



GROUP
Coaching Calls

Debbie: Hello everyone, and welcome to our webinar today. Guys, we want to have a lot of interaction with you today because this is a really important topic. So I want to make sure... We find it works better in Google Chrome. If you're having any problems, maybe refresh. Certainly you can always call my office here if you need some assistance. I'm not going to do much of the webinar today. I really wanted to get you introduced to Ben. I know that some of you have been with us before our webinars, where I had been in as a guest. Some of you may not even know that a few months ago, Ben and I decided to merge our companies. And how that all came to happen is, I used to coach Ben years ago, had the pleasure of watching him go from his first year in the real estate business to becoming, I think right now, number three on REAL Trends top teams in the entire nation. His teams do over 2,500 sides of business a year. Very profitable, very successful. And because of this fame, I thought I want to partner with someone who's out there actually doing it and has such a strong foundation also in technology. Ben owns 10 tech companies and really is considered to be one of the major thought leaders in the real estate industry.

The reason I wanted Ben to join us today is, he is clearly an expert when it comes to building and running a profitable team. And many of you had reached out to me and said...

When are we going to hear from Ben on the real story? How does he do it? What's the behind-the-scenes scoop, so that I can go out and do exactly what he's doing in his business?

So, what I asked Ben to do today is really, in a sense, open the vault and share specifically what makes the Ben Kinney teams work. You're going to hear him reference a lot about his teams, his methods, his process. That's by popular demand. And so, Ben, just want to welcome you to the webinar. I think they can all see you there with the polar bear behind, which is very appropriate for winter. So, I know we want to get this party started.

I think one of the things too, Ben, that we wanted to mention to them is, we have an event coming very soon. Actually, you could join us at events next year in Bellingham, Washington. But if you'd like to come somewhere warmer, we are having a great event in Newport Beach, California, January 13th and 14th. We're going to keep that event very small, and the reason for that is, we want to have a lot of opportunity to mastermind, to collaborate. Ben's going to be talking more about teams and building expansion teams. But also, our thought today and our thought in January is we really want to have a lot of discussion with you about how to move away from being a great real estate agent to being a powerful business owner and building a business that one day you can leverage, be the CEO of, or even sell, if you wanted to sell it. So we're going to talk about that.

We're also going to bring in a special guest, Ben. Ernie confirmed yesterday. Some of you have heard about Ernie or met Ernie. Ernie Carswell is our terrific client in Beverly Hills, and Ernie is Katy Perry and Fergie's realtor, to name a few. He's going to come and share very openly his strategies about luxury and ultra luxury. I think we have Diane Hartley, the president of the Institute for Luxury Home Marketing. All sorts of great guests, guys. And it's very easy to fly into the John Wayne airport and pretty much literally walk right across the street to the hotel. And lots of cool things to do.

By the way, guys, we do have early bird pricing. You see there, it ends on December 18th at midnight. But also, the event venue is small. So, if you plan to come, you'll want to go to Events.ForwardCoaching.com and you'll want to make your reservation today. So Ben, with that, I want to maximize the time they have with you, so I think I'm going to go ahead and turn them over. Alright, Ben, they're all yours. Take it away.

Ben: Hey, good morning everybody, or good afternoon, depending on where you're from. As Debbie said, my name is Ben. I am first and foremost a real estate agent. I have a listing appointment on Sunday in my neighborhood for a high-end property. And I've been doing this for about 16 total years. Debbie was my first coach and truly helped me grow my business to where it's at today. I appreciate all the time that you've committed to me over the years, Debbie.

So let's talk about building a real estate team. People have different visions of what a real estate team could be. Some say, "I don't want to have a really big team." I didn't say that. "I don't want to have a really small one." I didn't say that. Well, what is a team? A team is our ability to have leverage so that all of you can have both a life and a business. What we want to do is we want to take a look at Robert Kiyosaki's cashflow quadrant. Just take a look at this picture for me real quick and think about these boxes. The vast majority of the population exists in what we call the E box. The E box is "employed". That means they, or we, have a job. And you know that you have a job because you wake up every single day and you get to say the mantra, "I do it." The way I test myself is I ask myself the question, "If I didn't show up to work next week or next month or next year, would the business still exist?" And if the answer is "No" or "It would go down dramatically", I'm not really running a business. I'm just self-employed, employed by a business. And we want to move away from that, because moving further away from that concept allows you to protect your family, protect your dreams, create opportunities, enjoy life, stay healthy, focus on your faith and family and friends and fishing season, and all the things that you love and enjoy.

Well, some people are able to move from the E box to the SE box. The SE box is "self-employed". So imagine you're a real estate professional and you get to the point where you get a showing agent, or you hire an admin – then you're in the SE box, because the SE box means self-employed. The mantra for the SE box is, "We do it." You're not doing everything, but you're still really needed. Like having a baseball game with a pitcher and a catcher – you need two, because if the pitcher throws the ball and there's nobody to catch it, you're going to have a problem. That's going to be pretty boring. Actually, that sounds a lot like golf – you just hit the ball and then you have to go chase it. But that's me digressing.

So, we want to move from self-employed to the B box. The B box is "business". Business – you wake up and you get to say, "They do it." That's when you've successfully replaced yourself in the aspects that require the business to continue operating. And I have a really good friend, somebody I care about a lot, and he's been a very successful real estate professional and he's made between \$500,000 and a million dollars a year, and was able to invest a lot of those proceeds into real estate and apartment buildings and other things. And for the longest time he believed that he owned a business. But he ended up getting cancer, and the cancer ended up being inside his bones and he took a year to go through treatment and to learn how to walk again. And it was probably two years before he was up and back and able to go back to work. And very quickly he realized that he was a very highly productive high producer. But that \$500,000 to a million dollars didn't come in that year that him and his family were going through cancer treatment. He realized that in that period he really was just employed, or self-employed. He wasn't running a business in that area of his life. And you never know when those things are going to pop up. So we want to be able to protect ourselves, create leverage, take advantage of other opportunities, grow the business, work on the business instead of in the business. And the only way to do that is moving through this transition of the cashflow quadrants.

