

**Is Your Firm Possibly One
of Them?**

Real Estate Brokerage Companies Are Going Out of Business



Are you making any of these critical mistakes?

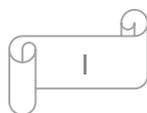
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Table of Contents

Poor Business Practices	Page 2
Bad Decisions	Page 4
Poor or No Strategy	Page 7
Antiquated Real Estate Culture	Page 9
Poor Communication and Leadership Skills	Page 12
Antiquated Technology	Page 16
Final Conclusion	Page 20
Action Steps	Page 21
Author Bio	Page 23





Introduction: Running a real estate brokerage is no different from running any other business: there are winners and losers. While some brokerages thrive, others fall into avoidable pitfalls that lead to their demise. Success in the real estate world demands not only strong sales skills but also sharp business acumen, foresight, and adaptability. Unfortunately, many brokerage owners discover this the hard way.

Here are the top reasons why real estate brokerages fail, and how to avoid them.

Poor Business Practices

The real estate industry is fundamentally a sales and marketing enterprise. Many broker owners emerge from a background of successful real estate sales, assuming their expertise as top-performing agents will naturally make them exceptional business owners. However, the skills that make a great salesperson rarely align with those needed to run a successful brokerage. Leadership, financial management, strategic planning, and operational efficiency are entirely different competencies.

Some common poor business practices include:

- **Lack of a clear business plan:** Operating without a roadmap is like driving blind. Brokerages that don't define their goals, target market, and strategies are destined to flounder.
- **Ineffective hiring practices:** To cut costs, many broker owners hire underqualified administrators, leading to inefficiencies and operational chaos.
- **Operational inefficiencies:** From outdated systems to misaligned workflows, inefficiencies can snowball into bigger problems.
- **Poor record-keeping:** Inadequate documentation leads to compliance issues and missed opportunities for financial oversight.
- **Lack of onboarding and training:** Neglecting to professionally train agents and staff results in inconsistent performance and reduced productivity.

- **Resistance to change:** In a rapidly evolving industry, refusing to adapt to new technologies, market trends, and consumer preferences is a recipe for failure.
- **Insufficient financial reporting:** Without clear insights into profitability, expenses, and cash flow, brokerages operate in the dark.
- **Micromanagement:** Hovering over every detail stifles growth and creates a toxic work culture.
- **Subpar customer service:** Negative experiences, whether from clients, agents, or partners, can irreparably damage a brokerage's reputation.
- **Failure to monitor financial activity:** Ignoring financial health, overspending, or neglecting commission structures can drain resources.
- **Toxic work environment:** A brokerage plagued by negativity, poor communication, or favoritism struggles to retain talent.
- **No clear goals or expectations:** If employees and agents don't know what's expected of them, they'll underperform or leave for better opportunities.



These missteps not only harm day-to-day operations but also erode trust and credibility, making it harder to attract both top talent and loyal clients.

Conclusion: Poor business practices are a significant barrier to success in the real estate brokerage industry. While many broker owners enter the field with exceptional sales expertise, the transition to business ownership requires a completely different skill set, one that encompasses strategic leadership, financial acumen, and operational efficiency. Without addressing the common pitfalls outlined above, brokerages risk inefficiencies, diminished reputation, and ultimately, failure.

Success in this competitive industry demands more than just selling skills; it requires a commitment to building a strong foundation with clear goals, effective hiring practices, modern systems, and a culture of growth and adaptability. By recognizing and correcting poor business practices, broker owners can position their brokerages for sustainable growth, attract top talent, and deliver superior value to their clients. The key to thriving lies in embracing change, fostering accountability, and continuously improving every facet of the business.

Bad Decisions



Bad decisions are often a direct result of not having access to reliable information or failing to fully understand the implications of a choice. In the world of sales, relying on hunches or shooting from the hip might be survivable; a missed opportunity or a failed deal can often be recovered. However, for real estate broker owners, bad decisions can have far-reaching consequences, potentially leading to catastrophic business failure.

