

One of the biggest balancing acts you have in your business and life, as a real estate salesperson or real estate broker, is the use of your time. Your ability to maximize your time enables you to dramatically increase your income or not. The most effective time utilizers are the people that understand time strategy and the value of their time; how to stretch its use and leverage it to meet their goals and objectives. Most agents feel that their business encroaches on their personal life and their family life, at times, gets the leftovers after their clients and prospects.

Time management and mastering it does not come from a technology product, social media system or an app you can buy. There are numerous of those available for free and for purchase that will help you leverage your time a little more effectively. To truly “control the monster” you have to acquire, understand, improve your personal skill sets and implement skill-based systems.

I see far too frequently real estate agents thinking a certain technological tool will save them. “If I put this in place or have this app all will be better.” Historically, “more” of something will just make the problem, lack of skill or strategy more pronounced and apparent rather than the “silver bullet” we hoped it to be.

In these pages I am going to give you numerous systems, concepts, strategies, charts and tools to help you improve your income and quality of life. I am going to give you these because I know they work. I used them personally to sell over 150 homes a year but only work Monday – Thursday. I took Friday, Saturday, and Sunday off. Joan and I would get in our car between 4PM and 6PM each Thursday and drive to our vacation home in Bend, Oregon two hours and forty-five minutes away each week. This started in my fourth full year in real estate sales when I switched to a 4-Day workweek schedule. I have taught this with success to my coaching clients to increase income and quality of life.

The truth is, like anything else, you must implement these strategies for them to have the dramatic effect they are capable of producing. Time is one of the barriers to most people’s success. Don’t let it block you anymore from you achieving all you desire in life!

Setting yourself up for success

Time is the great equalizer – everyone has the same amount in a day. No matter who you are, where you live, and what you do, you clock the same 24-hour cycle as the next person. One person may be wealthier than another, but that doesn’t earn him a minute more than the poorest people on the planet.

If that simple fact seems a bit discouraging, think of it this way: You may not have the power to get yourself more time, but you *do* have the power to make the most of it.



You can take your 365 days a year, seven days a week, and 1,440 minutes in a day and invest them in such a way that you reap a return that fulfills your life and attracts the success you dream of.

You really are in control of your time, even though you don't always feel like it – even if you feel your prospects and clients pulling you like taffy; even if you have kids who keep you in the carpool loop; even if you have dreams and goals that involve improving skills, strategy, or consistency.

All in all, discovering how to manage your time well is part mental restructuring and part creating a system. Effective time management for a real estate salesperson requires a little introspection, some good habits and organizational skills, and more than a few logistical and tactical tools. So if you have the time – and I assure you that you do – get ready for a journey that's certain to, if not buy you more time, show you how to make the absolute most of the 24 hours in your day and how to use that time to increase sales, service, and quality of life.

Getting to know yourself

Although everyone gets the same number of hours to work with each day, what people don't have in equal amounts are other valuable assets; skill, intelligence, money, ambition, energy, passion, attitude, even looks. All these unique reserves play into your best use of time. So the better you understand yourself – your strengths, weaknesses, goals, values, and motivations – the easier it is to manage your time effectively. As you look at your strengths and goals, think about how much your time is worth, and observe personal energy and behavior patterns that affect your focus throughout the day.

Assessing your strengths and weaknesses

As a young man, I thought I was good – okay, I admit it; I thought I was *great* – at a much larger group of skills, tasks and job than I do today. In fact, the older I get, the more I realize the list of what I'm *not* good at dwarfs the list of things I *am* good at. Being consciously competent at those few, however, gets me a lot further than being unconsciously incompetent, as I once was. Despite my poor academic record in high school, as a young adult, I was a quick study at what I needed to do to be as successful in life as I wanted to be. At some point, I saw the light and realized I needed to face up to what I had to do to get where I wanted to go.

First, I took stock of my assets: I tallied up my strengths, skills, and even my weaknesses. And I identified things I needed to work on and things I needed to leverage. That's what I realized that although some people were smarter, were more educated, had more money, and knew more influential people than I did,

I had the same amount of time as anyone else. And if I wanted to get ahead, it was up to me to harness my time and invest it in such a way to get a greater return. My willingness to invest more time to gain the edge helped equalize the playing field for me and help me achieve the success I enjoy today.

Chances are that by this point in your life, you've discovered some skills that you come to naturally or perhaps have worked hard to acquire. Maybe you're a master negotiator or a whiz with numbers. You may create connections with prospects and clients that are strong and enduring. Whatever your strengths, developing the handful that brings you the most return on your efforts, propelling you forward to attain your goals, is a more productive course of action than trying to be the best at everything. For most people, these strengths typically number no more than a half-dozen. The real question is what are your half-dozen?

In addition to pinpointing your strengths, you need to identify the areas where your skills are lackluster. Then figure out which tasks are essential for meeting the goals you want to accomplish, and build those skills. Invest time in honing and maintaining your strengths, and improve the weaknesses that you need to overcome to reach your goals. Remember: To be successful, you need to be selective.

Now take the time to really do the evaluation. The strengths are more critical than the weaknesses. While we can improve the weaknesses you rarely will be able to turn a weakness into a strength. The strengths are the key to more production in less time.

Identifying your rhythm to get in the zone

Athletes talk about being *in the zone*, a place where positive results seem to stick like a magnet. Well, I'm here to tell you that the zone isn't some magical place where wishes come true. Anybody can get there, without a lucky token or fairy dust. What it takes is focus, singular focus.



As an ex-professional athlete in racquetball in the 1980s and 1990's, I can say I've been in the zone a number of times. And I've experienced that same distillation of focus and electric energy on work projects as well – times when my volume and quality of work was bordering on unbelievable. If you can get your focus under control, you can visit the zone every day and make great things happen.

If you know your rhythms – when you're most on, what times of day you're best equipped to undertake certain tasks – you can perform your most important activities when you're in the zone. Everyone works to a unique pace, and recognizing that rhythm is one of the most valuable personal discoveries you can make. Some of the aspects you need to explore include the following:

- ✓ How many hours can you work at a high level each day?
- ✓ What's your most productive time of the day?
- ✓ How long of a break do you need so you can come back focused and intense?

The key to greater productivity and reduced time is putting the highest value activities of your day in the high value time. Too many people operate in crisis and aren't selective in combining high value with your high productive time. There are just some things in real estate sales you can do with half your brain tied behind your back; what those are and where to put them in your day.

Putting a value on your time



Depending on your values, different kinds of numbers may be important to you: To some, it's cholesterol count and blood pressure figures; to others, it's the number of years they've been married. Too many, the sum total in the retirement account is the number-one number, and some people zero in on the amount left on their mortgage.

But I content that your per-hour worth should be among the top-of-mind numbers that are important to you – no matter what your values or priorities are – **increasing what you are worth per hour should be your objective**. Knowing the value of your time enables you to make wise decisions about where and how you spend it so you can make the most of this limited resource according to your circumstances, goals, and interests.

Obviously, the higher you raise your per-hour worth while upholding your priorities, the more you can propel your efforts toward meeting your goals, because you have more resources at your disposal – you have either more money or more time, whichever you need most. In real estate sales a high hourly rate can have dynamic impact to your earnings. You have a few activities that have high value and many others that have low value.

Getting a good grip on the time – equals – money concept

Your per-hour value translates to your quality of life, both now and in the future. Not only does your income influence how you spend your nonworking hours, but it also determines how much leisure time you have to spend.

As you can imagine, your hourly value reaches beyond the basics: It impacts your health, too. For instance, studies show that lower-income earners have more health problems, including heart disease and diabetes, which are often attributed to poor diets and lack of medical care. Additionally, the challenge of trying to make ends meet can cause great stress, leading not just to physical illness but also to depression and other mental health problems.

And though it's important to live in the present, it's also important to keep an eye toward the future. How well you prepare does have an impact on your quality of life right now. Making enough money to be able to save for retirement and other major life expenses -including a child's education - results in a sense of comfort and safety about your future. Someone who leverages time well dramatically moves the odds of accomplishing their goal in their favor.

Your personal time has value, too. And by having a grip on the value of your work hours, you gain a better grasp on what your downtime is worth. After all, most people work so they can make the most of their personal time, whether they're devoting it to family, hobbies, volunteer work, travel, or education.

When you recognize that your free time has a monetary value just as your work time does, you gain the perspective you need to make choices:

- ✓ Is the extra money you'll gain by working more time with prospects worth giving up your holiday with your family? The value of our time with our family is priceless. For many of us in the real estate business if we put a monetary amount on our family time we would be more likely to embrace it with more gusto.
- ✓ Can you afford to take a leave of absence from your career to do a volunteer stint in Haiti?
- ✓ Should you take on more clients even though it means giving up all your free time for three months to fund your dream trip to Bali?

But what is an hour of your personal time worth? Well, that's not a question you can easily answer. How do you put a price on time with your young

children? Or apply a dollar value to travel experiences that bring you in touch with new worlds? Or equate the quiet therapy of a walk in the woods with the stress of a work presentation?

The harsh truth is that you don't get paid for not working. But that doesn't mean your personal time has no monetary value. Just thinking about your time as a commodity with a value helps you sort through and recognize the activities that are most important to you.

Calculating your hourly income

No matter your level of production in your real estate career, *everyone sells time for a price*; it's just a lot more transparent in some situations than others. Most obvious are individuals who receive a wage or a fee based on the hours they work, including minimum-wage workers and self-employed individuals such as tutors, house cleaners and consultants.



Some businesses and professions charge customers based on an hourly rate, although workers don't directly receive that per-hour fee. Instead, their salary or compensation is based on the revenue the company can bring in based on those hours. Law firms and plumbers, for example, may charge for their services on an hourly basis and pay their employees a salary or a per-hour rate.

As a real estate salesperson your hourly rate is one of the seven key numbers in a real estate practice. *In real estate we are really in a fixed fee business. When we decide to service a prospect or client we have fixed the fee for our service.*

If you decide to service, engage or work with a buyer who is going to purchase a \$300,000 property, you have decided to work, in most markets, for about \$9,000. If they end up purchasing a home for \$285,000, your fee is \$8,550. Big deal...\$450 less.

The real issue that is left over is how soon are you going to collect your fee? What is the cost in terms of time and treasure to serve the client? Doing an exceptional job of serving that client in the minimum amount of time is the best and most profitable course of action. This is why your hourly rate is so important.

Here's how to calculate your hourly income. This number doesn't affect how you're paid, but it puts you in touch with what an hour of your work time brings you.

1. Calculate the number of hours you work per week.

$$\text{Work hours/day} \times \text{days/week} + \text{overtime} = \text{hours per week}$$

To be completely accurate, calculate your hourly rate based on the hours you actually work. If you consistently put in more than 40 hours a week, add those hours to your total. Here's an example:

$$8 \text{ hours/day} \times 5 \text{ days/week} + 2 \text{ hours overtime} = 42 \text{ hours/week}$$

2. Figure out how many hours you work per year.

$$\text{Work hours/week} \times \text{weeks/year} = \text{hours/year}$$

Make sure you subtract time off. For instance, if you take three weeks of vacation each year, subtract that from your total number of weeks worked. If you have a three-week vacation and an average 42-hour work week, here's how many hours you work per year:

$$42 \text{ hours/week} \times 49 \text{ weeks/year} = 2,058 \text{ hours/year}$$

Now, I realize in real estate sales your time invested from week to week can vary. We have to start somewhere and establish a reasonable benchmark we can use.

3. Divide your gross commission income by the number of hours you work per year.

$$\text{Gross Commission Income} \div \text{hours/year} = \text{hourly income}$$

For instance, \$80,000 divided by 2,058 hours is \$38.87.

Your hourly rate is an amalgam of all the hours you work and actions you take. In real estate sales time can be segmented by quality of actions. Some actions and activities are just worth more than others. I will go into more depth in a few pages.

Boosting your hourly value through your work efforts

Money isn't the scarcest and most valuable resource; time is. There are plenty of ways to make more money, but there's no way to add more minutes to an hour. You have a limited amount of this precious commodity, so you want to protect it and spend it as if it's your own personal trust fund.

Most salespeople think that if they work more hours, they'll automatically make more money. That's faulty thinking: You can devote more hours to work, but if you invest the hours in the wrong actions, you gain nothing – and you lose time.

However, the simple fact is that most people don't have the luxury of raising their income at will. In real estate sales you have to execute a solid plan and strategy with your time for that to happen. So what's the next best step? Change how you use your time so you get the best return on investment – after all, what you do with your time leads to greater prosperity.



To increase your hourly value, you have to decide whether you'll work toward earning more money or earning more time. Then focus on performing high-value activities to achieve that goal; the process of discovering the really important actions or items you can invest your time in can help you change your hourly rate. The decision of how to increase your hourly value – whether to work toward generating more money in the same amount of time or generating the same amount of money in less time – depends on your circumstances.

- ✓ Because you're in a commission-based compensation structure, you can increase productivity to earn additional income.

When evaluating time-for-money trades, be sure not to limit your definition of *return* to money: Ask yourself whether the exchange improves the quality of your life. Look at how your life would change outside the work if you were to double or triple your hourly rate. If what you're trading for dollars does any of the following, it's a good trade:

- ✓ Increases your ability and opportunity to earn more money
- ✓ Increases your amount of family time
- ✓ Decreases your work hours

- ✓ Enhances your physical and mental fitness
- ✓ Provides an opportunity for someone who needs it
- ✓ Removes something you don't enjoy or don't do well from your life

So that's a simple look at the overall strategy behind improving your return on investment.

Focusing your energy with the 80/20 theory of everything

In 1906, Vilfredo Pareto noted that in his home country of Italy, a small contingency of citizens – about 20 percent – held most of the power, influence, and money – about 80 percent, he figured where at the opposite end of that equation. That, of course, meant that the other 80 percent of the population held only 20 percent of the financial and political power in the country. Pareto found a similar distribution in other nations. In the 1940s, Joseph M. Juran applied the same 80:20 ratio to quality control issues, and since then the business world has run with the idea of “vital few and trivial many.”

The basic principle that in all things, only a few are vital and many are trivial is known as the *80/20 rule* (also referred to as the *Pareto principle*), and you can apply it to almost any situation. I've heard it used in the workplace (“20 percent of my staff makes 80 percent of my income”). You can also apply the 80/20 rule to time management.

Matching time investment to return

Generally speaking, only 20 percent of those things that you spend your time doing produces 80 percent of the results that you want to achieve. This principle applies to virtually every situation in which you have to budget your time in order to get things done – whether at work, at home, in your relationships, and so on.

The goal in using the 80/20 rule to maximize your productivity is to identify the key 20-percent activities that are most effective (producing 80 percent of the results) and make sure you prioritize those activities. Complete those vital tasks above all else and perhaps look for way to increase the time you spend on them.