The last box is the money box. The money box says, "My money does it." That's where you're able to take the proceeds from your job and the proceeds from your business – we call that net income – and invest it in things that pay you now for things you invested in in the past. That would be like a commercial building or a rental property, or you invested in a mortgage company or a title company, or any of those types. Over time, we want to fill in each one of these boxes.

Now, the myth is that you move from one to the other, and then the next one, and then you end up at the end. I actually don't believe that that is the real way it happens. I actually think we start off as employed, even by our own business, and then we add leverage like an admin, and we're still employed because we're still the one working with buyers or working with sellers. Then we start running our business, but it requires us to show up – so we're still employed, just by our business. And then we start having excess money and we invest it in other things. We exist in all the boxes. But at some point towards the end of our career, we start saying, "I'm going to give up the E box first." And then you're going to give up the SE box, and then eventually you're going to sell your business, give it to your brat children, close it down. And the last thing that you're going to have, hopefully, is some investments and some money left over to fund that life, create those memories and do those things that you want to do. So I'm setting the stage for you and me to move from "I do it" to "We do it" to "They do it" to "My money does it."

So, how do we actually do it? I read a book once about building real estate teams – and many of you probably know the book – but it was very helpful in my career. Now, what I learned from that and what I've learned from each and every sequential book that I read about building real estate businesses or even building regular businesses, is that our journey can be simplified down to this statement. Think about this: We must incrementally... What does "incrementally" mean? Step-by-step, right? We must incrementally remove ourselves... Michael Jackson moonwalk, right? Remove ourselves from every aspect of the transaction, based first on its equivalent hourly rate. Let me repeat that. We must incrementally remove ourselves from every aspect of the transaction, based first on its equivalent hourly rate. That is the concept, the sentence that I drew up to explain how we move from "I" to "they".

So, let me translate this bunch of bulls**t that I'm spitting out here. What it means is, we must first give up the thing that you can pay somebody less than what you would make per hour if you did something else. One of the sentences that I write down, hang on my walls, ingrained in my brain is this idea of, "I care about my hourly rate." Maybe write that down: I care about my hourly rate. And because of that, you're going to focus on increasing the amount of money you make per hour, not just increasing the amount of money you make, because at some point, time will be your limiting factor. Time will be the reason why you hit that ceiling of 24 deals a year, or 50, or 100, or whatever that is, because you actually can't do anymore with the hours that are left in the day. The only way to do that is to add leverage.

So, let's talk through that journey of leverage. Building a real estate team shouldn't be super complicated, and it should be sequential, and it takes a little bit of time. So the first step for a real estate professional is to get to consistently closing two transactions a month. Now, in my first full year in real estate, I was able to get to 26 transactions, but I wasn't able to ever close more than two deals per month consistently on my own. Now, Debbie was just kind of a freak. She's a machine. She was able to do 80 deals, 100 deals, 150 deals. I was never at that capacity, because I got caught up on the contracts, the paperwork, the flyers, turning stuff into the office, doing all those little tiny aspects. And I just couldn't get everything done. So I hit a ceiling. Once I got to that 26 transactions in the year, I said...

I made about \$150,000. What if I took \$40,000 of that and I invested that into my first assistant, into an administrator that would help me at the things that I suck at?

And I was able to hire somebody who's still with me today, 14 years later from when I hired her. Last week, actually, was her anniversary; Jillene. I was able to hire her for somewhere between \$30,000 and \$40,000 a year. And what was miraculous was, I gave up everything I was bad at – flyers, marketing, listing paperwork, typing stuff into the MLS, printing out letters, sending letters, doing the marketing piece, calling people back, doing all kinds of stuff. And I stuck to what I was good at. What I was good at was lead generating, working my sphere, knocking on doors, hosting open houses, following up with leads, doing listing appointments, doing buyer consults, negotiating deals. And that was a higher dollar productive activity than me doing all the rest of those things. So, within a year of hiring an assistant, I was able to go from 26 transactions to 84 – three times the production with only a \$40,000 increase in expenses, because I got my time back.

There'll be another level after you make that next step, where you run into another ceiling. And for me, that ceiling was, I didn't have enough time to work with buyers and sellers because I was trying to get listing appointments, I had a buyer that wanted to go look at homes, I had to sit there during an inspection, I had to sit there during an appraisal, I had to shuffle paperwork. I had to do all these different things. Get stuff signed, talk to lenders, talk to the other cross agents. And I was hitting the ceiling. I was getting to the point where I could close six or seven deals a month with Jillene helping me, but I wasn't breaking through and things were starting to slip through the cracks. I wasn't calling all my buyer leads back, I wasn't able to answer all my sign calls. Sometimes I'd forget to call a seller back. Internet leads weren't getting responded to quickly enough. And I had to do something, I had to make a change. So what I did is I hired a buyer's agent. As I hired a buyer's agent, I said...

Buyer's agent, why don't you come in and you work with all the buyers? I'll give you all my sellers that are moving and all my sphere, all the sign calls and Internet leads and all the open houses. And your job is to go work with the buyers. My job is to go work with the sellers. And Jillene's job is to handle all the operations, admin and marketing and those types of things.

