

## Regional Director / Operating Principal Market Center Competitive Financial Guide

### 1. Data

#### 1. GW

1. Who are the top 5 ***fastest growing*** brokerages in your area? (in order – since Jan.1, 2018) What does this show you?
2. What is their economic model?
3. How does my economic model compare?

#### 2. Lost Agent Productivity Report

1. How much company dollar did you lose in 2018 & 2019?
2. What % of your total company dollar was that for that year?
3. How many cappers do you have to hire to break even with LAP?

#### 3. Vital signs

1. What is your vital signs score?
2. What categories were your highest/lowest scores? (lead & lag indicators)
3. Where does this Market Center rank in the region?

#### 4. MYT

1. What is your profit trend?
2. What is your company dollar trend?
3. What is your retention rate?

#### 5. Broker Metrics

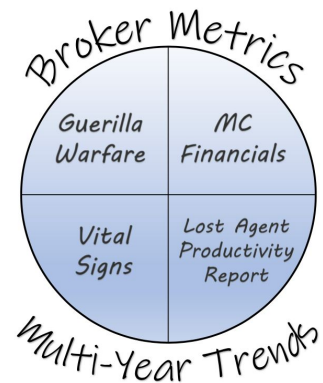
1. Where did the agents who left you go? (all agents, agents with 2-7 transactions)
2. Where did the agents who joined you come from? (all agents, agents with 2-7 transactions)
3. What was your net volume and net units?
4. Top Down Report for all agents in or near your territory (your recruiting pool)
  1. Assess the market share of the middle. What is your total percent of agents in the marketplace? What percent of the middle (2-8 transactions) are with your Market Center. How many agents not with KW did 2-8 transactions last year?

### 2. Market Center Financial Model

1. Based on all data reviewed so far, what if any changes, do you propose to make to your current competitive model?
2. What changes could you make that would double your market share over the next 120 days?
3. What have you learned about your business now that you've done this exercise?
4. What do you think the cap or economic model would have to be to drop dynamite in your market?

### 3. Defend

1. Why do you believe a change in your economic model would lead to more profit?
2. What's the single best argument from your GW exercise that would support any change to your economic model?
3. If changing your economic model wasn't an option, what other things can you do to change your



### **Based on the following premises:**

1. The purpose and goal of the business is to generate profit. Then we would naturally also assume more profit is better.
2. The Keller Williams model was created on a Low Margin and High Volume strategy. In other words receiving \$500,000 in profit derived from 500 agents is healthier than \$500,000 in profit from 100 agents.
3. The more of our agents that CAP the stronger our business is. Retention rate is higher when agents CAP and those that CAP more fully experience our value.
4. The cost of recruiting and onboarding new associates is greater than retaining our existing agents. Retention supports profitability.