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A Business Plan for 2017

As 2016 comes to a close and attentions turn to a new year, it is time to fine tune your business plan for 2017. Whether you are a new agent or a seasoned real estate professional, this is a wise and important step. A carefully constructed business plan is essentially your blueprint for success. A contractor would not begin building a house with no direction other than the vision of the end product – and neither should you!

A commonly used business plan format is a 1-3-5 plan, as it is simple and complete. The ONE in a 1-3-5 plan is your MAIN GOAL for your real estate business in 2017. Perhaps you want to focus on your total sales volume or the number of properties you sell. You might have your sights set on achieving a certain net income or reaching a specific gross commission income.

Regardless of what you identify as your main goal, the key is that it be a number so that you can easily break it down into weekly or monthly amounts to work towards over the next twelve months. A number also makes it much easier to measure your accomplishments and identify where more work is needed.

A CAREFULLY CONSTRUCTED
BUSINESS PLAN IS ESSENTIALLY
YOUR BLUEPRINT FOR SUCCESS

Remember – the more specific you make your goal, the more likely you are to accomplish it!

The THREE in a 1-3-5 plan represents your PRIORITIES for tackling your main goal. By focusing on three priorities you are doing what is necessary to make your goal a reality. As simplistic as the analogy is, compare your main real estate goal to eating a hamburger. Your priorities are to take bites so that the hamburger disappears. Your priorities work towards accomplishing your main goal.

Priorities in a business plan should be comprised of big tasks. Perhaps you need a web site, or you need to generate more leads, or have your name recognized in the community. By listing these tasks in this step you will develop the action items needed to make them happen.

Determining your priorities is the stage of the plan where you should spend time reflecting on your strengths and weaknesses as a real estate agent. While a difficult assignment for most everyone, it is in this step where your priorities and action plans will become clear.

The FIVE in the 1-3-5 plan are your ACTION PLANS. You need to identify specific activities to accomplish your priorities – which, when combined with one another, add up to accomplishing your main goal.

Action plan items need to be tasks that are realistic and manageable. The task items should be very

specific. Detailed ideas are the key to distinguishing a good business plan from a great one. You are more inclined to remain focused and achieve what you aim to do when you have a well-honed plan.

In creating your 1-3-5 plan, you need to reflect about your business. Do you have a particular niche within your local market? Should you even have a niche? If you do prefer a specific sector, is your name the one that comes to mind for the members of the population you aim to serve? For example, if you enjoy helping young families find their starter homes, is your name synonymous with buying a house within their circles? Have you marketed yourself to that segment of the community? Are you spending your advertising budget where they are most likely to see it?

By knowing your target audience you will be able to write an action plan that will boost your business. Is a print media campaign the most effective way to reach the younger, technology savvy generation who are the demographic looking for their first homes? Would

your efforts yield better results if you focused on social media instead? The marketing plan you have been following may need to be overhauled to better reach your potential clients. Since it is a critical piece to the health of your business, outlining your marketing strategy within this document is ideal.

If the main goal in your plan is to attain a certain monetary goal, you need to dictate and have a clear financial plan. You cannot have priorities and action items for growing income if you do not have a grasp on necessary expenses. The cost of doing business will not go away but in spelling out where your expenses go you have a baseline for determining how much you must sell to stay solvent, let alone turn a profit or grow your business.

More than likely you have already developed the key components of a successful business plan. Take the time to pull them all together into one document. The business plan should assist you in keeping organized and focused.

After all of your hard work and diligence on your business plan do not forget that it is a living document. Monitor your success and always be mindful to reevaluate and update it on a regular basis. Your business accomplishments will be reflective of your time and effort.

Best wishes for a happy, healthy, and prosperous New Year.

See you at the settlement table!