So, I agreed to give my buyer's agent 50% of the commission for any buyer transactions that that buyer's agent worked. Now, sometimes I would still help my own friends and family or my doctor or those types – go look at a home and I'd sell them. But in general, the buyer's agent did 80% of all the buyers. Within one year, we broke through that ceiling of 84 transactions and were able to move all the way up to 143 transactions. Then I got what I like to call the "genius disease". I don't know how many people on the call today have ever gotten the genius disease, but that's when you think you're super smart, but it turns out you're not that smart. Anybody, type into the chat box, have you ever gotten the genius disease, where you really thought that you were super smart, but it turns out you weren't that smart? Anybody? "Every day", Jeff says. That's what I'm saying, right? And here was the mistake I made, Jeff, is I went out there and I said...

If I could do 143 transactions with one buyer's agent and one admin, what if I get a whole bunch of buyer's agents and bring them into my team? I'm going to have the biggest team around.

So I did. I went and I found every person that wasn't doing anything. I found the guy that was smoking outside the office, the lady that worked on our listing presentation for seven years but never once

presented it, the brand new kid – he was almost at puberty. I found everybody that wasn't doing anything in my office and I recruited them into my world, and all of a sudden I woke up and I had the biggest team you've ever seen. There were 10 of us total. And that next year I trained the unmotivated, I tried to hold accountable the unaccountable. I did everything. I ended up with what I like to call the "cream of the crap". Ten agents. In the whole following next year I did 153 transactions. Seven more agents, 10 more deals. And it wasn't that all those agents didn't do more businesses. I was spending all my time working with them, trying to motivate them, trying to hold them accountable, giving away all my business. And it literally almost caused me to quit. I almost gave up because I wasn't making any money. So, I had a comeuppance. I sat down with myself and I said...

Self, we've got to fix this. We've got to do something different right now. What is the problem?

And the problem was that when I had a talented, accountable, motivated person, we won. But when I started working with unaccountable, unmotivated, lazy, non-skilled based people, it was sucking the energy and the happiness away from me. So I got rid of most of those people on my team and I said...

Team, we're going to rebuild and we're going to change some things. Every morning, we're going to do scripts and dialogues at 8:30 in the morning. And when you come in in the morning, we're going to role play for 30 minutes, because I don't want you practicing on my customers anymore.

And to this day, 12 years later, 11 years later, something like that, we still do scripts and dialogues every morning at 8:30, because I will never allow again my organization to practice on my customers. We role play our listing presentation, we role play our buyer consults, we role play our negotiation skills, we role play our sphere scripts, our prospecting scripts, our open house scripts. A lot of the scripts that Debbie gave me over the years, we sit there and we practice and we practice and practice.

Well, as I put that together and I poured into the accountable and the hardworking, and I started learning how to hire and fire talent, that broke us through another ceiling. We went from 153 transactions to 278. The next step of the level is we had to hire more leverage, another marketing person to help Jillene out – transaction coordinator, marketing, whatever Jillene needed. And we brought in an inside sales agent. Because I was busy training the agents, recruiting agents, going on listing appointments, I didn't have time to continue to lead generate for more listing appointments.

So, I brought in a guy. A guy knocked on my door, he was trying to sell me a Kirby vacuum, and I talked him into instead of selling vacuums because those things suck... Anybody? Was that funny? Those vacuums suck. You guys get it? He would make way more money and be way happier if he came and he helped me sell real estate. So I brought him into my business, and the first year he scheduled like 140 listing appointments for me; 140. And we took the vast majority of them. He scheduled them. I'd go on the listing appointments, I'd take my agents with me for training. They would just sit there and watch me do the listing presentation. And as that grew, that next year we ended up at 500 and something transactions.

Well, at that point I was running out of time. I didn't have time to work on the business, grow the business, hold the agents accountable, manage my finances, hire people, do all the stuff that we wanted to do. I had to give up the next piece of the pie. And finally, that was listings. So, I hired a listing agent. The foundation of a real estate team is administrative, buyer sales, and listing sales. The last thing you

ever give up is listing sales. Here's why. I could work with four to eight buyers at any given time, or I could work with 40 to 50 active sellers. And if I was thinking about my phrase "I care about my hourly wage", then I would give up the thing that paid me less, which was buyers. But over time I realized that I could spend all day lead generating for a seller. And I was decent on the phone, so by the end of the day, I could almost always get a new listing appointment. And I thought to myself, "How much money would I make from that listing appointment?" Our average price was about \$250,000, so I'd make \$7,500. I'd pay some expenses, so on, maybe I walk away with \$4,000 or \$5,000. And I asked myself, "Is that a lot of money?" "Well, yeah, that's a lot of money." And I said, "Well, maybe that's the problem." The problem was I was thinking that that's a lot of money.

What if I spent the same amount of time tomorrow, lead generating for somebody that was willing to lead generate for listings every day? If I could find somebody tomorrow, if I called all day and worked hard and lead generated and asked my sphere and did interviews, even if it took me a week – if I spent my time hiring somebody to come into my business, how much would that person contribute to my life? Well, let's say the average buyer's agent or sales agent in your team adds an extra \$100,000 or \$200,000 a year to your business – that's a lot of money. I transitioned from making \$5,000 a day and going on listing appointments to making \$100,000 a week by finding people that were willing to go on listing appointments. I was moving into the box called "They do it."

Over time, the last hire you'll make is somebody to take over your role of running, recruiting, and holding the agents accountable. In my specific situation, I promoted my first hire Jillene into the CEO of our sales business. And you never know. It was a good lesson for me. Everybody says your buyer's agent, your listing agent or somebody is going to end up being your CEO or your leader or your manager. I just think they can come from anywhere. They could come from your ops person, your inside sales; they could come from your listing agent or your buyer's agent. Leaders show up to start in all different positions. What you look for is loyalty and commitment, and buy-in into your vision of your company.

