**A Business Plan Supports More Than Just Your Professional Goals – transcript  
Guests: Brittany Wren and Bobbi Howe**

***Intro****: You're listening to “Drive with NAR” powered by REALTOR® magazine. Listen in as we deliver key insights designed to take your business planning efforts to the next level. This episode is sponsored by REALTORS® Property Resource.*

**Melissa**: Hi there. I'm Melissa Dittmann Tracy, your moderator of “Drive with NAR.” I'm a news editor for REALTOR® Magazine and it's Styled, Staged and Sold blog. On today's episode, we're going to get your real estate business in tip top shape by talking about how to create a solid plan to prepare you for the new year ahead. Joining me today is Bobbi Howe and Brittany Wren. Bobbi is a second-generation real estate professional. She's the Chief Operating Officer for RE/MAX Regional Services, and also still continues to be an active sales agent in her market in Kansas City, Missouri. Brittany is the vice president of agent development at Coldwell Banker Realty in the Chicago area. Brittany is also the founder of Beyond the Sale, a resource to real estate professionals and supporting their physical and mental well-being to help accelerate them to maximum business success. Bobbi And Brittany, thanks for joining us on Drive with NAR.

**Bobbi**: Thanks for having us.

**Melissa**: So let's get right to it. We all know real estate professionals should have a business plan. It's to set and track goals for the year ahead. But what happens if you don't have one, and you're just kind of winging it? What does your business look like then?

**Brittany**: Realistically, without a roadmap to your business, there will ultimately be chaos. It'll feel more chaotic, you're kind of setting yourself up for failure in some ways. Because, really, a business plan allows you to structure your day and your tasks that need to be done in order to run a business. If you don't dictate how your business operates and how it runs, your clients will end up dictating it for you. So, in a way, it's it is creating that roadmap and a little bit more structure, it helps create a little bit more balance. You don't want to fall into an unrealistic work pace, which could end up leading to burnout, pressure to work more than you should. But realistically, yeah, I think it's it comes down to being a roadmap, a checklist, a guideline, so that you are completing what you need to on a daily, weekly, monthly basis.

**Bobbi**: Yeah, Brittany, and following off your roadmap, I use that all the time, is if you don't have a business plan, if you don't have that roadmap, how are you going to know when you get to where you wanted to go at the end? You're just winging it every single day guessing whether this is what we need to do, what we don't need to do, you know, one thing Brittany talks about is that that balance and how having that business plan can help you. And the thing that most REALTORS® love to just like stick their head in the sand with is knowing their actual numbers, they like to just talk about the big fluffy things, like how many houses I'm going to sell, but not know conversion ratios, or how many times it's going to be meeting with someone before I get that business or closing that business out what that looks like for you. And when you don't know those numbers, you have no way of knowing how you're succeeding or how you need to change things the next year, whether it's to dial it up or even to dial it back, because you realize I gave too much of myself to my business, and I need to dial it back.

**Melissa**: So let's get more specific about that. What things should your business plan address in order to support your growth in 2023?

**Bobbi**: So for me whenever I'm discussing setting business plans with my agents or other agents across the country, because I do coach some brokerage owners in different parts of the country, it first starts with not just a, like I've used before, is that selling 20 houses next year. It's what does selling 20 houses do for me financially? So it, for me, the beginning basic is meeting with people and knowing what's my nut, what's the bottom number that I have to have in order to break even at the end of the year? And then we figure out a multiplier that makes sense for that person based on where they are, especially with brand new people have never really sold a lot of real estate before they're creating a business plan for the first time, successful top agents usually have done this process before. But do we need to make a multiplier by 2, 3, 4 times what it takes to cover all your bills, and then work backwards from there to figure out, OK, what are the daily activities you take all the way from sales volume and profit you're going to make to work backwards to how many appointments do I have to go on every single day? How many contacts do I have to make in my business? And then we move forward again from there. So it's a backwards, forwards, back, forward again.

**Brittany**: Absolutely. And to piggyback off of what Bobbi's saying. Knowing your numbers is really everything and then to expand on those daily activities. Time blocking, as we all hear time and time again, is key. But a lot of people stray away from it, they get distracted, they don't really follow the plan as it should be. So starting with your time-blocking activities, really breaking your business down, I like to look at the business as a whole, kind of high level, and then start to really break it down piece by piece from there so that your business plan acts as a guide, you have different activities in it. So of course, you know your numbers and then you look at how are you going to get to those numbers. You've got marketing activities, you've got social media engagement, you have networking, you have prospecting, you have client preparation, client showings, and all of that stuff, appointments. But I also like to encourage agents to include personal wellness, self-care, any outside of work activities that you might need, or have on your schedule. Because if you don't time block and really look at everything in bite sized pieces, then you'll get pulled. And you may end up forgetting to do a crucial piece of a business building activity that could continue keeping your business going and flowing throughout the year.