As a broker-owner, your decisions set the course for your entire organization. Poor

judgment in any of the following areas can create significant challenges, erode profitability, or even jeopardize the viability of your business:

- **Making Decisions Without Reliable Business Intelligence:** Without accurate data and insights, decisions are made blindly. This can result in missed opportunities, wasted resources, and flawed strategies. Reliable business intelligence provides the foundation for informed, confident decision-making.
- **Poor Recruiting Practices:** Recruitment is the lifeblood of any real estate business. Attracting and retaining the right agents requires careful evaluation of their potential contribution, cultural fit, and professional integrity. Recruiting the wrong individuals can damage team morale, hurt client relationships, and waste valuable resources.
- **Offering High Commission Splits Without Knowing an Agent's Value:** Many broker-owners feel pressured to offer high commission splits to attract top-producing agents. However, without understanding an agent's true value to the company, these decisions can drain profitability. Evaluating their historical performance, client retention, and long-term impact is essential to strike the right balance.

- **Over-Expansion of Branch Offices:** Expanding too quickly or without a solid financial and operational foundation can lead to inefficiencies, excessive overhead, and financial strain. Growth must be aligned with market demand, available resources, and a clear long-term strategy.
- **Inadequate Market Forecasts:** Failing to accurately predict market trends can leave a brokerage vulnerable to economic downturns, shifts in buyer and seller behavior, or new competition. Staying ahead requires a commitment to continuous learning, monitoring market indicators, and adapting swiftly.
- **Misallocation of Human Resources:** Assigning the wrong people to critical roles or failing to utilize staff talent effectively can reduce productivity and create frustration. Properly aligning skills and responsibilities within your team ensures smoother operations and better outcomes.
- **Failure to Innovate:** In a rapidly evolving industry, clinging to outdated practices is a recipe for stagnation. Brokers must embrace modern technologies, marketing strategies, and operational improvements to stay competitive and relevant.
- **Choosing Quantity Over Quality in Building a Sales Force:** While it may be tempting to grow your team quickly, prioritizing quantity over quality can dilute your brokerage's reputation. A smaller team of high performing committed agents often outperforms a larger group of mediocre or disengaged individuals.
- **Miscalculating the Competition's Effectiveness:** Underestimating your competitors or failing to differentiate your services can erode your market share. A clear understanding of what competitors offer and how you can provide unique value is critical to long-term success.
- **Believing There's Nothing New to Learn:** The mindset that you already know everything is dangerous in any business, especially in real estate. The industry is dynamic, and continuous learning is necessary to adapt to changes, seize new opportunities, and improve your leadership skills.



Conclusion: For real estate broker-owners, the stakes are high. Success hinges on making well-informed, thoughtful decisions based on reliable data and clear strategic thinking. Avoiding these common pitfalls and cultivating a mindset of continuous improvement can safeguard your business against catastrophic failures and position it for sustained growth and profitability.



Poor Strategies or No Strategy



While business plans are essential for outlining goals and setting benchmarks, they are no substitute for a comprehensive, well-designed business strategy.

A business strategy goes beyond the basics to encompass every facet of running a successful real estate brokerage, including branch locations, compensation structures, team composition, technology adoption, and overall business practices. Without a clear and adaptive strategy, broker-owners risk falling into stagnation or outright failure.

Here are key issues that arise from poor strategies or worse, the complete absence of a strategy:

1. No Vision for the Future:

A brokerage without a clear, long-term vision is like a ship without a rudder. Success requires not only understanding where the business is today but also where it needs to go in the next 5, 10, or 20 years. Vision inspires growth, attracts talent, and ensures all decisions align with the company's ultimate goals.

2. Too Many Commission Plans:

An excessive number of commission structures can lead to confusion, inefficiency, and inequity within the organization. Simplifying and standardizing compensation models, while tailoring them to performance tiers can create clarity and fairness.

3. Antiquated Compensation Strategies:

Relying on outdated commission models may alienate modern agents or fail to reflect current market realities. Broker-owners must regularly evaluate and innovate their compensation plans to remain competitive and ensure profitability.

4. Imbalanced Sales Force:

A team dominated by either low producers or high producers with high commission splits creates imbalance and financial instability. A strategically composed sales force that blends new agents, mid-level performers, and top producers can optimize productivity and profitability.

