

SHERRIE STOROR

Ep. 9 | How to build an EBU.

Overview:

Have you ever wondered about the best way to grow your business? Are you confused or overwhelmed about how to do this? Or are you wondering how to structure your team so you can build it efficiently and profitably?

If you've asked yourself these questions, then listen in to today's episode! I'm talking about a topic I get asked most about, "How to build a successful EBU". This is an epic episode massive topic and I will be sharing with you all the dos and do nots that I have learnt in my journey and in helping my clients build their own EBU's!

Hot Gossip:

My 51-Point Checklist: This is a step-by-step 51-point checklist that takes you through going from off-market to on market to exchange to settled to sold. Get my step-by-step process to follow from social media, managing your CRM, working your pipeline sellers, letterbox drop emails to text messages and videos to send. This will help you build your stock list even in this challenging time. You can download it for free from [here](#).

My FREE Webinar Series: Last year I released a 3-part webinar series designed to bring my courses to agents all over Australia. During this difficult climate, I want to support and give back to an industry that I love and that means so much to me so I'm releasing the entire series for free!

You'll get access to these three training courses:

Week 1: Build a Celebrity Profile - Become a POWER Agent

Week 2: Find your EDGE walk away with a killer listing presentation.

Week 3: Be a Social Climber - Social Media Strategies to List and Sell Properties. Access the full training series by registering [here](#).

The #BuildYourBestLife Coaching Program + Success Manual

And if you would like to join the #BuildYourBestLife Coaching Program which comes complete with webinars, coaching forum and your own daily Success Manual, for more info [click here](#).

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SHERRIE STOROR

Sherrie:

Hello and welcome to episode (9) nine of the build your best life podcast. I'm your host Sherrie Storor, I'm a sales coach and hardworking real estate agent. It's my mantra to build your best life and I'm doing exactly this. And throughout this podcast series, you'll learn how you can grow your GCI, your revenue, and your profit by implementing tried and tested systems and structures. You'll learn how you can grow and build your own EBU, team and agencies and how you can truly harness your real estate career to provide you with the wealth and the freedom that you've always dreamt of. So, if this is a life that you want to live, make sure you subscribe to this podcast, so you get notified every Tuesday when the episodes go live.

Today's episode is all about building the EBU or effective business unit and building a team or being a part of one and building a business within a business and a brand within a brand, and doing it all in a way that is viable long term and is profitable.

Personally, I've been building my own teams and EBU's and agencies since 2003. There are lots of mistakes that I've made along the way and a lot of things that I've learnt what to do and what not to do. And today I'm going to pass along all of this know-how, well, as much as I can fit into one episode because this is one super massive topic.

A large part of my role of a sales coach is assisting agencies growing their businesses and revenues, building or restructuring teams and roles is perhaps one of my most highly sought after skills when I work with an agent or an agency and it's one of the best aspects of my job. It's actually the part that I love best and I'm going to tell you why. Now you've probably heard about having an effective business unit is something that you need to have in order to grow your business and to write more gross commission income or GCI. But one of the biggest mistakes that I see is agents who build it in the wrong way, both structurally and financially. Which ends up leading to more stress and financial pressure than if they didn't have one at all. And putting the wrong people on at the wrong time in the wrong roles and not keeping them in alignment with your values and goals can cost you financially big time. One of the most disappointing aspects that I see when I begin to work with high-performing agents who are million dollars plus writers is that they are actually taking home less than their PA's and co-agents. And whilst they are receiving all the acknowledgements and recognitions for the GCI and the deals that are being done, and it looks all very glamorous on the outside, once you scratch underneath the surface, it's a completely different story, where they are trying to keep up with the crushing responsibility of needing to make a couple of hundred thousands of dollars to pay for staffing and marketing even before they begin to pay for themselves.

And because of this, they still need to work the big hours and then because they were so exhausted from working these big hours, they spend all their money on holidays, healthcare and wellness to make up for working themselves into the ground. It becomes a nasty cycle that is really difficult to break. And I fell into this trap too. This was me. But through trial and error, I've built teams in the wrong way, I learnt how to build them the right way and now I've many years of building teams in the right way, not only for myself but for my one on one coaching clients and agencies that I work strategically with. And getting your EBU right can change your life in the most dramatic way. You'll be settling, making significant money, the kind that gives you those glamorous holidays or assist you in buying your dream home or even building your property and investment portfolio.

