

Why agent-centric is the wrong way

Why agent-centric is the wrong way

Integrity first, client first — do that, and the agent piece of the puzzle falls into place naturally

BY [ERICA RAMUS](#)

Today 12:44 A.M.

EMAIL SHARING:

SHARE ON SOCIAL:



This post has been a while percolating. At [Inman Connect New York](#) last January, I watched “disruptors” and box-box franchise owners who preached from the stage that they were each first and foremost agent-centric in their business models.

Over and over it was the same mantra. Each time I heard the phrase it bothered me. Then at [Inman Connect San Francisco](#) in July I watched the same parade go past.

For months it’s been nagging at me.

I am the broker-owner of a small — but mighty — indie firm in northeastern

I am the broker-owner of a small — but mighty — real estate firm in northeastern Pennsylvania. My name is on the door ([Ramus Realty Group](#)).

In 2018, with six agents we closed 224 transaction sides. We are onboarding one [new agent](#) to take on the overflow clients because right now we are only able to service the hottest prospects.

I only hire full-time salespersons, and my agents will close 24 sides each minimum. Two of my agents will close over 40, and one will close 60 sides. In perspective, [NAR statistics](#) says the average salesperson closed 11 sides in 2017.



SPONSORED CONTENT

The top qualities a luxury customer looks for in an agent

How to tailor your services to clients who are used to the best of everything [READ MORE](#)

Those numbers are to give you an idea of where I am coming from in this article.

My agents take home more than the median household income for our area. NAR states that the [median gross income of Realtors was \\$39,800 in 2017](#) and my agents beat that figure during the same time period, including two first-year agents.

By comparison, NAR states that first-year agents take home less than \$9,000 a year on average. My boutique office provides the technology, education and coaching to ensure our agents don't just survive in this

education and coaching to ensure our agents don't just survive in the business, but thrive. Yet I will never stand on stage and tell you that my brokerage is agent-centric.

Client-broker relationship

Let's start with the client-broker relationship. The listing contract, the buyer's agency contract — those are contracts between the broker and the consumer. That contract binds the broker to the client, via the agent.

If an agent leaves my firm, the client is still the client of the firm. If things go south, the broker is on the line. Yes the client might be the agent's best friend or relative and might have been obtained originally through a personal relationship with the agent, but ultimately the broker is responsible. They are my clients at the end of the day. Period.



**You can't be
agent-centric
and client-
centric at the
same time.**

Similarly, when a buyer or seller is unhappy, for whatever reason, I'm the one who gets the call.

Even if it is the agent thinks he or she has a close relationship with the clients, they will skip over the agent many times and place a call right to the broker.

They understand who the agent is, but when a deal is crashing or

someone feels they have been wronged, the broker is the one they call to complain. See the previous paragraph.

Some readers at this point might be thinking that if you take care of your agents first and are agent-centric, then they will take care of the clients properly and all will be golden.

I disagree, as does broker Christan Harris of [Sea-Town Real Estate](#) in Seattle: “To be agent-focused says nothing about the quality or competence of the agents or the client experience provided, which I think should be our goal as an industry and specifically as indie brokerage owners.



Christan Harris | Credit: LinkedIn

“The franchises are generally too large to be able to provide the quality of training, [mentoring](#) and oversight required for a brokerage to have a consistent client experience across the board with all their agents.”

And that is the nut of the problem: consistency of client experience.

When you buy into a franchise such as McDonald’s, basically you are an owner-operator. You put your money up, build the restaurant to the restaurant’s specs, and run it as their playbook dictates.

You don’t veer off the manual into your own special burgers or change the customer’s experience. Consumers walk in and expect the same menu and experience in Philadelphia as they’d get in Peoria.

experience in Philadelphia as they'd get in a Peoria

But in our industry, you risk getting a very different experience in a Philadelphia Keller Williams as you'd get in a Peoria Keller Williams office (not to pick on KW — feel free to plug in any franchise brand that sings [the agent-centric song](#)).

Agent-centric companies can't provide a consistent client experience and control quality

National franchise public-facing portals might promise “top agents” to help you or that their agents are “top leaders” in their markets, consistently “top ranking in customer service” — but you can't possibly promise this on a nationwide basis and police the ranks while also promising to serve the agent first.

The difference comes about due to how each broker runs the office and how they choose to systemize their agents. Theoretically, that cannot happen at McDonald's. But it happens in real estate, no matter how tightly the franchise tries to control the reins in branding.

The indie broker advantage

Here's where the indie brokers have an advantage and shine. Jackie Soto, broker at [Divergent Realty](#) in California said, “If we are not innovating better ways



California said, “If we are not innovating better ways to service the consumer as brokers, this is where disruption can occur. All because we were too busy trying to service our agents.”