5. Uniform Commission Year-End for All Agents:

Allowing all agents to reset their commission thresholds simultaneously can disrupt cash flow and create inequities. Staggered resets based on individual performance can smooth revenue fluctuations and encourage consistent production year-round.

7. Slow Response to Changing Markets:

Real estate markets are dynamic, and broker-owners must remain agile. A failure to pivot quickly in response to economic shifts, consumer behaviors, or competitive pressures can lead to missed opportunities and revenue loss.

6. Lack of Understanding in Compensation Design:

Poorly designed compensation strategies can either over-reward underperformers or fail to incentivize top producers. A deep understanding of how compensation affects motivation, retention, and profitability is critical for crafting effective plans.

8. No Plan for Retaining Quality Agents:

Retention is just as important as recruitment. Without a clear strategy to retain top-performing agents—including career development opportunities, competitive compensation, and a supportive work environment, brokerages risk losing talent to competitors.

9. Non-Implementation of Modern Technology:

Technology is transforming the real estate industry, from CRM systems and marketing automation to virtual property tours and AI-driven analytics. Failing to adopt and integrate these tools leaves brokerages at a significant competitive disadvantage.

Conclusion:

A well-crafted strategy is the backbone of a successful real estate brokerage. It provides direction, ensures alignment across all aspects of the business, and allows the organization to adapt to changing conditions. Broker-owners who neglect to develop and execute a comprehensive strategy risk inefficiency, stagnation, and ultimately, failure. By addressing the issues outlined above and embracing strategic planning as an ongoing process, brokerages can build a resilient and thriving business.





Antiquated Real Estate Culture

A close examination of the real estate industry reveals a startling truth, beneath the surface of innovative technologies and innovations, the way real estate is practiced today remains fundamentally the same as it has been for decades. This stagnation is at odds with the fast-changing world around us. While technology, consumer expectations, and business dynamics have evolved rapidly, many real estate brokerages continue to rely on outdated practices and cultural norms that no longer serve them effectively.

This resistance to change hampers growth, reduces competitiveness, and diminishes the ability to meet the demands of a modern marketplace. Below are the key symptoms of an antiquated culture in real estate:

- **Resistant to Changing Culture:** Change is inevitable, but many brokerages cling to traditional methods out of habit or fear of the unknown. This resistance creates a culture that stifles innovation, deters top talent, and alienates tech-savvy clients who expect modern, efficient services.
- **Poor Customer Follow-Up (Orphaned Clients):** In the era of CRM systems and automated follow-ups, there's little excuse for losing touch with clients after a transaction. Yet, poor follow-up practices remain rampant, leaving clients feeling abandoned and brokerages missing out on repeat business and referrals. Cultivating long-term client relationships should be a cornerstone of any successful brokerage.
- **Ownership of Client Contact Data:** The traditional dynamic between brokers, agents, and clients has shifted. In the past, brokers maintained full control of client data, but in today's tech-driven landscape, agents often take ownership of these relationships. This creates tension and challenges in retaining clients when agents leave. Brokerage firms must redefine their approach to managing client data to ensure business continuity and mutual benefit.

- **Resistance to Using Modern Technology:** Despite the availability of tools that streamline processes and enhance client experiences, many brokerages are slow to adopt modern technology. From automated marketing systems and virtual tours to advanced data analytics and AI-driven tools, brokerages that resist technology are leaving money and opportunities on the table.
- **Using Virtual Administrators:** Leveraging virtual administrators can reduce administrative costs, create staff flexibility, repurpose administrative talent, reduce office stress, reduce, or eliminate redundancy and provide scalable options when markets change
- **Expanding on the Consequences:** An antiquated culture not only affects internal operations but also impacts the broader perception of a brokerage. Modern clients and agents seek forward-thinking, adaptive organizations that align with their needs and values. A failure to modernize can result in:
 - **Loss of Competitive Edge:** Competitors who embrace innovation are better equipped to attract clients and agents, leaving resistant brokerages behind.
 - **Decreased Agent Retention:** Agents, particularly younger ones, are drawn to brokerages that offer modern tools, training, and a progressive culture.
 - **Client Dissatisfaction:** Today's clients expect streamlined processes, instant communication, and data-driven insights. Antiquated practices fall short of these expectations.
 - **Operational Inefficiencies:** Outdated systems and practices lead to wasted time, higher costs, and reduced profitability.
- **Strategies for Modernization:** To combat an antiquated culture, brokerages must actively pursue modernization across several dimensions:
 - **Foster a Culture of Innovation:** Encourage adaptability and openness to change by involving agents and staff in the evolution of the brokerage. Regular training and workshops on emerging trends can help embed a forward-thinking mindset.
 - **Leverage Technology:** Invest in CRM systems, data analytics tools, and automated marketing platforms to enhance client relationships and streamline operations.

