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Go for a perfect 10

So many managers run their brokerages like the top salespeople they typically are," says Bob Corcoran, president of Corcoran Consulting and Coaching in Monarch Beach, Calif. "They've got great people skills, but they need to learn to implement the kinds of process improvements that can make their operations run smoothly and cost-effectively."

Corcoran and Alan Bigelow, CRB, GRI, southwest region trainer of Coldwell Banker Residential Brokerage in Orland Park, Ill., and president of the Illinois Real Estate Academy, a management consulting company, believe process improvements are the key to moving brokerage operations from solid performance to something closer to a perfect 10. Here are three methods they recommend.

1. Be master of your time.

Nothing reduces your productivity as a manager more than distractions that take you away from core tasks. But isn't management without distractions a pipe dream?

Bigelow believes distractions can be handled like any other daily management task: They should have a place on your schedule—a time that you designate to deal with them. He calls the practice "time blocking."

When you keep to a schedule, your associates know when they can come to you to have their issues addressed. "Instead of having associates coming in while you're, say, trying to write your business plan, you have a scheduled time for drop-ins," says Bigelow. Of course, if there's an emergency—say an associate's been hurt or a legal issue has arisen—no schedule is so fixed that it can't be broken.

When making your schedule, block out your family time first, Bigelow suggests. That means starting and ending work at a reasonable time each day. "People in our business get so busy that often something has to give, and many times it's family life. That's not good," he says.

After family time, block out time for your professional duties—if you're on the board of the chamber of commerce or your local association of REALTORS®, for instance, make time for those meetings—then block out your business development activities, such as sales coaching and one-on-one meetings with associates.

A typical schedule might look like this:

- **8 a.m.–10 a.m.** *Paperwork and drop-in meetings.* This is the time to keep your door open and welcome the inevitable "Got a minute?" interruptions.
- **10 a.m.–1 p.m.** *Off-site meetings.* Use this time to maintain your company's visibility and stature through your board positions at the chamber of commerce and other groups.
- **1 p.m.–3 p.m.** *Paperwork, return phone calls.*
- **3 p.m.–4 p.m.** *Coach sales associates.*
- **4 p.m.–5 p.m.** *Organize your desk; plan the next day's schedule.*
- **5 p.m.** *Family time.*

Time blocking is a productivity booster for sales associates, too, but you can't expect them to adopt

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the practice unless you lead by example. "If you don't show that you see value in it, why would you ask others to do it?" says Bigelow.

2. Recruit quality not quantity.

Few things are more time-consuming than recruiting and training associates. Yet many managers habitually affiliate weak recruits who don't make it beyond 18 months, says Corcoran.

It's far better to implement what Corcoran calls "onboarding," a three-part process in which you dispense with trying to meet a recruiting quota and instead pare candidates carefully, train them thoroughly, and coach them for long-term success.

■ *Pare down candidates.* First, look for people with sales experience, because the learning curve for sales success is steep. If they aren't experienced, administer a standardized psychological test like the DISC (Dominance, Influence, Submissiveness, Compliance) to see if they have the "dominant" or "influencer" profiles that tend to do well in sales, rather than the "submissive" or "compliant" profiles that are more conducive to support staff.

There are several other psychological tests, such as Myers-Briggs, but Corcoran says he likes DISC because it's cost effective—$15–$25 per test compared with up to $150 per test for others, he says. (For DISC information, search by "disc profiles" in Google.)

■ *Train affiliates.* Associates' first 30 days should be heavily scripted, Corcoran believes, because whether they make it in your office beyond their first 18 months depends in part on what happens in that first month. The first week should be a thorough orientation—where to get their key, how to use the copy machine—and grounding in good work habits, primarily developing a weekly schedule that includes setting achievable prospecting goals and helping them connect to their sphere of influence to jump-start their business.

"So many licensees get into this business to be an independent contractor and to come and go as they please," Corcoran says. "The first month's orientation should instill the disciplined work habits they need to succeed."

