



Building Your 7th Level Business? Read This

Vickie Lukachik | December 23, 2021

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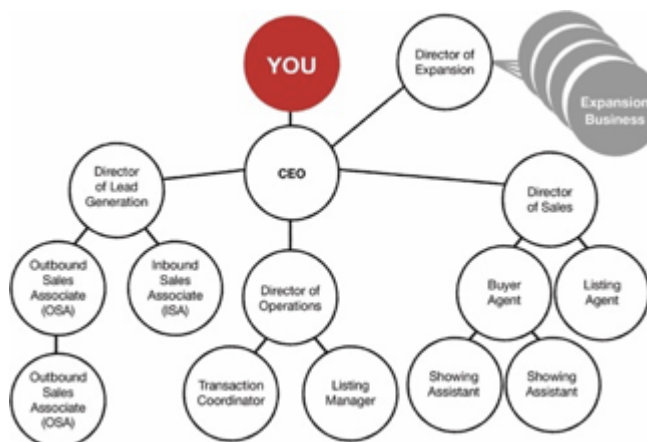
Many real estate agents' goal is to build a long and successful career. However, as they grow their business and team, all too often, they get stuck. Whether it's stuck in a sales role, a management role, or some combination of the two, many agents aren't sure what the next steps are to take their business to its next level. The answer to this problem lies in ***The Millionaire Real Estate Agent: the Organizational Model***. When agents reach the 7th Level of the model, they separate themselves from the day-to-day activities by hiring a CEO or partner to run the business. This ultimate leverage can help their business truly become limitless.

What Are the Seven Levels?

When a business grows, we can find ourselves struggling to cover gaps in the things that need to get done or finding the time to do everything. This is the point when we start using leverage to fill these gaps. Think about your days as a solo agent. You were the one responsible for getting *everything* done. As you began taking on more clients, you likely found your responsibility growing as well. When it got to be too much, you likely made your first key hire with an administrative assistant and tasked them with taking on some of your workload. By leveraging talent, you suddenly were able to focus on more dollar-productive activities – activities that grow your business. And, as your business continues to evolve, your team will as well. As you move through the seven different levels of the Organizational Model, you'll see your talent create divisions that focus on administrative duties, lead generation, and sales. Your role as a leader will evolve, too.

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The 7th Level of a real estate business is where many agents aspire to be. It's here where you have the opportunity to step out of your business and hand the responsibility of running it to a CEO or partner. There's a lot of misconception about the 7th Level, but the truth is that you make it what you want it to be. When you reach this level, instead of spending all of your time working *in* the business, you'll now have time to work *on* it.



You've Reached the 7th Level. Now What?

Not everyone will choose to or be able to reach the 7th Level. There isn't a specific timeline to follow that dictates how you must run your business. That being said, if you choose to build your business to the 7th Level, there are three key things to keep in mind to run it at the highest and most functional capacity.

1. Pay Yourself a Salary

In the early days of building your real estate business, it can seem counterintuitive to pay yourself a salary. When you're trying to keep spending to a minimum, paying yourself may seem like an unnecessary expense. However, it's an essential step for long-term success. After all, paying yourself helps paint an accurate picture of the value of your business. But, when it comes down to it, you should be paying yourself a salary at every stage of your business' development. It's not just a good habit to develop at the peak of your career, but rather, at every point along the way. Whether you are stepping out of production or moving out of a leadership role, your budget should reflect the amount it would take to hire someone into that same role.

Remember, what you pay yourself will likely be what you end up paying the person who replaces you.

2. Hire the Right CEO

If you are ready to bring a CEO or partner into your business, you've likely decided that your long-term vision for the business requires someone else to take the day-to-day reins. The 7th Level is traditionally where this hand-off happens. You'll hire your replacement and step out of the ongoing operations of the business, effectively becoming the chairman of the board. You'll remain engaged in the financials and overall vision, but the profitability and functionality of the business will fall to your CEO or business partner.

Does this sound too easy? Many who have reached this point will tell you that it's not. It can be a stressful time. Your business can feel like your baby – and you've likely been involved in every decision since its inception. Bringing a CEO on board means relinquishing control. While you may not necessarily be taking a back seat, you won't be sitting at the wheel, either. The leader you move into the CEO position has their own needs and wants, and in order to continue to push the business forward, it's important we listen to where they see themselves – and the business – going. This change will likely push you in ways that make you uncomfortable. But it's when you step out of your comfort zone that growth happens. And when trusted leaders know where they want to go, we should let them bring the business along with them.

Whether your new CEO is someone who has been with your company for a long time or a new hire, it's important that they share your vision for the business. Take time to explore their goals – both for themselves and for the business – and examine the opportunities that a partnership will offer. Remember that building your business to the 7th Level is your choice. Once you decide to forge this path, your business will likely be stronger and more reliable with you working *on* it and someone dedicated and accountable to working *in* it.

3. Find New Opportunities

If you're like a lot of people, you may view the 7th Level as an endpoint of sorts. However, think of it as just the beginning. After all, once you've built a 7th Level business, you've also built yourself a launching pad. You can look to the horizon and the market and start building a vision for what's next in your budding business empire. If you want, you can decide whether to expand into other markets or build entirely different businesses.

In Keller Williams' research on top real estate businesses, some of the most impressive are mini conglomerates. Instead of focusing on just one part of the transaction, they focus on every part of the homebuying and selling process. In other words, they look to be the one-stop-shop for every need that their clients have, whether it be the title they're looking into, the home improvement services they need to get their new home move-in ready, or the property management they need to oversee their duplex. These 7th Level businesses have strategically built other income-producing opportunities that fulfill related client needs, amplifying the value proposition of their core real estate business. While running various related businesses might appear overwhelming, when you have the right people in place, it becomes easier for you to focus your time and energy on evaluating other opportunities.

When it comes to your vision, it's important to make sure you have the buy-in of your leaders. Your success is symbiotic. Expect to provide business plans and a proof of concept for the future you want to invest in. With the right partner or CEO by your side, there is nothing your 7th Level business can't accomplish!

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Tags: **MREA**, **The Millionaire Real Estate Agent**