We're moving down this path of "I" to "we" to "they" to having the capital to do what you want. So let's talk about compensation because one of the biggest questions that we get is, "How do you actually pay these people?" Now, I've had the same exact compensation plan for my sales team since 2006. As I hired new people, I haven't changed my comp plan. People tend to be creative; I tend not to be. I find a model that works and I stick to it. People tend to complicate things, but they do that because they have to justify their inactions. Think about that statement: People complicate things to justify their inactions. They say, "I would start building a team, but I just need this." "As soon as I find this, then I'll start doing that." "I would have done that, but I need a contract or I need this thing." They come up with all these reasons why they can't get started – "I need to figure out how to compensate them before..." Just go find somebody that's already done it and just steal their ideas; steal mine.

So, when I was an individual agent, I was making 100% of the income. I was also paying 100% of the expenses, and I was doing 100% of the work. As I hired my first administrator, I hired her on a fixed salary, or hourly – I forget what it was – but it equated to that \$30,000 to \$40,000 a year. Over time, I added a bonus to her, where she made a percentage of what I made on every single transaction, or every single month on our profit. And we share in the growth of the business. When I hired my first buyer's agent, look at the numbers that are on the screen – it gives you 15, 50, 65 and 70. Let me explain that.

Buyer's agents – I call them sales agents because they're allowed to work with buyers or work with

sellers, but I tend to give them the buyer leads instead of the listing leads. They work on a 50/50 split, which means on every transaction that they close, they get 50% of the commission, and the team or the business gets 50% of the commission. That doesn't matter if I give them a lead or if they generate a lead – they meet somebody at an open house or they're cold calling somebody – we share in the commission 50/50.

There's only one exception. If I provide somebody in my sales team an appointment – somebody that wants to meet to talk about buying, or somebody that wants to meet to talk about selling – we take a different arrangement. We call it an "appointment split". The appointment split is 65% to me, 35% to them, if I give them a buyer appointment. If I give them a listing appointment, I get 70%, they get 30%. But they don't have to convert the lead, they don't have to work a whole bunch of leads to find it. I'm literally calling them and saying, "Hey, I have somebody that would like to meet on Sunday, and they would like to list their property" or, "I have somebody that would like to meet tomorrow night, and they would like to go look at a couple of homes." I would give them the appointment. The reason I did that is it motivated me to give up my own personal sphere or my own personal lead generation efforts, and it created a little bit of extra margin for me to pay for a telemarketer, an inside sales or an outside sales agent in our business.

Now, the 15% is what I recommend today that many of you do, instead of hiring a buyer's agent. 15% is what we pay our showing agents. Somebody said, "I don't know anybody that would work for 15% of the commission." You have to understand that the percentage, the splits are actually irrelevant. The real question is if you work the same amount of hours as you did at your last job or you did last year in your real estate business – same amount of hours, and you came and you worked with me and you made more money per hour and more money at the end of the year, you had less stress, you had less expenses, you actually netted more – would you be happy? And 99% of the time that answer's "Yes". So when my market's at 15%, it's about \$1,100 at minimum to as high as \$1,500 a closing for a showing agent – a showing agent who's going to do a minimum of about four transactions per month. Those four transactions will be about \$6,000 a month, or \$72,000 for the year.

How many of you on the call today have a friend who's working hard at Starbucks, or a waitress, or a school teacher, or a janitor, or driving a truck, or sitting in an office, or working at a call center, or went to college for six years and isn't making \$72,000 a year? Who isn't making \$52,000 a year? And that's just a start, if a showing agent's only doing four. Usually a showing agent can get up to six to eight or even 10 transactions, because all they're doing is going on the showings, sitting at the buyer appointments, or the buyer consults, going to the appraisals and going to the inspections. The main agent – you – you're setting the buyer appointments, you're converting the buyers, you're helping negotiate the offers. And they're doing the rest.

It's a really good way to transition into building a real estate team without having to give up 100% of your control or 100% of your income to start. Over time, that person's going to want to make more money and they're going to be trained to do it how you do it. They're going to know how you treat customers, how you negotiate, how you follow up and how you present. They're the natural promotion into becoming the buyer's agent for your team, and very potentially a lead buyer's agent, or a CEO.

In our world, the agents that are showing agents and buyer's agents have to be licensed, because in the states that we operate, in order to be a member of the MLS and get access to the key box and talk about real estate, negotiate – to do some of those things, they are in fact licensed. That is one of the

requirements that we have today.

Now let's think about hiring a telemarketer. I pay everybody I can a \$2,000 a month salary, because it's above minimum wage, barely. It's not enough for them to live on, but it's enough to require them legally to show up. But what they do is they make all their money on the override. Our inside sales agents make 10% of every listing appointment that they schedule, when they close. They make 5% of every buyer appointment they schedule, when they actually close. So they're going to make between \$60,000 and \$100,000 plus a year. They're sitting in the office Monday through Friday. They're basically answering sign calls, Internet leads, calling Canceled/Expireds, FSBOs, doing the prospecting. It's more of a fixed position for the person that says...

I don't want to work nights. I don't want to work weekends. I don't want to be out driving around. I really just like sales and customer service and talking to people.

So they sit in the office with you and work. In my states, they have to be licensed as well, because they're accessing the MLS and they're calling Canceled/Expireds, FSBOs, following up with leads. There probably are some activities that an unlicensed ISA could do, but they can't specifically talk about real estate. This is where I have to tell you to check your own state laws. I know lots of organizations that use virtual assistants for ISAs, and then they're just very particular what those people say and what those individuals can actually talk about – calling your sphere, asking them for referrals. Those sorts of things are really easy for an ISA to do for you, that would be unlicensed.

So, now we're moving up the pyramid here. We're getting to giving up the last piece of our role, which is the listing appointment. We pay our listing agents a \$2,000 a month salary, because that forces them to show up and I can hold them accountable because they become employees, and then they get a 10% to 15% override, just based on how much tenure they've been with us, on each listing closed. Their job is really to go on listing appointments. They're not doing a ton of lead generating. They're really going out there, going on the appointments that we set, following up with the seller and the listing leads that we generate, working our sphere, working our agent referrals. You've got to have enough listing leads and enough repeat listing business and enough appointments from an ISA or whatever that might be, to afford a listing agent. You can't just put a listing agent into your business and expect them to go find listings. You really need to have a plan in place to feed these individuals.

This is about you caring now more about other people than you even do yourself, because you're bringing these people into the world and you're now responsible for these people, because you're the leader. And for me, I've always let myself down. I've let myself down in my health, in relationships, and just like leaving early when I really should've pushed a little harder, because when it's just me and I have nobody to hold me to it, it's easy for me to let myself down. How many of you guys have ever let yourself down?

Now, when I hired Jillene, it was no longer like that. Jillene, my first assistant, I had to say that if I don't show up, I'm not going to be able to pay her salary. If I don't show up, I'm not going to be able to take care of her, I'm not going to be able to make sure that we accomplish the goals and the dreams that she has in her life. And as my business grows and grows and grows, it forces me to show up in ways that I never would have showed up on my own. There's only been two things that have pushed me to do more than I would naturally be willing to do – one, having a coach; two, having people in my organization that I make promises to that I care about.

So, if you're going to think about building a business – a real business – one of the things that you should consider is starting with building your mission, vision and values, because this is what you're recruiting people to. In my business, a mission statement is an external statement. It is a statement that you say to your customers – the real estate buyers and sellers. It is something that you use to convey what you do, when you do it, and where you do it. Here is my mission statement, and you'll hear that I believe in it wholeheartedly: Our companies, what we do is we deliver the dream of homeownership everywhere. Our real estate sales team in the communities that we operate, this is what we do. We help families and individuals experience homeownership. It's because I believe in homeownership. I believe homeownership is the number one thing that determines statistically if a family has a net worth or wealth or not. The average renter in the United States has a net worth of \$5,200. The average homeowner in the United States has a net worth of \$238,000. Which person is in a better position to retire, to take care of their family, to take advantage of a new opportunity, to invest in something, to take some time off? The homeowner creates wealth.

I would like to change my business card. Here's my business card. I don't have my picture on there, because I'm not as pretty as you. If I looked as good as you, I might, but I don't. So, what I would like to do is I'd like to put something on my business card that says, "I help people manage their wealth in real estate" because, Leslie, what they think we do is we're handing them a business card and they're like, "Oh, there's a car salesman. He happens to sell real estate." I hand my card to Samantha and Jeff and Alfredo and Allison and Gabriel – I hand it to them and they're like, "Oh, there's another freaking car salesman that happens to sell real estate."

I don't want to be seen as that person. I want to be seen as the individual that helps people manage their wealth in real estate. I'm going to help people make financially smart decisions. When is the right time to sell, not sell, to keep the property and buy something else, to invest? I want to be the long-term person in their business that helps them enjoy the dream of homeownership, and enjoy the benefits and the wealth-building opportunities that real estate can provide. That's what's going on on my business card. And I hang this on my walls and we put it on our T-shirts, and we are out there preaching "Delivering the Dream of Homeownership" everywhere we can.

Now, after your mission statement, you have your vision statement. Your vision statement is an internal statement. It's something that you use to encourage people to join your team, encourage people to stay in your business or your team, to talk to your affiliates about. It's a retention tool. It is what you believe in; it's the purpose. It's your purpose. It's why you're doing this. We simplified ours to say, "The vision of our company is to win, make, give, and do good." The reason is because I want to be in business with people that want to be number one. I want to be in business with people that want to win. I want to be in business with people that want to make millions, people that want to become millionaires. And those that do become millionaires, I want to be in business with the type of people that would give millions away in the communities that they operate in. And with all that we would do good.

So, I'm always talking to my people saying, "Hey, do you have any interest in becoming a millionaire?" And somebody says, "I'm not really motivated by money. Money doesn't do anything for me." They probably wouldn't be a match for me, because I want people that want to do good. I want people that want to give back to our community. I want people that want to solve homelessness, that want to solve hunger, that want to make a major impact. There's nothing wrong with those people. But in my organization, I only have enough room on my football team for 11 players. And each seat on that bus,

each seat on that team has to be given to somebody who wants to win, somebody who wants to make, and somebody that wants to give, because they want to do good. And when you walk into my company and you take a tour of our offices, you'll see "Win, Make, Give" written on the walls. You'll see "Delivering the Dream of Homeownership" written on the walls.

And the last statement that I'm going to ask you guys to make is your values. The values of our company said the success of our businesses will be determined by our ability to maintain our health. And we did something cute, where we made each letter of the word "health" a value. And the reason I chose health is it's something that I've always struggled with, something my mom always struggled with. I struggled with weight and body pain and lots of other issues, so I wanted health to be an important part of our organization. So H is "hard work", E is "extraordinary results", A is "accountable in all things", L is "leaders only", T is "teamwork", and H is "humble". That's who I want to be in business with, that's who I want to work with, and it helps me make those decisions. If you're buying into this idea of...

I would like to work less hours next year and make more money. I would like to succeed through people instead of it always being about me missing that soccer game or missing that date night or working those extra hours or being on my computer when I'm home.

