



Back to the future: Preparing for '06 housing market
Guest perspective: A glance back at 2005 can make 2006 more profitable

By Bob Corcoran

Here's what I want you to know: History can be an extraordinary teacher.

The philosopher George Santayana, in 1906, wrote, "Those who cannot remember the past are condemned to repeat it." And today, almost exactly 100 years later, those words hold just as much truth as they did then – especially for Realtors working to grow their business.

Yes, 2006 is breathing down our necks. And it can be tempting to move ahead and start planning to make next year a good one. But I promise you a glance in the rearview mirror at 2005 can help you build an exceptionally helpful map before you step on the gas and head into 2006.

That look back can sharpen your focus and give you a much clearer picture of what you need to work on to make 2006 more productive and profitable – and maybe even a year for the record books!

Here are some important points you should consider to make 2006 a truly Happy New Year:

Know your numbers. Know exactly how much money you made in 2005 -- net, not gross; you need to know how much money you spent to make the amount you netted. Examine your expenses carefully, because guess where each dollar you save in expenses ends up? In your pocket! And avoid the mom-and-pop approach to accounting. Get professional software that can keep accurate financial records. (I've found Quickbooks to be easy to learn and use.) Also, look at how many houses you sold in 2005 and the average sales price of those homes. Is that a number you feel comfortable with? If not, look to increase it for 2006.

Inspect your sources of business. Look at each marketing channel closely. Which are working and which are lagging? How's your sphere of influence? Are you staying in touch with your past clients or sphere of influence as much as you should be? How are your farming efforts? Your prospecting? How do they all compare to 2004? Was there improvement from 2004 to 2005 in your channels? Focus on the areas you want to refine.

Examine your daily activities. Lack of time management can land you in the poor house fast. Without planned activities, you're adrift. How much drifting did you do in 2005? Make a promise to spend 30 minutes a day working *on* your business, not *in* your business. What's the difference? Working in your business means your daily activities -- helping buyers and sellers or looking over your active listings. Working on your business means you're planning and giving attention to what makes your business work: developing your marketing calendar, reviewing your profit and loss statements and examining the direction of your business.

Feel free to copy my "[Daily Activity Record](http://www.CorcoranCoaching.com/inman_index.html)" (www.CorcoranCoaching.com/inman_index.html) to ensure that you'll spend your time wisely in 2006.



Enlist the help of others. Who was helping you achieve your goals in 2005? One common mistake I see is Realtors planning by themselves. That means no accountability and no consequences. Get a group of advisors who can help you plan for 2006 and who can hold you accountable for your goals.

Remember balance. Think back over the last 11 months and ask yourself this question: Did I have a healthy balance between work and my personal life? I've seen it often, Realtors putting work before family. It can lead (and usually does) to divorce, distractions and distress. People claim they can leave their personal problems at home, but they can't. They end up thinking about them and it affects their work. Create an ideal weekly schedule and set (and most importantly, keep) hours of operations. I put a lot of emphasis on balance when I work with Realtors and it's one of the most rewarding parts of my job.

Now pull out your calendar and pick a day in December to plan 2006. Then check out "[Ten Ways to Get a Jump on 2006](#)," an article written specifically for Realtors that's filled with practical tips you can use in your planning session. Also available is an outline, "The Essentials of a Business Plan," that shares 10 vital components of an effective plan.

And remember the wise words someone once said: "It pays to plan ahead, it wasn't raining when Noah built the ark."

Now get busy -- and best of luck to you in 2006!

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