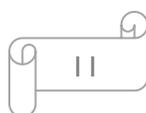
- **Redefine Client Relationships:** Develop strategies to maintain brokerage-level control of client data while respecting the agent-client dynamic. Transparent policies and collaborative systems can help manage this balance.
- **Strengthen Customer Follow-Up:** Implement robust follow-up systems to nurture long-term relationships with clients, ensuring no opportunity is left untapped.
- **Reevaluate Staffing Models:** Blend virtual and in-person administrative support to achieve cost efficiency without sacrificing service quality or team cohesion.

Conclusion:

Market research has estimated that between 20% to 40% of existing real estate agents will leave the real estate business altogether. This leaves past clients unrepresented when it comes to buying or selling a home in the future. Some simple math clearly illustrates that converting any orphaned client into a repeat sale is good for business. Even if one client out of ten becomes a repeat customer, the increase in revenue is substantial.

An antiquated culture is a silent killer for real estate brokerages. While it may not cause immediate collapse, it steadily erodes a brokerage's ability to grow, compete, and thrive in an ever-changing industry. By embracing modernization, redefining client-agent dynamics, and fostering a culture of innovation, brokerages can position themselves as leaders in a fast-paced, technology-driven market.

The choice is clear: adapt and thrive or resist and fall behind.



Poor Communication and Leadership Skills

Real estate brokerages thrive on relationships with clients, staff and their agents. Effective communication and leadership are the cornerstones of success, yet they are often overlooked or underdeveloped. Salespeople, by their nature, are a “high maintenance” group.



They require attention, praise, and consistent management to feel motivated and valued. The stronger performers often rise to become broker owners, but transitioning from sales-focused roles to leadership positions requires a whole new set of skills and a deep understanding of human psychology.

A broker owner must be more than a manager, they must be a leader, mentor, and communicator who can inspire confidence and loyalty. The absence of these qualities can lead to disengagement, misalignment, and an erosion of trust within the organization. Below are key areas where poor communication and leadership manifest and their consequences:

1. No Mission Statement: A mission statement provides a clear vision and direction for the brokerage. Without one, the team lacks a unifying purpose, leading to confusion about goals and priorities. A well-crafted mission statement inspires agents and staff, aligns activities with the company’s values, and reinforces a sense of shared purpose.

2. Toxic Management Style: A toxic leadership approach, characterized by micromanagement, favoritism, or harsh criticism creates a hostile work environment. Such a culture demotivates agents, increases turnover, and damages the brokerage’s reputation. Leaders must focus on fostering a positive, inclusive, and supportive culture.

3. Seeing Staff and Salespeople as a Group Rather Than Individuals: Treating agents and staff as a homogenous group fails to recognize their unique strengths, challenges, and motivators. Effective leaders understand the individual needs of their team members, offering personalized guidance, encouragement, and opportunities for growth.

4. Poor Listing Skills: As leaders, broker owners must set an example by demonstrating strong listening and negotiation skills. A lack of proficiency in these areas undermines credibility and the ability to coach agents effectively. Leaders should continuously refine their skills to remain credible mentors.

5. Misalignment of Priorities: Misaligned priorities, such as focusing on short-term profits over long-term growth create confusion and dissatisfaction among agents. Clear communication about priorities and a balanced approach to short- and long-term goals are essential for sustained success.