Or giving up the things in life that we care about – and you're saying, "I'm freaking sick of this. I'm going to make some changes. I'm going to build a team" – the way to do that is you're going to have to hire your way out of it. And you're going to hire your way out of it by coming up with a model or a system or a plan that you use to hire and identify talent. I'm teaching a class next week in Bellingham on how to hire talent, following a model and a system for how to do that. But once I hire them, I'm going to have to have the standards for what the people would have to do to be successful in their role.

So, we start with the standards. Our standards start with, what is their actual role on the team? What do they do? Them understanding that being a part of a team is better than doing it on their own. The number one reason I think teams join us and agents join us is because they're lonely, and they're tired of the pressure and the stress of doing it on their own. It's not that they can't do it on their own. It wasn't that Debbie couldn't run a massive coaching business on her own. She already was. Extremely profitable, growing very fast. But she didn't want to do it on her own. I didn't want to do it on my own. I would do things with partners. And you're looking for people that have that same passion, the people that say, "I don't want to do it on my own either." And these are going to be people where you're going to identify...

What are your business goals for next year? What are your financial goals? What are your personal and health goals? What are your relationship goals?

Because the only way that you can really get into business with people is by you understanding what their goals are and how working with you would provide value for them to accomplish those goals. And for you clearly explaining what the opportunity would be if they succeed highly in the role.

Jeff, you're going to start talking to them about, what did they make last year? After they paid all their expenses and they paid their broker, what do they have left over? That's their net income. The big objection that people give you when they're coming to join your team is, "I don't want to work on a 50/50 split." They're confused, Jeff. Here's what I'm saying. You ask them, "What did you make last year?" "I made \$100,000." "Congratulations. You're awesome! How much did you pay your broker from

that?" "Well, I paid my broker \$30,000." "Okay. What did you pay for office rent, realtor dues, websites, leads, marketing signs, lockboxes, admin help, transaction coordination, staging?" "Well, I probably paid another \$20,000." "Okay. Did you pay for any coaching classes, any of the travel, any of those sorts of things?" "Okay, yeah, that's another \$10,000." "Okay, so you spent \$60,000 of your \$100,000. You're already, Jeff, on a 60/40 split." "I didn't think about it that way."

It's our job to sit back and explain that they're already on a worse than 50/50 split. The vast majority of real estate professionals, the people on the call today, they're spending between 70%, 80% and 90% of their commission on expenses. We're all working on a 70/30 split, on a 60/40 split, on an 80/20 split. We just have to explain that from the beginning. We explain it, we explore the opportunities and explain who's on our team. In my organization, we have me, I have expansion partners, operations, managers, buyers and listing agents, pending help in marketing and telemarketers. I explain this so they see all the value that they would get by working with our organizations.

And then I clearly explain the four reasons why somebody should consider working on a real estate team, specifically my team. So, I'm not giving you guys a bunch of bulls**t. I'm showing you my actual recruiting presentation and the actual scripts that I use when I'm talking to somebody. So, I printed out in our recruiting guides so that my partners, when they do the recruiting presentation, they can say the same thing as me, like scripts and dialogues. So if I was to say the first reason that you should consider joining my team is, you're going to have low to no expenses – then I just read it. Most real estate agents spend 40% to 90% of their commission on expenses. That includes salaries, technology, marketing, lead generation, training, coaching, and systems to run their business. On my team, the money you make is your gross income, but also your net income, which means when you make money, you're not going to have all those expenses. That's what you get to take home.

The number two reason you should be on my sales team is because you're going to have more time. See, systems make the ordinary extraordinary. On our team, the combination of systems and the ability to leverage all of our team's resources means you have more time to spend doing what you get paid the most for, like going on listing appointments and completing buyer consults. You get to spend the remainder of your time with the people you love, doing the things you enjoy most.

Number three, you're going to do more business. The combinations of our training, our technology, our systems, our brands, and the leads that we provide means that you can outperform the average agent with 10 years of experience in your first year on our team. The top new agents on our team close between 24 and 75 transactions their first full calendar year on the team. That's a little bit of an under-exaggeration because my number one top first year brand new agent did 79 transactions her first full year on our team. But she was a grandma, so that's probably why she outperformed everybody. This is what the National Association of Realtors says: The average agent with 10 years experience does between 11 and 16 transactions per year. So what I'm saying is, you may pay a little bit to be on the team, but you're going to do two times, three times, four times, five times, 10 times more transactions by working on my sales team.

I'm not trying to recruit you guys to my team, by the way. I'm trying to give you guys your value prop, so when you start talking to people about why they should work with you, you just do R&D – that's "rip off and duplicate" my scripts, and then you use that for you to build your business.

Number four. The fourth reason why you should consider being on our sales team is opportunity. Our

unique opportunity model is designed so that every team member can build a team within our team, that is more profitable and successful than the largest teams in the U.S. Imagine having your own showing specialist, an admin, an ISA or a listing agent, all working with us. Additionally, our most successful agents earn the right to become partners, own businesses or invest in real estate with me or one of my associates. So, I'm talking to them about...

This is what you're going to do now. This is what you should do to get your debt paid off, start making money and building some wealth. But here's why you're never going to leave – because you get these opportunities.

Allowing your agents on your team to have their own admin or have showing agents gives them the ability to have their own team without ever leaving yours. And then I reiterate by going through each one of these items: They are going to net more money because they're going to have low to no expenses. They're going to have more time because of our systems, our admin, our technology. They're going to sell more homes because of our scripts and our lead gen. And they're going to have opportunities.