■ *Coach for growth.* It doesn't take long for sales associates who aren't lifelong learners to fall behind their colleagues. At a minimum you want to provide ongoing training in technology, local rules and procedural changes, and sales techniques

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with scripted dialogues. You should also pair successful veterans with newbies for coaching. The veteran receives a small piece of the newbie's commissions and the newbie gets a valuable model for success.

Many managers typically apply pieces of this onboarding process. But Corcoran believes when you do all three consistently, you'll best stem the tide of 18-month turnovers.

3. Redefine management.

Time was, brokerage managers oversaw individual sales associates, not teams. Up until the early 1990s, when sales associates' business grew too big for them, they typically struck out on their own, hiring staff and maybe taking a few other associates with them, says Bigelow.

These days, though, sales associates with expanding business are just as likely to form a team and stay with the company rather than open their own brokerage and then have to absorb new costs and start assuming liability for others.

Having a top performer stay in your office and build a team can be good for your business, but managers are often caught flat-footed by the drastically altered management landscape it creates. So, you must write a new job description for yourself, one that incorporates the unique issues that arise from managing teams. A few of these issues:

- Do you make valuable desk space available to a team's support staff or do you reserve it for commission-generating licensees? Bigelow suggests limiting desks to associates. In his office, he's created shared general work space for support staff.
- How do you allocate responsibility for team members whose actions can leave the company legally vulnerable? Team leaders oversee the day-to-day actions of their members, but ultimately, the broker bears responsibility for the team. It's up to you to make sure team members understand the rules. For example, a team hosting two open houses on one day must be able to provide at each one a licensee representing the seller; an unlicensed assistant can't be the host—otherwise it's an agency violation.
- How do you recognize performance when some associates are assisted by a team? Bigelow holds two separate awards programs, one for individuals and one for teams.
- Where do you set your trigger for performance-based commission split hikes? It might need to be different for team

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leaders than for individual associates, because teams use more resources, making them more costly to maintain. When a team earns gross commission income equivalent to what it costs Bigelow in overhead to give the team office space plus 20 percent above that, the lead associate is boosted to a more favorable commission split. By contrast, the trigger might be lower for an individual with no team.

The Council of Real Estate Brokerage Managers (*www.crb.com*), an NAR affiliate, is developing a guide for managing teams that will address these types of issues. It's expected to be available later this year.

But you don't need to wait to begin making process improvements. The improvements outlined here give you three good strategies for reaching a perfect 10. RM

Set process priorities

Your company couldn't survive without processes to manage your daily operations. But are your processes evolving along with your business? If you set up your lead-management system before the days of the Internet, for example, it's time to take a fresh look at your system. Some ideas:

- **Lead management.** Define the quality of your leads as either A or B. A's are ready to buy; B's are just looking but could become A's six to 12 months down the road. Start with a system that makes sure these leads get to sales associates and that associates act on them. A log is a good way to do that. Support staff should log assigned leads, and associates should report their follow-up on the log before they leave the office for the day. From there the leads might go down different tracks—an A or B track, with B track leads going to support staff until they ripen into A's.
- **Productivity accountability.** With a solid contact and follow-up procedure in place, you can generate helpful reports for associates. Glenda Williamson, ABR®, CRS®, broker-owner of Glenda Williamson Realty in Decatur, Ill., has a listing manager enter the log into a database to generate weekly productivity reports. Associates say the historical picture of what they've done over the week is eye-opening and has boosted their productivity, because they can see where they need to beef up and where they're spending too much time. Says Williamson: "It keeps associates on task."
- **Diversity management.** Your market is becoming increasingly diverse. Are you systematically capitalizing on that? Translate your marketing materials into Spanish or whatever other language is spoken widely in your area, and affiliate bilingual associates. "It's just a loss of business from non-English speakers if you don't have appropriate representation in your communications" and sales force, says Alan Bigelow, CRB, GRI, sales manager of Coldwell Banker Residential Brokerage in Orland Park, Ill.
- **Internet marketing.** If you're increasing your Internet marketing while maintaining ad spending levels for newspapers and other traditional media, you're hurting your bottom line, Bigelow says. Most buyers now start their search online, so migrate your ad dollars from print to interactive; otherwise you might be spending double what you need to and severely hurting your earnings before interest and taxes (EBIT), he says.