Jackie Soto

Bingo. All of this talk about disruption and fear of people stepping on our toes and putting us out of business — I strongly believe it’s mostly noise. If you want to preach that you’re agent-centric and your ultimate goal is to make an agent successful, I hear fear in that.

My primary goal is not to recruit live bodies and make promises to them that may or may not be deliverable. My goal is *to satisfy and delight our clients*. When our clients are served best, that will bring **repeat business and referrals**, and our agents will be taken care of as well.

“Ultimately, when we create a client-centric culture and leadership, we believe that the client is at the center of what we do. If it ever comes to a choice between what’s right for the company and what’s right for the client, we will always choose and put the client first,” Soto said.

Amen. Put the client first, even if it’s not the best for an agent.



Chris Lazarus

Chris Lazarus, broker of **Sellect Realty** in Atlanta, Georgia, said, “It’s not about you. It’s about your client. Our office is client-centric, training on how to best serve the client. They come to us to ask questions, not to be put on our mailing list and **retargeted**”

Lazarus spends less time teaching his agents **lead generation** and conversion and more time on how to properly give them **top level service**. He says it's about removing anxiety from the transaction and helping the client navigate the process.

"I like to say that we are radically client-focused, and everything we do is informed by if it empowers the agent to provide the best experience to their clients," Harris said.

"In this way, we are agent-focused, but the end goal is for the client's benefit, not just to give the agents what they want ... or think they want to keep them happy (for now) and keep them at our brokerage.

"If agents care about being good at what they do and care about the client experience, they will seek out a brokerage like Sea-Town Real Estate, where we provide the tools and resources for them to be as successful as possible in their business ... but that success is going to come through providing the best client experience, not just being able to have a higher split or sexier back-end tools that don't translate into anything tangible for their clients."

In speaking to the client-first experience, for example, seller clients at our office receive a series of emails directly from the broker when the agent submits the listing. I thank the seller for listing with us and explain what will happen next.

As we input the marketing and start showings, emails follow educating the seller on the process and the next steps. We do this for buyers and also sellers under contract. We have [checklists for listings](#), buyers under contract and sellers under contract.

Yes the agent is boots on the ground, first in line to contact the client and handle the file. But throughout the process, the broker is visible and available should the client need me.

In explaining how our office works, a large franchise broker said to me “I don’t want them contacting me. If they have an issue, they should take it up with their agent, not me.”

I won’t hide behind my agents. If they don’t perform, if we have a problem, I’m right there to fix the issue. If the agent is the issue (and I’ve had that happen), the situation is dealt with to be sure the client comes first.

The client needs to experience high level communication, the best customer service our firm can provide, no matter which agent handles the transaction. And that starts with the broker.

“Most of what brokerages provide, whether they say they are ‘agent-centric’ or not, doesn’t affect how that agent runs their business. Because of this



**Brokers must
put the interests
of the client
above those of
the agent.**

or not, doesn't affect how that agent runs their business. Because of this, when an agent moves from one brokerage to another, the quality of their service and how they run their business largely doesn't change ... so for the client, it really doesn't matter what brokerage your agent is at," Harris said.

"And frankly, I think that is a large part of what is wrong with our industry, the attitude of most brokerages (why they believe they exist) and why indie brokerages that stand for something are gaining traction with consumers and forward-thinking agents."

I agree. A crappy agent will still suck whether they're with Firm A or Firm B. An agent who won't return calls promptly or who doesn't know their contracts inside out isn't likely to improve when the logo on their business card changes — unless the broker holds the agent accountable for their actions.

Unfortunately, too many brokers are busy caring about head count and butts in seats to worry about consistent client experience. An agent interviewing with our office told me she had a problem with me sending out broker-signed emails to "her" clients throughout the transaction.

She saw it as infringing on her territory, rather than helping her keep the client informed and happy. That's an agent I decided wouldn't fit in the office, despite the fact she would have brought in a decent number of listings. Integrity first. Client first. Do that and the agent piece of the puzzle falls into place naturally.

I understand that some agent-centric talk is coming from a recruitment angle. “Join us because we care more for you and provide more than your current broker does.” I get that.

But I will never stand up on stage and state that I am agent-centric first and foremost, even though I support my agents 100 percent in their goals and endeavors. I am proudly, steadfastly client first.

It is the client’s goals and endeavors over mine and over those of my agents. If that means I lose an agent here or there to another office, so be it. If the decision was made solely on commission split or your promises, I’m fine with that. With my first-year agents taking home four times the national average, I’m guessing my agents are fine with it too.

Erica Ramus, MRE, is the broker/owner of [RAMUS](#) Real Estate. You can follow her on [Twitter](#) or [LinkedIn](#).

Article image credited to NeONBRAND on Unsplash

EMAIL SHARING:

SHARE ON SOCIAL: