



From Evolution to Revolution: An Industry In Transformation

by Esther Muller and Michael Williams, Ph.D.



Welcome to 2010! We've emerged from 2009, a year like no other in the history of the residential real estate industry. Last year witnessed a near real estate market collapse, tight credit, reduced home prices and marketplace terror. These market conditions proved challenging and frightening for sales agents. For many, their business either significantly decreased or vanished. As a result, agents have been faced

with hard professional choices relative to their viability as real estate professionals. Informal data collection focused on agents' choices suggests possible trends for 2010 including agent teaming, adjusting to real market conditions or leaving the industry.

While seemingly born of common sense, these trends are revolutionary! They are the preamble to industry reorganization. As 2009 market conditions and professional practices are now a relic of the past, it is apparent that future real estate markets require a more evolved real estate professional, one possessing both comprehensive and specific knowledge and understanding of markets, finance and law. Twenty-first century real estate professionals will employ advanced client engagement and advisory skills, become technologically literate, and master the power and potential inherent in self-branding and web-based marketing.

The events of the past 24 months have self-organized into a new and severe professional mandate for real estate professionals. The mandate suggests either transform your professionalism and practices to contemporary market conditions and regulatory agency guidelines, or recognize the probability of becoming uncompetitive and being relegated to industry margins or dismissed.

This version for sales agent futures is being contemplated by many industry professionals. A key focus area is the role of professional development in sales agent professionalism in 2010. This month's article offers responses from several industry professionals to the question: "What knowledge and skills must a sales agent possess and practice to be a top producer?"

The Evolution of Transformation

"The more capable a person is, the stronger is the desire to grow. But no amount of expertise or hard work is as powerful in achieving success as mastery of the self." — Nancy Packes, president, Brown Harris Stevens Project Marketing

"With the internet, the traditional model of real estate sales has been broken, so it's critical for agents to spend the time and the money to really learn the new technologies, improve their skills with training and participate in new innovations. It's important to know the market better than the clients, who are able to get information online and who demand — and deserve — trans-

parency. An agent must know the competition and never forget to cultivate and maintain relationships with clients, basic skills that will always work even in the 21st century!" — Dottie Herman, president & CEO, Prudential Douglas Elliman

"A great broker must quickly sum up, heart-to-heart, what the client wants and calculate what they can afford that meets minimum concerns over location, convenience, price, space, amenities, and livability and clearly point out the sacrifices in the equation." — Carter B. Horsley, editorial director, CityRealty.com

The End of the Beginning

Last year has ended! With ending comes beginning. The residential real estate industry has finished a year replete with marketplace and professional challenges. From record declines in property values to arid credit markets, agents faced radical market conditions that challenged their very existence.

Last year witnessed the emergence of industry Darwinism; the natural selection favoring survival of the fittest. Central to Darwinism is the idea of "fittest." In 2010, agents will need to be fit to survive and prosper. This translates into professional fitness through professional development. Agents will need to commit to investing in life-long learning. This will be a wise investment, as it increases the probability that agents can more effectively combat the ravages inflicted upon them in 2009 and be prepared for what comes in 2010

To begin, start with a first step. Consider the Chinese proverb, "The journey of a thousand miles begins with one step." Make professional development a daily activity. Attend industry seminars, earn a professional certificate or advanced degree, interview colleagues with specialized industry knowledge in areas with which you're not familiar. You'll be surprised how exciting and addicting learning becomes!

To begin the 2010 *Mann Report* columns, we'd like to quote Sir Winston Churchill, who, at the Lord Mayor's Luncheon in London on November 10, 1942 following the British victory at El Alamein in North Africa, said, "This is not the end, nor the beginning or the end, but perhaps the end of the beginning."

Let's begin 2010 with renewed energy for our industry, the resolve to engage and succeed in business building and a commitment to make professional development the cornerstone of our professionalism. ■

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