6. Confused Messaging: Inconsistent or unclear messaging from leadership creates uncertainty and frustration. Leaders must articulate their vision, policies, and expectations clearly and consistently to ensure alignment across the organization.

7. Unrealistic Goals: Setting unattainable goals can demoralize agents and foster a sense of failure. Leaders should establish realistic, measurable, and achievable objectives that challenge agents while providing them with the support and tools needed to succeed.

8. Trust Issues: Saying One Thing and Doing Another: Trust is the foundation of effective leadership. When broker owners fail to follow through on promises or act inconsistently, they erode trust and credibility. Building and maintaining trust requires transparency, accountability, and integrity.



Expanding on Leadership Excellence

To address these pitfalls, broker owners must prioritize developing their communication and leadership skills. Here are actionable strategies:

- **Craft and Communicate a Mission Statement:** Define the brokerage's purpose and values clearly. Regularly communicate this mission to inspire and align the team's efforts.

- **Adopt a Positive Leadership Style:** Replace toxic behaviors with empathy, encouragement, and constructive feedback. Recognize and reward achievements to foster a motivating work environment.
- **Individualize Management Approaches:** Take the time to understand each agent's unique goals, challenges, and motivations. Tailor support and recognition to meet their individual needs.
- **Lead by Example:** Demonstrate the skills and behaviors you want to see in your team. Whether it's mastering listing presentations or embracing new technology, your actions set the standard.
- **Align Priorities with Team Goals:** Balance short-term needs with long-term vision. Regularly communicate how daily activities align with broader organizational objectives.
- **Simplify and Clarify Communication:** Eliminate ambiguity in messaging. Use team meetings, newsletters, and one-on-one check-ins to keep everyone informed and aligned.
- **Set Realistic and Motivating Goals:** Collaborate with agents to set goals that are challenging but achievable. Break down larger objectives into manageable milestones to maintain momentum.
- **Cultivate Trust Through Consistency:** Always follow through on commitments, be transparent about challenges, and own mistakes when they happen. Trust is earned through consistent and honest actions.

The Benefits of Strong Leadership

Effective communication and leadership transform a brokerage into a thriving, cohesive organization. When broker owners lead with clarity, empathy, and vision:

- **Agents Feel Valued:** Personalized attention and recognition boost morale and loyalty.
- **Teams Align with Goals:** A shared purpose fosters collaboration and collective success.
- **Productivity Increases:** Motivated agents and clear priorities lead to better performance.
- **Reputation Grows:** A positive culture attracts top talent and enhances client trust.

Conclusion: Leadership is not just about managing day-to-day operations, it is about inspiring and guiding your team toward shared success. Broker owners who focus on improving communication and leadership create a culture of trust, accountability, and excellence. By addressing the common pitfalls outlined above, brokerages can unlock their full potential and thrive in an increasingly competitive real estate industry.



Antiquated Technology

In most industries, outdated tools and systems are discarded in favor of newer, more efficient options as soon as their utility begins to decline. Yet in real estate, many broker owners hold onto antiquated technology, often citing cost as the primary reason for their reluctance to upgrade. This resistance can have dire consequences in today's fast-paced and competitive marketplace, where cutting-edge technology is no longer optional, it's essential.



- **Old Technology Often Costs More Than Replacing It:** Outdated systems may appear cost-effective at first glance, but hidden costs, such as maintenance, inefficiencies, and compatibility issues quickly add up. Newer technology, while requiring an initial investment, often offers long-term savings through streamlined operations and reduced downtime.
- **Antiquated Technology Is Inefficient:** Old systems frequently require more time and effort to perform basic tasks, leading to higher administrative costs. Processes that could be automated or simplified with modern technology remain manual and error-prone, draining productivity and resources.
- **Increased Risk of Administrative Errors:** Outdated tools lack the sophistication needed to minimize human error. Manual data entry, poor integration, and inadequate reporting capabilities can lead to costly mistakes in compliance, record-keeping, and client management.
- **Upgrading Can Save Money in the Long Run:** The misconception that new technology is prohibitively expensive overlooks the long-term benefits. Advanced

tools often pay for themselves in a short period through improved efficiency, reduced administrative overhead, and fewer errors.