It gives you the ability to send your kids to the right schools and having money in the bank and financial security, and it gives you two very other valuable commodities, time and choice. It gives you time to spend it the way that you want, with who you want and it gives you the choice of working and determining which vendors you want to work with, which people and which brands you want to work with and choosing you're working hours and this is why I love my job. Giving agents and principals the tools and the skill sets, which changed their lives forever and in such drastic ways. And this change can happen so very quickly with the right knowhow and the right implementation. And through this podcast series, I'm showcasing a

SHERRIE STOROR

few of my agents who are great case studies who have achieved exactly this. So today I'm blowing the lead on the EBU profitability and how to hire, manage, empower, and motivate and retain staff.

I'm going to teach you how to build your own financial freedom and how to have free and flexible time so that you can build your best life, both in and out of real estate to. Building an EBU in the correct way is how you take control of your business, your life, have longevity in your career, right the revenue and bank profit. So, if you're working in an area where your average sales price is low, the reality is that you need to do more volume and you need to do more sales in order to make the big figures. Or if you work in an area with a very high sales price, your buyers and your sellers may need a little bit more of your time and energy and potentially these properties could be on the market for a very long period of time, sometimes years. The only long-term answer to these issues is to have a team to assist you.

It will give you the freedom to take days off, have holidays, work more flexible hours and work less. The other reason you should look to build a team is it gives you an exit plan. Working as an agent typically does not lend to building a business that you can sell, but if you groom the right co agent, then you can transition out of the business while still making an income, and essentially build a database, systems and structures and loads of good will by building an attraction business.

So, let's get into it. Now there are many variations in building an EBU, but initially today I'm going to be talk through the most popular model - that's three in a team, the lead agent, a co agent, also known a buyer's agent and a PA or personal assistant. And a little later in the episode I'm going to cover options on how to grow your team from scratch from a team of two and growing past a team of three.

Now there are two models that I most commonly use in building or restructuring an EBU. The first is a selling principal model and the second is a model designed to fit a high performing sales agent. So, let's break these down. The selling principle model is where you use your selling EBU and co agents as a feeder program to build your agency. Now in this model, a selling principal sale are often imperative to the business and go into financially supporting and growing the agency. So, it's very, very important to keep selling whilst managing the business. In this EBU, the objective is to have co-agents who are with you for 6 to 18 months depending on their ability, drive and individual effectiveness. They learn the ropes, how you like to do real estate agent and become loyal. You promote them and grow them into becoming lead agents that work with your agency and in this model we are looking for a long term PA and someone who is solely dedicated to this role, not someone who also takes care of the operations of the agency as well.

It's a big job and we don't want to wear out or overwhelm our support team. The second model is built for high performing agents. Now in this example, we want to build a long-term team with a view of keeping all team members with you ideally for a number of years. Stability really is the key here. It takes time, it's costly and is emotionally and mentally draining in training new team members. So, we want to try and make sure that that doesn't happen. So, in this model we're looking for a co agent who wants to work in a team and is happy to be the number two and allow the lead agent to take the limelight. So, let's talk roles. The PA really is the backbone of the team and their role is to hold all team members accountable, including the lead agent, which let's face it, is often not an easy task.

They are essentially the operations manager of the team and oversee accounts, marketing, appointment forms, listing presentations, contracts, settlements, gifts, customer service and everything and anything else that you can think of. You not only need to be able to rely on this person, but you also need to ensure that they are autonomous and that they do not need micromanaging. A co agent's role is to free up the lead agent's time to ensure that they are the most dollar productive entity in the team. They handle buyers, inspections, open homes, contract signing, photo-shoots building and pest inspections, valuations. They oversee the marketing including copy and photo order, brochures and ads, listing presentations CMA's

SHERRIE STOROR

and find potential listing opportunities. A more experienced co agent will also be listing in addition to selling properties. They will be leveraging off the lead agents name and reputation. Co agents and lead agents must separate and do separate roles at separate times. I often see teams fall into the trap of doing the workload of one because everything is done together, but the reality is that the income is shared. So, this is not viable, this is not really a long-term option. And specifically, what I'm talking about here is going together to all the listing presentations, inspections, photoshoots, open homes etc. They need to separate it and there needs to be separate roles and understanding about this.