And the way we offer our opportunity model on our sales team is if somebody is doing one to two transactions per month, they get to do what I call "stay". Robin, if they're doing two deals a month, they can do what I call "stay". If they're not doing two deals a month, I don't care if they stay or they go. I want people that want to treat this as a full-time career and a full-time opportunity. In my market, two transactions would get them to be making a six-figure income after team splits, and I want everybody in my world to be able to do that. But once they're doing three or four transactions per month, they can hire a showing agent. And I'll give them more leads because they'll have more hours to work with buyers, because they have this extra showing agent. After they get to five to six deals per month, I'll pay for one half of an assistant for them, which means they have to pay the other half. So they might get a part-time, they might get a virtual assistant, or they might get a full-time assistant. As long as they continue to close five or six deals a month, I'll pay for half of that. And the opportunity grows and grows and grows, until they earn the right to become a partner.

Our model for our team is super simple. People are always thinking about, "What am I going to do? How am I going to feed them?" You have to understand that I start off with the idea that every agent on our sales team has to do their job. Their job is to work their sphere, and we provide them a plan to work their sphere. If you're a Forward Coaching client, I did a training the other day – it's in our resource library – on how to work your sphere my way. Just rip that off. Do open houses and follow your open house plan. Every agent on our team has to work a minimum of two open houses per week. And prospecting – every agent on our team has to make a minimum number of dials every day to Canceled/Expireds, invite people to open houses, "Just Listed", "Just Sold", those sorts of things. That adds up to every member of our team brings one to two transactions per month from their own activities.

Once they're doing that, I will let them into my business. My business is Internet leads, leads from my listings like sign calls, my personal sphere, agent referrals, old leads, ISA appointments, whatever that might be. That should bring them another one to two transactions per month. We want to be in an equal relationship with the members of our team.

Now, before they start, I'm going to make them get a commitment. I'm going to make them commit to

my standards, that they're going to do the activities, that they're going to have the knowledge by previewing enough properties, and memorizing our listing presentation, and becoming an expert of contracts. They're going to do a minimum level of productivity. I don't tell people...

Hey, just make sure you save up enough money because it's going to take you six months before you get your first check.

Bulls**t. I say...

You're going to come in on day one with a buyer that wants to buy, a seller that wants to sell, and one other person that wants to join our sales team.

Because I don't want to deal with the, "I need a loan. I've been here for three or four months and I don't have any more money." Uh-uh, not on my team. You're going to show up with the expectation. You're going to get a pending in the first 30 days. You work with me and we're going to get a pending. The reason is because you need a paycheck, and I care about you. So we're going to do whatever it takes for you to get that pending.

Number four, we're going to participate. I believe that leaders show up. This is why your commitment to participating in our daily scripts, our trainings, our events – our sphere events, our cultural events – you're going to be there. We were at the food bank the other day, volunteering. We have a training – they're going to be there. Every morning, the scripts – they're going to be there. That's part of our culture, is participation.

And then I end my recruiting presentation with, step one is to complete your goals in 1-3-5; memorize our mission, vision, and values; review our team standards, fill out your sphere sheet. They've got to show up on day one with a list of who they have to reach out to, attend our team's Shadow Day, where they make a bunch of trial calls and pick their start date. All that is how you get into business with people. And then your job is figuring out, how am I going to retain them? What are you going to do to keep these people so they never actually leave your sales business? Because you don't want to be the team where everybody goes and then everybody leaves. We want to be asking ourselves the question, "How do we earn the right to stay in business with these people as fast as possible?"

Now, I've been able to put this model and test this model in cities all over the United States, in all price points, in luxury, in Napa, in big cities like Dallas and Atlanta, to small towns like Bellingham, like Idaho suburbs; Boise; Prescott, Arizona. And these simple models work. I hope that today this message gave you this idea of, "I can do this. I can build a sales team, and I want leverage." I just want you to ask yourself the simple question, "Who's going to help me do it?" Write that down: Who's going to help me do this? And if you have a great answer – your broker, your brokerage, a friend – that's awesome. Write their name down and reach out and say, "Will you help me do this?" If you don't, you need to call Debbie. You need to go to Forward Coaching and you need to get a coach and say...

I want help building a team. I need somebody that's hired an admin, that's hired buyer's agents, that's gone through these steps. I want a coach that can help me do that.

Because we have them. We have people that are coaches that have done \$2 million a year in commission, that have run teams of 20 to 30. We have people that have run teams with a single buyer's

agent in luxury markets. We have ones to fit your goals. So, if you don't have an answer on who can help you, go to ForwardCoaching.com, fill out the, "I would like a free coaching call", do a call with Debbie or one of our top coaches and see if they can help you get to that next level.

If today was awesome, type it in the chat box. If you enjoyed it, let me know your feedback or your thoughts. If you would like to come to our event, I hope I see you in January and you join us. And what I'm going to do is I'm going to put this recording inside our coaching resources for any of our coaching clients, so that you guys can re-watch this and watch this as often as you want. And the next time we'll jump into the next subject matter that you guys would like to dive in. Debbie?

Debbie: Yep. And Ben, I think for everyone here, Taylor's standing by here. We'll be getting out the recording, and people are asking about the slides. I don't know that we'll be sending the slides separately, but we will send the recording. I think your team needs a couple of days to turn that around. And then, we actually have the honor and I think the privilege of some of Ben's expansion team partners are coaches for us, so they have expertise in his systems and models. And so, go to the ForwardCoaching.com, guys, if you need to talk to us, and we would love to see you in January. We'll try to promise sunshine. So Ben, I see some questions there that they have. I have to jump off to a coaching call, but I'm going to leave them with you.

Ben: I'll take a few questions if you guys have questions or want to talk about anything specifically. Otherwise, Debbie, have an awesome day and we look forward and you guys all becoming Forward Coaching clients or seeing you at one of our live events.

Debbie: Alright guys, I will talk to you soon. Alight Ben, have a good time with them.