- **Administrative Staff Morale Suffers:** Administrative teams are often the first to feel the pain of outdated systems. Slow, cumbersome processes create frustration, decrease job satisfaction, and lead to burnout. Upgrading technology can reinvigorate morale by empowering staff to work smarter, not harder.
- **Poor Understanding of Requirements:** Many broker owners struggle to identify their technological needs. Without a clear understanding of what modern tools can offer, they may choose inappropriate solutions or avoid upgrading altogether.
- **Not Understanding the Capabilities of Modern Technology:** Modern technology offers far more than speed and efficiency. It provides powerful capabilities like integration with other systems, automation of repetitive tasks, enhanced client communication, and real-time analytics. A lack of awareness about these benefits leads to missed opportunities.
- **Missing the Benefits of Modern Data Analytics:** Modern data analytics tools can provide valuable insights into agent performance, market trends, client behavior, and profitability. Brokerages relying on outdated systems miss the chance to leverage data-driven decision-making, putting them at a competitive disadvantage.
- **Guessing Instead of Knowing (Business Intelligence):** Without reliable business intelligence, broker owners are forced to rely on guesswork. Modern technology provides actionable insights that take the guesswork out of decision-making, enabling brokerages to make informed, strategic choices.
- **Bad Decisions Based on Poor Intelligence:** Poor technology leads to flawed reporting and incomplete information, resulting in decisions that harm profitability, operations, and client relationships. Investing in advanced tools ensures access to accurate, real-time data for better outcomes.
- **Inadequate Monitoring of Business Activities:** Outdated systems lack the ability to monitor and track business activities effectively. Modern technology provides dashboards, alerts, and analytics that give broker owners a clear, real-time picture of their brokerage's performance.

- **Losing Agents:** To recruit and retaining quality agents, the brokerage firm must demonstrate their willingness to adapt to newer technologies providing better agent services, such as agent reporting.
- **Savvy Customers:** Today's buyers and sellers are often more educated and aware of the technologies available to them when considering the purchase or sale of a home than many real estate agents. Providing inadequate customer service due to outdated technology can create a poor reputation in the marketplace, reduce referrals, annoy agents and potentially cause the client to use another brokerage firm.



The Way Forward

Upgrading technology is no longer a luxury, it's a necessity. To remain competitive and efficient, brokerages must embrace modern solutions that address their unique challenges. Here's how:

- **Assess Current Technology:** Conduct a thorough review of existing systems to identify inefficiencies, risks, and gaps in functionality.
- **Educate Yourself on Modern Tools:** Stay informed about the latest advancements in real estate technology, including CRM platforms, transaction management systems, and data analytics tools.
- **Invest in Scalable Solutions:** Choose technology that can grow with your brokerage, ensuring long-term value and adaptability to future needs.
- **Provide Training and Support:** Ensure agents and staff are equipped to use new tools effectively by offering comprehensive training and ongoing support.
- **Leverage Data Analytics:** Use modern analytics platforms to gain insights into market trends, agent performance, and operational efficiency.

- **Adopt a Proactive Mindset:** View technology upgrades as an investment in your brokerage's future, rather than a cost to be avoided.

Conclusion: Antiquated technology is more than an inconvenience, it's a liability that undermines efficiency, decision-making, and staff morale. In today's competitive real estate market, staying ahead requires brokerages to embrace modern tools that streamline operations, reduce costs, and provide valuable insights. By overcoming the reluctance to invest in new technology, brokerages can future-proof their business, enhance client satisfaction, and empower their team to achieve greater success. The choice is clear: innovate or risk becoming obsolete.



Final Conclusion: Thrive or Fade Away

The real estate industry is dynamic, competitive, and unforgiving to those who resist change. Brokerage firms are not just businesses; they are ecosystems where leadership, technology, strategy, and culture must work in harmony to achieve success. The pitfalls outlined in this article, poor business practices, bad decision-making, antiquated strategies, outdated technology, and ineffective leadership are not merely challenges; they are potential death knells for brokerages unwilling to adapt.

