dedication -- are going to get there.

5. Monitor and implement improvements. I've found in working with REALTORS®, it usually takes about 90 days to implement a systems approach. And they usually start seeing efficiencies and dramatic increases in their revenues (and decreases in their time worked) within six months.

It's an exciting venture to ponder. And it's an exciting time in real estate where new and profitable possibilities dot the landscape. Possibilities that will allow you to build the kind business you want as you drive along your own personal road to riches. Best of luck to you!

Bob Corcoran is founder and president of Monarch Beach, California-based Corcoran Consulting Inc., (www.CorcoranCoaching.com). You can reach him at 1-800-957-8353 or via e-mail at Info@CorcoranCoaching.com.