Ben: Later! What's an ISA? Gabriel, that is an inside sales agent. And OSA is an outside sales agent. The difference is, inside answers incoming leads – they're talking to sign calls, Internet leads, warm ones. OSAs are calling Canceled/Expireds, FSBOs, circle prospecting. We've had both, and sometimes have both at the same time in our different locations.

Leslie said...

What about setting up systems and models? Where can we get that feedback?

Reach out to different people. You can reach out to us. We have a lot of those resources available. One of the things that we need, we need scripts, we need technology, we need manuals, we need training. Leslie, one of the things that I've done in my career is every time I train something, I record it. And since I'm recording it, I never have to teach it again. So, I record my listing presentation for my agents to watch. I record my buyer consult. I record my cold calls, my sphere scripts. I record it all, so that over time you have this gigantic library, so you aren't training everybody. All those things are put in place. You don't need all the systems; you just need to figure out what your first one might be.

Other questions? Anybody have some good ones? Jump in there.

Your philosophy on quality versus quantity.

Gabriel, I think it's a balance, because you don't want to bring in everybody. I tried that and it hurt my

business. But you also don't want to have such a small business that your business can't grow, or if somebody leaves, you're in trouble. So your business has to constantly be growing; otherwise, it's constantly declining. There's no way for it to stay the same, because eventually some people are going to leave.

The Navy probably has 400,000 people. From that Navy, they're able to get about 4,000 Navy SEALs. You and I would rather be protected by a Navy SEAL than just a brand new recruit that joined the Navy, but it took them building a Navy to get a group of Navy SEALs. I'm willing to build a Navy, and I'm going to retain and hang around with and spend my personal time with the SEALs that show up in our organization and pass those tests.

Cecilia said...

Would you recommend hiring an in-house ISA?

It depends on where you're at and where your business comes from. I use virtual assistants. BrivityVA.com is who our virtual assistants come from. They have some that do circle prospecting, some that follow up with our Internet leads. I have an in-house OSA that calls all the Canceled/Expireds every day, who's a licensed agent. So, it really depends on where your business is coming from.

Somebody else said...

What is your number one and your number two lead generation?

It's really that pie chart. Sphere – mine and my agents' sphere, open houses, prospecting, and Internet leads. The rest of it is just byproducts – agent referrals, sign calls from our listings. But our core business comes from those four places. Simple pay-per-click Internet leads that we get from Brivity, Canceled/Expireds, FSBOs, circle prospecting, doing two open houses a week and aggressively working our sphere.

Alfredo said...

Where did you get your ISA?

We use BrivityVA.com. I just sent it to you. Okay...

Fastest way to make the money to have to start the business. Where did you get the leads?

Laurie, it's good. I had to figure that out because I didn't have enough business to hire Jillene. I had to go earn the right to do it. I did whatever it took that first year and I tried to live off less than I was making, so I saved up three months of that person's salary. Remember, you don't have to save up a long time, because if that person's not increasing your business in 90 days, they're not the right match for you and you're going to part ways. So, I saved up three months of that person's salary in order to bring them on. If you don't have that much or it's going to take you too long, bring in a part-time, bring in an intern, bring in a junior agent that's willing to do admin work in exchange for training. Find a way, do whatever it takes. Find a way to bring those in there.

Coleen says...

Are you using Facebook for leads?

Yeah, we do some Facebook advertising that we send to our IDX websites and our home valuation websites. I'm reading your questions, but I have horrible vision. Somebody else have any other questions? I'm typing this back.

What about the quality of virtual people? How do we know if they're qualified versus somebody who's in-house?

I think there are benefits of both of them, Cecilia. We have in-house operations and admin, and then we use virtual assistants for all the other stuff – creating paperwork, designing flyers, doing simple tasks, because it's just more affordable. You can get a full-time virtual assistant that works for you 40 hours a week, that's trained and coached, for about \$1,500-\$1,600 a month. You could get a part-time one for \$800 to \$1,000. And that's 40 hours, and they're going to work super, super hard.

How do you go about reaching potential sellers that had been affected by layoffs from a large company in your area?

Yeah, it happens in our area a lot, Leslie, because we have Boeing and we have a lot of the big tech companies, and we have a lot of that happening in our world. I don't know how you'd target those people effectively, unless maybe you joined some Facebook groups or create some Facebook groups for employees, or past employees of those organizations. Figure out what neighborhoods they live in and go door-knock them. Come up with some creative offer that you could give them, where if they buy and sell with you, you'll give them some savings or some way to help them.

Sherry said...

The \$2,000, I'm assuming that you're talking about paying a listing agent or a showing agent.

We pay that as a W2, because we want to require them to show up every morning and turn in reports and call our sellers. So we just have a little payroll service do that.

Any other last questions? You guys are really great today. I really appreciate all the comments and the feedback and all the conversation that you guys had with us today. It really makes it more fun for me to do that. Any of you guys like my polar bear picture? I feel like I'm working every single day with a bear behind me. It keeps me grinding and working hard, knowing that if I don't keep going, I'm going to get eaten by a bear. Yeah, he's looking at you. He's giving you the serious eye, of, "You need to get your butt going, Mr. Ben." Yeah. You guys are really awesome. I appreciate you being here today.

Cecilia said virtual... The BrivityVA company hires people that are in the Philippines, so they speak English. English is the official legal language, so they don't have an accent like an India. They work super hard. I've had one of mine with me for over 10 years. Yeah, they're like family. I've flown her and her husband out here to hang out with us. It's a really great world.

Okay, we're going to end the call today, hope to see you guys on the next one. It was really awesome. If

you enjoyed it, tell other people to join our webinar the next time we do one. You guys are great. See you next time! Cheers, have a good holiday, God bless, all that kind of stuff. You're awesome.