It is essential that there is structure and routine for all members of the EBU. And I'm talking here about sales structure in addition to the compliance, the lead agent needs to know that whether they are there or not, the buyers and sellers are always going to have that same level of service always. And for this, I like to use the McDonald's example to explain this. Now you go to Maccas and there is a very clear process in who builds the burgers and they are all built in exactly the same way in every store and in every location. They have the same quantity of pickles on every burger than quantity of sauce. You know the order of the ingredients and it's on the same style of bun and it's exactly the same for who cooks the fries. There is a process for how long they are cooked for and the quantity of salt that's applied.

So, in this same way, you want to ensure that your clients have this same level of consistent service, but even more so because buying and selling a home is a highly emotional experience. So how do we do this? We start by categorising and allocating all tasks, remembering that the lead agent is the most dollar productive and has the highest consumer facing role, followed by the co agent and then the PA. Building a calendar of regular non-negotiable duties to be done by who and when is next up. So, we want to look at booking opens, packing and unpacking open home bags and boxes, data entry, social media, newsletters, when advertising is due, vendor reports, these sorts of things. Then we need to prepare checklists for other activities that come up regularly, but do not have specific timing. So, it's really clear from the outset what is expected to be executed in every single transaction.

So what I'm talking about here is the handling of inquiries, you know, leveraging your listings from the very beginning, from off market to on market to sold, you know, launching properties, testimonial requests, pipeline sellers, your yearly marketing calendar including marketing reports and so forth. Now I'm going to hit you with three of the biggest fails that I see lead agents make in building and working an EBU, and they have to do with the lead agent making a decision to level up and change what they have been doing well and what has got them to where they currently are to let go of this thinking in order to go to the next level. The first is having the inability or refusal to let go of ownership of tasks and to delegate them to others in the team. I remember I once saw a lead agent hammering support staff for how sheets of paper were stapled together and looking back I thought that this was absolutely crazy, but I do understand that it is important for things to look a certain way.

Let me tell you, I understand the notion of perfection and portrayal of your brand and that attention to detail in your business and its image. But really, you know we need to pick our battles here and you know, thinking about these small tasks such as the stapling of papers, you know, is this really going to make a difference in the overall scheme of things? So, it's important to pick what's important and focus on this. It is hard to let go and your team will make mistakes and you'll have to give them the opportunity to try, but you know, if they don't get it quite right, you know, give constructive criticism in terms of how to do it differently next time. Long term, this will pay dividends as you'll have more people operating efficiently and effectively in your way of doing business and you'll be doing so much more of it.

The second is releasing the notion of being a solo agent and embracing that as a lead agents' role, yours is still to be incredibly laser beam focused on that of a lister, seller, negotiator, and marketer. But now you also need to adjust to becoming the team manager. This is a hard one as it's often hard to lose that rookie agent mentality.

SHERRIE STOROR

But if you want to become a high performing agent, a career agent, you need to make changes. If you want to see changes, and I'm talking about stepping into being a leader, more sales agents do not have a great deal of management or leadership skills, they don't really know how to empower their team or how to get the most from them. Perhaps they still have that need to be in control and ensure that everything is being done in their way and that their clients are happy, hence not losing any of that precious income that they've worked so very hard for and that they so very much need and perhaps their staff are not really doing their job and the lead agent doesn't really know the best way to manage and to lead them, you know, performance, manage them and hold them accountable and it's worthwhile leveling up here, getting educated, listening to podcasts, reading books, doing courses and working with a coach.

The last one and the third one is not taking the time to show the vision of what you want as a lead agent and what you want your business to be and how the team and their roles fit into this greater vision and how this needs to be executed on a yearly, quarterly, monthly and daily basis. This is a game changer. I suggest that this overall vision is visited yearly in more formal settings such as a beautiful lunch or perhaps a half day planning day or even a retreat, a nonnegotiable quarterly team meeting, ensures that everyone has their input and then subsequent buying into their goals for that quarter, how much GCI needs to be written, how many properties they need to sell, how many need to be listed, how many go to auction, vendor paid advertising targets and what projects that want to be implemented this quarter are on the agenda.

The execution and the roll out of what's determined in this quarterly meeting happens in a regular weekly team meeting. It's not only important to delegate tasks here, but for your team members in these roles to grow and become self-sufficient. They need to understand how you would like these tasks done and your ideal priority order. So, work with them and move them through a timeline and a journey of trust in terms of working together. Initially you will start with dictating and then you'll move through to providing ideas and suggestions and soon before you know it, you'll both be on the same page, well you'll all be on the same page when it comes to the work with you and also your client's needs. This meeting agenda, will also discuss what properties are coming on, coming off, changes to the stock list, pricing and marketing and strategy changes.