**Bobbi**: Yeah, and adding to what Brittany said is, if it's not on your calendar, it doesn't exist. And that too many people don't live by their calendar by plugging in all the things they need to do. I even teach agents when they're creating their business plan and we start plugging these activities in, if you're going to be going to a listing appointment that's 30 minutes away, we plug into our calendar when we need to leave the office so that we get to that appointment on time and have all of those little things. Balance and creating time blocking for those things that are important in your life are really essential to me, I love to speak about mental wellness and mental health and the real estate industry. Because too often we teach people to get into this business, create this massive business plan, go out and go, go, go, sell, sell, sell, do, do, do but never how to deal with the emotional turmoil that comes with this business, the stress, I mean, we have the biggest roller coasters in this industry, more than any other industry. I mean, you can go from the highest highs to the lowest lows and about 5.3 seconds in this industry. And when we don't take time to look at creating that balance or creating time on our schedule for ourselves, or our family, or our friends, or whatever that thing is, or those multiple things are that we need to take that break from this industry. One of the things I teach people is work/life balance really doesn't truly exist in real estate, you have to create it yourself.

**Melissa**: I love this idea of including life balance in your business plan because I don't know how many REALTORS® think to do that. Brittany, I know you're writing a December column for REALTOR® Magazine online called “Why Your Business Plan Should Address Burnout Prevention.” Can you share with us a little bit about what you will be covering in that column?

**Brittany**: Yeah, so the column is really meant to provide support and information to the real estate community so that they can build healthier businesses. I mean, as Bobbi was saying, this is one of the hardest industries to be a part of, and to find balance in. And as we all know, there is no true work/life balance, but we can maybe teeter totter a little bit better than we were before, a little bit more balanced so that it's not too heavy on one side all the time. So I do believe that there has been a lack of discussion regarding wellness and balance in the real estate industry. So for me, it's just important to remind people in the real estate industry that it's OK to take a step back to pour into yourself. And that way you can then pour into your clients. Because if we're not taking care of ourselves, how can we possibly show up the best that we can for our clients and our business as a whole? Really, the column is always about how to find healthier ways to be a better real estate agent and business owner at the end of the day. It's not talked about enough. And as we're talking about it today and reminding people that it's OK to put this into your business plan, I think that's a really big takeaway of really setting yourself up and your business up to run in the most efficient way and running your business as opposed to it running you.

**Bobbi**: That's so important, that it’s you running it, not it running you, you know, what's the purpose of business if not to fund your perfect life? And I don't know about you, Brittany, but my perfect life involves a lot of amazing life experiences with my son and with my husband. It's not involving just throwing a bunch of money in a bank that I don't ever get to see or do anything with because I'm just running around like a chicken with my head cut off all the time, never able to have that balance. One of the things that I teach whenever I talk about mental wellness is I talk about the fact that you teach others how to treat you. And there's three parts to that: There's what you stop, there's what you allow and what you reinforce. And, unfortunately, in the real estate industry, we reinforce bad behaviors all the time. And what do I mean when I say that? Well, what's when a client texts you at 11pm and you curse at your phone and say, leave me alone, but then you, with a nice tone, you respond back to them and answer whatever their question is, you've just reinforced to them that they can always text you at 11 or midnight or whatever. And I don't know about any of you guys, but my clients will never be more important than my own personal family. And we have to teach others how to treat us and that includes setting clear, defined boundaries with people—99% of our clients will respect those boundaries that we set, but too often we never set those boundaries or expectations from the beginning.

**Melissa**: Setting boundaries and giving yourself permission to have a life, I think that is very good advice. Sit tight. Here's a word with our sponsor.