However, these pitfalls are also opportunities. Recognizing and addressing these issues allows brokerage firms to pivot, innovate, and thrive in an ever-changing marketplace. Success demands more than a passion for real estate; it requires a commitment to modernization, data-driven decision-making, and cultivating a culture that attracts top talent and inspires loyalty among clients.

Real estate brokerages that fail to adapt will continue to lose ground to those that embrace innovation. Conversely, brokerages that invest in leadership development, modern technology, strategic planning, and cultural evolution will position themselves as industry leaders capable of weathering any market shift.

The choice is stark yet simple: evolve and thrive or remain stagnant and risk obsolescence. By implementing the strategies and solutions discussed here, brokerages can not only survive but also redefine what success means in this competitive landscape. The future of your business depends on the decisions you make today. Choose wisely.

Action Steps

Here are actionable steps you can take to drive positive change, empower your decision-making, establish a strong market presence, and secure the future success of your real estate brokerage operation.

- **Accept the need for change:** Recognizing the need for change is the first and most critical step. As a broker owner, it is your responsibility to lead your brokerage toward sustained success. Without accepting the necessity for evolution, progress will be impossible.
- **Attend trade shows:** Stay informed about the latest trends, market shifts, and technological advancements by attending at least one trade show per year. These events are excellent opportunities to gain insights, discover innovative tools, and network with industry peers.
- **Join a like-minded group:** Consider joining a group of non-competitive broker owners who meet regularly to share ideas and discuss industry challenges. These gatherings can provide fresh perspectives, reduce trial and error, and create a support network to rely on when facing new obstacles.
- **Upgrade your knowledge:** Commit to continuous learning. Enroll in courses, participate in webinars, obtain industry-leading designations, read trade journals, and listen to industry-focused podcasts. By staying open to new concepts, you position yourself and your brokerage for growth and adaptation.
- **Listen to your administrative staff:** Many solutions to your operational challenges may already exist within your organization. Regular and constructive meetings with your administrative staff can encourage transparency and generate honest feedback. These discussions often reveal workflow issues and

inspire innovative solutions that your team will readily embrace.

- **Listen to your salespeople:** Frequent and open sales meetings with your team can foster a culture of fairness and collaboration. Understanding the challenges your salespeople face in an ever-changing market is vital. Strong leadership is built on reliable information, and demonstrating your ability to create actionable solutions reinforces your team's trust in your guidance.
- **Modernize your technology:** Technology has transformed the real estate industry, improving efficiency and effectiveness. Clinging to outdated systems creates bottlenecks, inefficient workarounds, and frustration among your staff. Investing in modern technology not only streamlines operations but also fosters growth and improves morale across your team.
- **Hire a consultant:** Recognizing the need for change is one thing; knowing how to implement it is another. Hiring a consultant can provide invaluable assistance in evaluating current business practices, crafting business plans, defining mission statements, analyzing financial activities, designing profitable commission structures, reviewing leadership approaches, and selecting suitable modern technologies.

Running a real estate brokerage firm is no small task, but the challenges it presents can be met with determination, adaptability, and a willingness to evolve. The real estate industry is filled with supportive professionals and organizations eager to see you succeed.

The choice is yours: avoid becoming a negative statistic by embracing change, acquiring knowledge, mastering new skills, and adopting modern technologies. Achieve your goals and become a more effective and inspiring broker!



Ron Hurak, the founder of Profit Power, SMARTS, SMARTS Commercial and CAaaS, is a seasoned real estate expert. He began his career in 1974 as an agent for his family's brokerage. In 1980, Ron became one of the first Canadian graduates of the CCIM program and subsequently one of its first Canadian instructors.

Ron is also an author, speaker, jazz guitar recording artist and a black belt in martial arts. Ron also enjoys playing golf and outdoor summer activities. Ron has been married to his wife Kay, for fifty years.

In 1980, Ron's curiosity about personal computers led him to explore how this emerging technology could benefit his brokerage. This curiosity resulted in the development of the first version of Profit Power. Forty years later, Profit Power stands as the leading enterprise back-office software for many of the largest and most successful real estate brokerages in the nation. www.lantrax.com