

TIME TO MAKE MORE MONEY

AGENT BUSINESS PLAN



Creating Your Business Plan

In order to achieve balance, high performance people set goals in ALL areas of their lives:

- Family
- Career
- Social
- Physical
- Financial

So, decide what is important to you and choose what kind of commitment you're willing to make to yourself, your family and to your business.

It is important that you write down your goals. There is a famous Harvard University study that followed a graduating class over a period of 20 years. In that study, researchers found that only 2% of a Harvard class wrote down on paper the goals they hoped to accomplish in their lives. Those students who had clearly defined written goals amassed more wealth than the remaining 98% combined!

The way to eliminate the “peaks and valleys” in income in much of the real estate business is to create a written plan.

Here are the steps to help you create your Business Plan:

- Calculate income wanted
- Include business expenses
- Analyze the number of prospects needed
- Develop a marketing plan
- Schedule yourself for success
- Evaluate effectiveness

Once you have created the plan, you'll want to develop ways to implement your plan. Some agents develop a plan and never look at it from year to year, and then wonder why they haven't reached their goals.

There is a famous quote, “insanity is doing the same thing over and over again and expecting different results.” To change the results, you'll need to change habits. **The most important habit to change to be successful in real estate, is to learn to love to prospect. If you don't prospect, you won't have any business.**

Determine Your Financial Goals

Once you have calculated the number of prospects you need as part of your business plan, you will be provided with some great “painless prospecting” tips to help you accomplish your financial goals. (The following page has a simple spreadsheet to help you analyze your business expenses to add to your totals on this page.)

Worksheet

\$ _____ Mortgage payment

\$ _____ Household expenses (cable, water, telephone, cell, credit cards, etc.)

\$ _____ Food (grocery and dining out)

\$ _____ Car expenses (payment, gas, oil, maintenance)

\$ _____ Entertainment (movies, shows)

\$ _____ Business expenses (including fees, dues, education, marketing)

\$ _____ Child care

\$ _____ Education

\$ _____ Investments

\$ _____ Other living expenses

\$ _____ SUBTOTAL (this is the income needed after taxes)

\$ _____ Divide by your split 60,70,80 etc.

\$ _____ Total Gross Income Required

INCOME	JAN	FEB	MAR	APR	MAY	JUN
Sales						
Listings sold						
Referrals						
EXPENSES						
Monthly office fee						
RAPB/MLS dues						
MLS lockboxes						
Cell phone						
Coaching/Mentoring						
Car payment						
Gas						
Car maintenance/repairs						
Car insurance						
Office supplies						
Meals & entertainment						
Seminars & conventions						
Special Advertising						
Postcards						
Postage						
Flyers & brochures						
Signs						
Website maintenance						
Newspaper & magazine ads						
Legal/Professional/CPA						
Assistant's salary & benefits						
Payroll taxes						
Transaction coordinator						
Monthly subscription service						
Cont. Ed./License						
E & O insurance						
Misc. Expenses						
Medical insurance						
Charity						
Virtual Assistant						
Photography/Virtual Tours						
Closing Gifts						
Home Equipment/Printers/Computers						
TOTAL INCOME						
TOTAL EXPENSES						
NET PROFIT						

INCOME	JUL	AUG	SEP	OCT	NOV	DEC
Sales						
Listings sold						
Referrals						
EXPENSES						
Monthly office fee						
RAPB/MLS dues						
MLS lockboxes						
Cell phone						
Coaching/Mentoring						
Car payment						
Gas						
Car maintenance/repairs						
Car insurance						
Office supplies						
Meals & entertainment						
Seminars & conventions						
Special Advertising						
Postcards						
Postage						
Flyers & brochures						
Signs						
Website maintenance						
Newspaper & magazine ads						
Legal/Professional/CPA						
Assistant's salary & benefits						
Payroll taxes						
Transaction coordinator						
Monthly Subscription Service						
Cont. Ed/License						
E & O insurance						
Misc. Expenses						
Medical insurance						
Charity						
Virtual Assistant						
Photography/Virtual Tours						
Closing Gifts						
Home Equipment/Printer/Computer						
TOTAL INCOME						
TOTAL EXPENSES						
NET PROFIT						

Calculate the Number of Transactions You Need

Part 1:

Average house price range

X ____% commission

= _____

X your commission split

= Commission per transaction

Part 2:

Income goal

÷ by commission per transaction

= Transactions needed per year

EXAMPLE:

Part 1:

Determine your average commission per transaction

\$ 300,000 average price range
x 6 % commission
= \$18,000
÷ 2
= \$9,000
x 70% (your split)
= \$ 6,300
commission per transaction

Part 2:

Specify desired income, then divide by average commission

\$150,000 desired income

÷ \$ 6,300

= 24 transactions to reach goals

How Many Prospects Do You Need To Reach Your Goals?

Calculate prospects needed per year

Take the total transactions you want _____

X 25 (prospect to sale ratio is 25 to 1) _____

= Total number of prospects needed _____

Break it down into a daily number!