You'll understand where you're at in terms of reaching and achieving these quarterly targets. The co agent needs to understand what the goals and what the properties that are being focused on for each individual week, which calls need to be made and when and what letters need to be dropped and when. Put together a weekly prospecting plan. Do the same with your personal assistant and the social media calendar, that is of course, if you don't have an external social media manager. Now one of the biggest complaints that the support team often have about their lead agent is the lack of communication and the feeling that they are always operating in chaos. They don't really know the bigger picture and even their job. And they're just really focusing on the tasks that have been given and you know, the listing and the selling of each individual property. So, it's incredibly frustrating for them. There's no bigger picture, there's no why. And it is these lead agents who fall into these areas that tend to have the same year of earnings and same amount of GCI year after year. So, after the weekly meeting, I would suggest daily check ins with the co-agent and PA. Now this can be done over the phone or at the desk. It doesn't always need to be a formal sit down.

So where do we start? How do we build this? You know, who do we hire? Where do we look? Let's chat about this. Now, firstly, I really encourage you to think about how you want to build your best life, both inside and outside of real estate. Make some decisions around the schedule that you're prepared to work and that you want to work. So for example, how many days a week, you know you're early, late, starts and finishes, school drop-offs, your exercise routine, those sorts of things, and determine where you really want to see yourself in five years.

SHERRIE STOROR

We want to think bigger picture and then break it down. So, in five years' time, are you going to be looking at retiring? Are you going to look to become a business owner? Do you want to increase revenue? Do you want to reduce hours? Whatever it is we need to have that long-term plan and then we need to break it down to just small, achievable, incremental steps and then understand what is going to really motivate us to achieve these goals. We then need to hire appropriately to fill our needs as the business owner. Now it's really important to understand that PA's and co-agents have completely different skill sets and personality traits. A PA will most likely love being behind the scenes. They love being on the computer and will only pick up the phone and be consumer facing when they have to be.

A co agent is typically the opposite, do not expect anything different. A PA in almost all cases is not a prospector and expecting them to be will only waste your money and cause friction. If you're an agent who's great at selling but terrible at paperwork, you need to make sure that you have someone there who's doing all the preparation and clean up behind you. If you're terrible at letter writing or emailing or putting together call sheets for prospecting, you need to ensure that you have others in your team who are exceptional at these things so that you can do more of what you do best and how you make the money. And that is listing, selling, and negotiating.

So, if you're looking to grow, the best possible shortcut that you can make is to hire somebody who is already working in the industry, who has an understanding of paperwork and rules and guidelines for selling properties. They already have the basics and better yet, look to hire somebody who's already in the same role for another high producer. Hire someone who can add to your team instead of you training them and dragging them with you and learning as you go. According to **Jordan B. Peterson**, people often hire the same version of themselves. I encourage you to refrain from this, and it's a hard one because instead we want to add to the skill set and to the diversity of your team. So as a business, you are more rounded and have more aspects of selling properties handled. But most importantly, make sure that you like them because you're going to be spending so much time with them, in fact, way more than what you do with your family and your friends and your loved ones. So, this is really, really important and trust your gut on this because it's usually right.

So, another game changer I'm going to share is that personality testing is essential. Here, you're looking for traits, such as industriousness, conscientiousness, and how their traits marry up to your own. There are many companies that personality test and here in the industry we see **Julie Davis** and **Agents Dynamic** do it. And personally, I've always used **Phil Jauncey**. Now Phil is a performance psychologist and is very, very well known for working with big businesses and high-profile sporting clubs like the Broncos and the Olympic teams and many, many others. And he analyzed my personality as predominantly an enforcer or dominant D type where I get the job done at all costs and often come across as blunt and too direct.

And if I was to hire someone who was heavy feeler, you know, they would be feeling constantly hurt and even though this wouldn't be my intention. So ideally, you know, when I hire, I need to ensure that I look for people who won't be too thin skinned and won't be affected by this because it's certainly not my intention, but it's just how I'm built. So, where and how do you look for the best co-agents. So, are there any agents in your current agency or franchise who are struggling to find listings or make a decent or consistent income? This could be key or perhaps there is someone in the support role who's looking to grow into a new one. And every now and then I find someone who has been outside the industry in a different kind of workforce and they may potentially have been another business owner in another industry or have been a gun sales person who has a high level of transferable that could be transferred across to your team, your business, and to real estate.

