

Executive Business Planning

Business Planning & Goal Setting for Executives/Agents

As an Executive/Agent and independent contractor, you are in business for yourself. The information provided in this business planning & goal setting outline will focus on how to create an atmosphere in your organization that will assist you in maintaining a financial hold on your business as a real estate professional and achieve your goals for 2016. You will learn to be proactive in the financial management and maintenance of your business while achieving your career and personal goals.

As an Executive/Agent there are “things” that you must do. You must have a goal in mind, know how to read your financial statements, control your cash flow and be able to position yourself flexibly in difficult times. These “things” together create a path toward financial success.

Having a goal in mind is your direction to work toward. It is your vision. Without a plan, a blueprint if you will, to follow; every day is an experience instead of a step towards realizing your dream of financial success.

“To be a successful listing Agent” does not meet these criteria because, it isn’t certain when you become one. However, “to become the top listing Agent in the company for the upcoming year” is easily identifiable and meets these guidelines. Whether or not it is attainable depends on your skills and the competition in your company.

Real estate is a great business and provides an incredible opportunity to earn lots of money. Good salespeople can earn money but it takes a good business person to reap the profits.

People work for reasons other than money, but, in many cases, it is the money that allows them to do the things they want. They should be concerned about the money after expenses, not the gross. If your expenses are too high, you may be helping lots of other people reach their goals, but may be doing little to reach yours.

Business planning isn’t something that we do once. We must continuously try to make the best decisions and with the best information to maximize our productivity. As individuals, we are often focused on our immediate standard of living, but there are things that we need to be concerned with for our future.

The first step to business planning is goal setting. Goals are determined by your future plans. The key to a successful goal is to make it attainable and measurable within your current situation.

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A beginning step might be to identify your goals by asking yourself some questions both professional and personal:

- How much do you want to make this upcoming year?
- What is it that drives you to want to make money?
- What motivates you?
- What area (niche or farm) of real estate do you want to work?
- What is your unique selling position?
- How is it going to make money?
- Do you have a budget? And how does it compare to your actual expenses?
- What types of marketing are you going to do?
- What training do you need and where will you get it?
- Will you need help such as an assistant or a buyer's agent?
- What is the big picture?

Make your goals **SMART**

Specific

Measurable

Attainable

Realistic

Timeframe- goals without deadlines are simply a dream

Similar to goals, objectives can be broken down into four areas other than business: personal, family, spiritual and social. In order to lead a balanced life, attention needs to be focused on all of these areas. However, for this exercise, let's focus on business objectives only.

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Business objectives need to be short-term, one year or less, and long-term objectives are five years or more.

As an example:

SHORT-TERM (due in 45 days)

- Create a mission statement- A mission statement is the purpose of your business
- Put your sphere of influence and/or “farming area” mailing list together on a computer
- Develop a monthly mailing for the next 12 months to your sphere of influence and/or “farm area”
- Personalize a listing and buyer presentation package through Executive Access

ONE YEAR

- List 2 houses per month and sell 2 houses per month for a total of 48 in the next 12 months
- Have an average inventory of 24 listings
- Be one of the top five highest producing Executives/Agents in the office
- Purchase one rental property in the next 12 months

FIVE YEAR

- Be the highest producing Executive/Agent in the office
- Have six month’s cash reserves available
- Have your own home mortgage-free
- Own five rental properties

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An assessment of your talents and abilities can help you determine if you have the capabilities of achieving your goals. If there is something necessary to achieving a goal that you don't have, you'll need to acquire it. If you are going to sell resort and recreation property, taking classes and earning the Residential Real Estate Specialist designation would be helpful.

Competition in your marketplace could significantly impair your ability to succeed at the level you are expecting. You should know who the best agents are and what their unique selling positions are so that you can develop a strategy to overcome this impediment. Sometimes the competition is in another office and sometimes it is in your own. It may take additional finesse to accentuate your particular strengths without diminishing those of your fellow workers.

Next, the key to success is creating a budget. Budgets balance the income and expenses necessary for us to live our lives and run our businesses. Besides income, they are comprised of personal, operating and marketing expenses. The reason the operating and marketing expenses are separated is because some expenses are fixed and others are in proportion to the amount of transactions we hope to do.

Lastly, it's time to develop an action plan. This is a series of events necessary to accomplish a task, objective or goal. It states what needs to be done, when it needs to be done and by whom. The reason an action plan is so critical is that goals set without action plans are nothing more than dreams.

Simply put, think about if your objective is to cross a stream without getting your feet wet. Your assessment is that at the deepest point the stream is only eight inches deep. You determine to put stones in the stream to step on. The stones are the action plans that will help you reach your objective.

Business planning is a process of helping you maximize your potential. It is something that must be considered on a regular basis. Your plan is not permanent; it changes as the business environment changes.

In the next few pages you will find several business planning worksheets with step by step guidelines to achieve financial and personal success.

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Goals

Take a few moments to fill in at least one goal for each line item. This will help you develop a clearer picture of your business plan without losing sight of your personal goals.

Business:

Financial:

Family:

Spiritual:

Personal:

For Fun:

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Business Objectives

Write down what you would like to achieve by the dates listed below. Remember; Goals without deadlines are simply dreams.

For the year ending December 31, 2016

Mid-term completion by July 1, 2016

Long-term, for completion in five years

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Income Goals Worksheet

Desired Income	EXAMPLE	
	Listings	Sales
Percent of Total Income		
Annual Income	\$	\$
Average Sales Price		
Average Commission -Percent		
Average Commission-Dollars		
Executive's Share of Commission		
Executive's Average Commission	\$	\$
Annual # of Units Closed	(1)÷(2) =	(3)÷(4) =
Percent that Actually Close – ÷	%	%
Annual Units to be Taken		
Monthly Units to be Taken– ÷12		
Closed Volume		
Combined Volume		