Annual prospects needed _____

÷ by 12 months _____

÷ by 30 days _____

= Prospects needed each day _____

Example

24 transactions x
25 prospects = **600**
prospects per year
÷ 12 months
= **50 prospects per month**
÷ 30 days
= **2 new prospects per day**

You can do this!

Now that you've analyzed what you need to do to achieve your goals, let's look at how you can reach those goals.

Painless Prospecting

Here are some painless ways to add prospects to your database:

Buy as many leads as you can or subscribe to a lead generating program. It is a consistent way to obtain prospects.

Upload your sphere of influence – enroll them in IXACT. Call them and let them know you'll be sending it to them "with their permission."

Obtain email addresses from your past clients; let them know you'd like to stay in touch. Upload them as well to your IXACT account.

Send "Just Listed" and "Just Sold" postcards to the neighborhood after a listing and/or a sale – offer a FREE home consultation.

Ask for email addresses on your voice mail. Provide your email address when you leave a message.

Send monthly cards to your farm area. Ask them to submit their email address via your website or via email and (offer a free lotto ticket or emergency kit in return for their information.) Make sure to enroll them in IXACT.

Offer a FREE home consultation or to sign up for neighborhood valuation reports of new or recent sales in their neighborhood underneath your signature or contact information on all your outbound emails.

Think of a high caliber offer to place on your site, postcards and emails to get your audience to raise their hands and talk to you.

Send monthly e-newsletters to sphere of influence. Won't cost you a dime using IXACT.

Planning Calendar

January	February	March	April	May	June
July	August	September	October	November	December

Sample Planning Calendar

	October	November	December
	<ul style="list-style-type: none"> • 300 postcards • Add Web capture tool to Web site • Begin delivering CMAs to follow up on all leads • Call past clients to ask for email addresses 	<ul style="list-style-type: none"> • 300 postcards • Letter to geographic area asking for email addresses • Begin hand delivering buyer packets • Continue delivering CMAs to follow up on all leads 	<ul style="list-style-type: none"> • 300 postcards • Call sphere and ask for email addresses • Continue hand delivering buyer packets • Continue delivering CMAs to follow up on all leads

Use the **annual planning calendar** to plan your marketing efforts for the year:

- How many postcards will I send out?
- When will I send them?
- How many open houses per month am I going to do?
- How many follow-ups calls per month?
- How many new prospects will I add per month?
- How many FSBOs will I contact?
- How many Expired will I contact?
- How many signs will I place?

Remember, use your value propositions (your unique offer to customers) to drive prospects in your area to your own Web site!

Plan your follow-up:

- How many follow-up calls per day?
- When will I schedule my calls? (i.e., Tuesdays from 3:30-5:30PM)
- When will I drop off CMAs in person? (i.e., Saturdays from 9:30-11:30AM)

Monitor Your Effectiveness

WEEKLY TRACKER

	New Prospects Added	Drop By or in person	Calls	Appointments	Listings	Sales	Listings Sold
Goals							
Monday							
Tuesday							
Wednesday							
Thursday							
Friday							
Saturday							

The Weekly Tracker is a tool to help you track your goals and activities. Check your actual activities against your goals frequently. This will help you stay on track.

Time Management Strategies

Internet leads take time to mature

- o 80% of consumers search online
- o They begin their search in the “thinking about it stage”
- o 74% work with only 1 agent, providing you with a distinct competitive advantage.

Using your basic business system allows you to cultivate literally thousands of prospects via email and an occasional phone call until they are ready to buy and/or sell, while you work on today’s business.

Effective Time Management

- o Time management is self-management
- o Self-management is a conscious decision where we decide what is important, and then we plan our time and our lives around those things.

The key to success is not to PRIORITIZE your SCHEDULE but to SCHEDULE your PRIORITIES!

“Hot Tips”

Time Savers: SELLERS

- Work with motivated sellers
- Price it right
- Advertise online – Facebook, Instagram, create a website for each listing, etc.
- Update CMA frequently
- Send Just Listed postcard
- Send Market Update

Time Savers: BUYERS

- Have them pre-approved
- Provide them with a CMA of properties they are interested in
- List before they buy
- Email listings regardless of what they asked for
- Email neighborhood news and information

Remember, when you change your habits, you change your results!

Agent Business Plan

Income goal for the year _____

Dollars per transaction to you _____

Number of transactions needed for goals _____

Number of listings _____

Number of listings sold _____

Number of sales _____

Number of prospects in your database _____

Number of prospects you need _____

Break it down:

Listings needed per week _____

Listings sold per week _____

Sales per week _____

Prospects needed per day _____

Copy this page and tape it where you can see it every day, then:

- Visualize what your business would be like if you accomplished your goals.
- Visualize what your life would be like if you accomplished your goals.

Business Development

If you did not reach your production goals last year, what prevented you from doing so? What will you do this year to overcome this obstacle so you can reach your goals?

What seminars, conference calls and technical training do you plan to attend this year?

Business goals: (For instance, hiring an assistant, obtaining your broker's license, etc.)

What ONE thing can you do on a regular basis that would make a HUGE difference in your business? (Something you aren't doing now).

What worked last year? (system, habit, process).

**REMAIN CONSISTENT, AND
THE RESULTS WILL
FOLLOW!**