



## Advisor As Coach: A Shift Of Mind

by *Esther Muller and Michael Williams, Ph.D.*



The residential real estate industry is slowly emerging from the worst economic recession in modern times. The recession has forced agents to evaluate their professional survival and sustainability. A key focus has been to determine how the recession has reshaped their role and effectiveness in the 21<sup>st</sup> century real estate industry. The past 24 months have been unforgiving. Real estate industry leaders and agents alike have been thrust into a maelstrom of near unthinkable market conditions. As a result, professionals have no touchstone to guide their thinking and action concerning business building and revenue generation in the emergent new industry order.

Property investors know that agent ranks have been devastated by the economic downturn. Also, investors realize that today's home prices, government incentives, and the power of technology have enabled them. As a result, many investors believe they are agents! Though not true, investors have experienced a change in perspective; a metanoia or shift of mind. They've changed their view of the industry, agents, and opportunity. It is important agents acknowledge this shift of mind for two reasons. First, it dispels any illusion or expectation that as the recession recedes investors view of agents will return to pre-2008 perceptions. Second, agents too must experience a shift of mind in order to engage investors on new terms equipped with new competencies and skills.

However, what constitutes this "shift-of-mind?" How is it defined?

### What's In a Name?

In Shakespeare's *Romeo and Juliet*, Juliet asks "What's in a name?" Everything! It defines function, clarifies role, and suggests context. In recent history, real estate professionals have defined themselves using several titles; salesperson, representative, and agent. Often considered synonyms, they are not. While sharing degrees of direct or inferential definitional association, these terms carry differentiated meanings as attributed by investors. From positive to pejorative, collectively, these terms define a narrow role and range of skills associated with real estate professionals, typically characterized as a transactional and tactical.

Howard N. Margolis is Senior Vice President at Prudential Douglas Elliman states, "real estate professionals are involved in nearly every aspect of the client property transaction. Many do more than buy or sell real estate; they help and counsel. However, to be effective in these roles, they must possess more advisor-based knowledge and skills."

Advising requires different skills than agency. In order for real estate professionals to transition from agent to advisor, they must reskill, in turn redefine themselves. An informed starting point for redefining roles and skills is to model professions recognized for their roles as advisor; attorneys, accountants, and physicians.

### The Future Just Ain't What It Use to Be

Here perennial baseball legend Yogi Berra may be suggesting that our vision of the future may change as we work towards its realization. What we've envisioned may morph as we and our circumstances change. As a result, our future may not be "what it use to be" or as originally conceived. Instead, our vision of the future may evolve in scope and robustness over time becoming more potent and powerful than we envisioned.

For real estate professionals this future may be a professional transition; from agent to advisor or advisor to coach. As coaches, agents become enablers, teachers, and partners. They develop clients as property partners, providing them with data-driven insights, property choices, and referrals within their network of helping professionals. However, these professional services are not the work of coaching. Coaching enables clients to examine their motivations driving the transaction. It expands the context and content of the transaction exploring all parties' rationales and purposes. Ultimately, coaching guides clients to make holistic decisions informed by an orientation of self discovery enabled by the coach-client relationship.

Burke J. Smith Founder of YourNetCoach believes that becoming a coach is necessary for business growth and sustainability in the 21<sup>st</sup> century. Smith states "It is critical to advise clients on every aspect of each transition. Coaches provide expert business knowledge and industry expertise promoting client trust and engagement. However, the goal is to be a center-of-guidance associated with all aspects of the client's business life, enabling and guiding their discovery toward what they truly want and assisting them in its realization."

Real estate professionals are not mental health professionals. However, they manage client fear, anxiety, and indecision present in transactions. For many clients, a property transaction may be the largest purchase they ever make. As a result, real estate professionals must help their clients move forward by coaching them through the transaction enabling it to be transformative.

### You Say You Want a Revolution

We've started a revolution in real estate professional development! We created and are delivering the Certified Residential Advisor designation, teaching professionals how to incorporate social networking into their practice, and now helping agents transition to advisors and then coaches.

The age of agency is passing and that of advisorship and coaching emerging. The revolution is real. Let's join together and act now to design our industry's shift-of-mind. If we don't act our clients will. The choice is ours! ■

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