***Mid-reel Ad Spot***

***Melissa****: REALTORS® Property Resource is a wholly-owned subsidiary of the National Association of REALTORS®. RPR is a parcel-centric database that covers more than 160 million residential and commercial U.S. properties. Joining me is Reggie Nicolay, the vice president of marketing and social media for REALTORS® Property Resource. Hi, Reggie, I see that RPR recently introduced new charts and graphs within the neighborhood section. Can you share with me more about the data points that members now have access to?*

***Reggie****: I would love to, Melissa. RPR recently introduced new charts and graphs in the neighborhoods section, as you mentioned, and this data can be accessed for any U.S. city, zip code, or even smaller defined neighborhoods. One of my favorite new charts is the Market Trend Indicator. This chart uses months’ supply of inventory to answer the question: What type of market are we in? Is it a seller's market, a balanced market or a buyer’s market? Also, on this indicator, there are four different metrics that they'll see at a glance. So members can see how inventory levels have changed over the last month, they can view the list-to-sold price ratio to see if homes are selling under or over asking. They can see how long homes have been on the market. And then they can see how much that's changed by, and of course, median sold price point.*

***Melissa****: So what are some of the ways you're seeing members use this data?*

***Reggie****: I think the number one thing is just reviewing it and committing it to memory so that they can speak intelligently to all the subtle changes that are happening because they're happening every day, and consumers are confused about it. But secondly, it's having that information available for the conversations that are coming out at the grocery store, at the restaurant and whenever, it just is going to be a great way to warm up a lead.*

***Melissa****: Sounds like a valuable offering, especially in a shifting market. Thank you, Reggie.*

***Reggie****: Thank you.*

**Melissa**: Let's get back to our conversation about business planning. Let's go a little bit more behind the numbers within your business plan. You know, last year, maybe you could say I want to quadruple my sales. And for some REALTORS®, they actually could because the market was so hot. But now we're experiencing a rapid slowdown, at least in many markets. And that may change many agents’ outlook on their business in the short term. So how should your business plan account for these changing market conditions?

**Bobbi**: So the very first thing is, there's a statistic that recently came out is that 91% of licensed agents have never seen more than 45 days on the market or interest rates greater than 4%, which is really scary. So if you are a part of that 91%, you need to listen to those people that have been in the business for more than the last five years, you need to go back and seek guidance from those people who've been in the industry 10, 15, 20 years and can talk to you about what a “normal” market is we keep talking about the market is changing and shifting and shrinking. And quite frankly, we're just getting back to a normal market. And so for those of you that have been in the business for a longer time, go back and look at those old business plans before the last two years and see what those look like.

**Brittany**: I completely agree. I think that it's really important to look at your business pre-COVID You can still grow your business despite what the market was doing the last couple of years. Realistically, there will always be changing markets, right? We even see change in the markets throughout the year, in most markets. Some can be more stable than others consistently throughout the year. But really, if you can adapt the characteristic or the ability to be agile in this industry, that's going to be a lifesaver for you because it's unpredictable always. I mean really you could have a hot summer market and then completely nothing happening in the winter. I mean, here in the Chicagoland area, we have a huge ebb and flow in the market every year, I think in changing markets, that's where some magic can happen. Because you might be able to push yourself outside of your comfort zone and say, you know what, I wouldn't normally do this or maybe I didn't have to do this the past couple years, but I'm just going to try, maybe try and find a new lead source.

**Bobbi**: The other part of this is that the timing of when we do things, too often, we see agents wait until the very end of December, which there, you know, it’s Christmas, New Year's, all that stuff, or even the beginning of the year to start putting their plan together. Unfortunately, from the time you start working on your plan to actually seeing the results that come from it, you're usually looking 45 to 60 days out. So if I'm not making my plan until mid-January, I'm not going to see any return on that until mid-March or even the beginning of April. So start making that business plan the end of October, beginning of November, no later than December first to start getting those things in. One of my very favorite sessions at NAR NXT conference every year is Lawrence Yun’s economic forecast. And then we always take the slides, and we share them to all of our agents afterwards and teach them how to use that information, not only with building their business plans, but when they're meeting with clients to again, tell the truths of the market and not be scared about what we're going through right now.

**Melissa**: So what strategies can real estate professionals use to make sure they stick to their business plan, and then reach the goals they actually set within their plan?

**Bobbi**: Melissa, this is gonna sound crazy. It's just going back and looking at your business plan on a daily, weekly, monthly basis. What like Brittany said, plugging those activities into your calendar. So we like to talk about the Pareto Principle, the 80/20 rule, 20% of your activities will bring you 80% of your income, 80% of your activities will bring you 20%. But too often, agents get caught up in those 80% activities that only it's the answering of the emails, or it's playing on Facebook, or it's doing that as opposed to actually plugging those 20% activities into their calendar, dedicating time each day to doing lead-generation of some sort. And I hesitate to say the word lead-generation because people shut off. If you are in business, you are a lead generator. That's the only way every business stays open. Starbucks, Delta Airlines, they have to generate leads to get business, you want the same thing in your real estate business. So plug those lead generation activities into your calendar. And sadly, I also have to tell agents to also plug lead follow-up time into their calendar, I have one particular agent like clockwork, she spends two hours lead generating every single day. And I noticed she'd been in the office making all of her calls but her closings and under contracts were starting to go down. And so I had a conversation with her. And I'm like, hey, what's happening here? Well, she was just so busy doing lead generation, she had no time for lead follow-up and she said that she'd actually missed out on three actual listings, because she never got back to them with the lead follow-up. So if you're going to spend the time and the energy to generate leads, you also need to create that time to follow up with those leads in your business.