Now, if you are listening to this and thinking about becoming a real estate agent or joining the industry or maybe you're thinking about leaving, I suggest that perhaps you think about becoming a co agent. Maybe it's time to investigate this and there are loads and loads of benefits besides getting that consistent paycheck.

SHERRIE STOROR

Simply it allows you to get loads of runs on the board with an agent who's doing a high volume of transactions. You get experience, you learned, you know on somebody else's dime instead of going out there and making mistakes, you know yourself that could end up costing you, you know, commission and the seller a sale and money. So, you also get your name on more sideboards on more advertising and you become known for selling property in your marketplace. You use the lead agent's name as a springboard into the market and into more listings.

But be prepared if you are a co agent to give back and to stay for a period of time. The lead agent has invested in you and they need to see a return on that investment. Most of them will want to help you in your career. But you also need to be, you know, to be consistent and be understanding and return that favour.

If you are thinking about making this change, my advice is to research the market. Look at who is doing the volume of transactions. This is very important. You want to learn from someone who's doing volume. You want to learn from someone who's got a great reputation so, they might have a strong list of properties for sale and that they've sold. So, go and check out real estate.com and domain.com and have a look at their testimonials on rate my agent visits them at open homes, see how they present themselves and ask to have a meeting. Are both of your values in alignment. If not, it will never work long and short term and don't be afraid to go and approach them because chances are, they may have been thinking about growing or changing their team. You just need to ask, but you never know unless you do ask that question.

I regularly see lead agents fall into the ego trap of hiring without having enough stock to feed their team. Now this really does lead to disaster for everyone. So again, keep this in mind when you're looking, we want to look for people who are doing volume. So if you've been listening to all of this and been finding it incredibly helpful but are not quite ready to have a team of three as yet, but you do want to take that first step in hiring someone and you have loads and loads of questions and you're thinking, okay, well where do I start? Who do I hire? This is a big question I must admit I get asked all the time. Now my advice is a little bit different to most. My advice is to actually recruit someone to do all the non-dollar productive activities. Hiring another agent only leads to more paperwork and more mess, more chaos and losing sight of the quality of the operations and service that you want to provide your buyers and sellers. Structure really is the key here and if you have two people in the team, both with little interest in the back end, only in this kind of front end and consumer facing, eventually this house of cards that you build will fall. Now remember again key point a PA is not a prospector and never will be. So, remember that their skill set is paperwork, yours is people. Ensure that you continue focusing and ramping up on activities that have got you to where you are.

The phone calls, the prospecting, the building of your celebrity profile, leveraging listings and so on. So, you've been listening to this and you've already got a team of three and you're implementing a whole lot of this, but you're ready to level up and you're ready to go hard at it again. Now I want to give you a couple of suggestions, and here are two. The first is to hire a PA for the PA and part time is totally fine here because if there are two agents, you know yourself and the co agent who's writing the business and bringing in listings and sales and you know there's going to be loads of marketing and a ton of paperwork and you may need someone to bring in and to implement these projects that you also want to take care of and to put into your business. You know, you might decide that they need to work on the call sheets, the spreadsheets to target the on the markets, you know, to fold the letters to put in place new systems and structures to do the bookkeeping, the data entry and some of these kinds of basics. Or hire another co agent and split the listings between the two of them. Have a more senior co-agent and one that has a little less experience. Or perhaps you might choose to hire someone who's more suited to selling more prestigious properties. And then the other might be better at selling homes to families. Choose well and for your business in your prime selling in your marketplace. Remember that co-agents have their own journey, so be sure to protect

SHERRIE STOROR

and proof your business so that both of them don't move on at similar times destabilising the team.

Whoa! that was such a big today and I truly hope that you have taken value and if you have, I encourage you to pay back and to pay it forward and share this podcast with others and on your social media. Now next week I have Craig Lee who is the principal and a selling agent for McGrath Wilston. He is the number two agent in all of McGrath Queensland and he is the number six agent according to the REB top 100 in all of Queensland. He's one of my coaching clients and he's built a formidable business and dominates market share in his area. Now this is a fantastic episode for those who are selling principals and agents who really want to level up increase revenue, build a profile, build their EBU and put money in the bank.

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