**Brittany**: Yeah, I completely agree there. I think, again, using a business plan as a checklist and as a guideline is really how it will be most effective. That's how you will be able to hold yourself accountable. I would share it with your managing broker, whoever you're working with in your office that can also hold you accountable to it. Because having accountability partners is really one of the best ways that you can challenge yourself and push yourself to keep growing and keeping better. And then it's just like if you set a goal to go on a 30-minute walk every day, but you're not doing it but you say to your friend, OK, we're going to do this, I will send you a picture of me on a walk every day. I mean, it's no different when you're building a business, having accountability partners is key. Using your business plan as an actual guide and a checklist is really what's going to get you through it. I would also encourage people to use a CRM that works for you so that you're getting notifications on follow-ups or different tasks that you might need to do for each deal. So CRM to me is one of the best kind of also accountability partners for your business because it's going to keep things organized, structured and help you flow better every day.

**Bobbi**: You know, Brittany, one of the things that I absolutely love about it when you said it reminded me of this is when you truly learn how to time block and set time blocks for every single thing, every day becomes that day-before-a-vacation miracle, the day-before-a-vacation-miracle is I have to have all these things done or I don't get to go on vacation. And miraculously, we accomplish so much more in that one day than we do in an entire week most of the time. But when you truly get down to time blocking and following that time block, that's like that every single day. I've got to get all these things done, or my day didn't happen or I don't get to move on to the next day or whatever it is, but it forces your brain to see all these things that this has to get done as opposed to just a to-do list. I mean, I don't know, if you're anything like me, I make to-do list. And then I do the task I like to do and the tasks I don't like to do get moved on to tomorrow's task list, and then the next one, and then eventually, six months later, I'll get it done. It took like two minutes, and then I'm mad at myself that it took me six months to get to a two-minute task. But if it's plugged into my calendar, my calendars says that I have to do it, I'm gonna get it done and knock it out.

**Melissa**: So many great ideas, there’s time blocking, creating your business plan as a checklist, checking back at it daily, weekly, and accountability partners, great ideas. So what's the most important thing you're putting in your business plan for 2023?

**Brittany**: So for me, I think creating consistency is key, nurturing relationships, and providing value. Now, these are things I would always recommend every year. But I think, because it's been such a crazy couple of years, people need that extra nurturing, the market shifting, they're going to need that extra support, guidance and value from you as the expert, and really honing in on your consistent behaviors. But again, nurturing relationships, providing value, those never get old. And they're timeless activities and habits that you can have in your business. But especially when markets are drastic, it's even more important to stay at the forefront, in front of your clients, in front of your communities, just really showing up and being a part of people's lives and showing them that you do care, and that it's not just about making a buck, it's about helping people, if that's what you're really in it for, right? Like we talk about why’s all the time. And I'm sure most people, I know, Bobbi would agree with me that having the “why” as one of your main points on your business plan is important to keep looking at it and reminding yourself, this is what I'm in it for and then kind of drive your activities around that. And I would say if someone's trying to come up with what their most important thing is for 2023, go back to your why look at that, and then say, OK, how am I going to keep that top of mind? And, and how am I going to get there? And then create activities around that.

**Bobbi**: And to me, it's the exact same thing. It's building those personal relationships, you know, as we go into a shifting market, those personal relationships we have with everybody in our community is more important now than ever. And it's not just the consumers that we're going to be doing business with. It's the small business owners in our community, they're going to be struggling too. And if we can create a two-way relationship with that, it's our affiliates, our vendors, we rely on them all the time to shell out some money for this open house or to do this or to do that. But are we truly giving back to them and giving them a little bit of ourselves, even teaching them how to create their own business plan? But one of the things that's so important for agents to remember is that it's a lot easier to get business with warm leads than it is with cold leads. But all of your warm leads were cold leads at one point in time. So start creating those conversations to build those relationships and turn that from cold business into warm business with the people in your sphere.

**Melissa**: Create a relationship-first focus for 2023 it sounds like. Brittany and Bobbi, so much great advice. Thank you both for joining us today.

**Brittany**: Thanks.

**Bobbi**: Thanks for having us.

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