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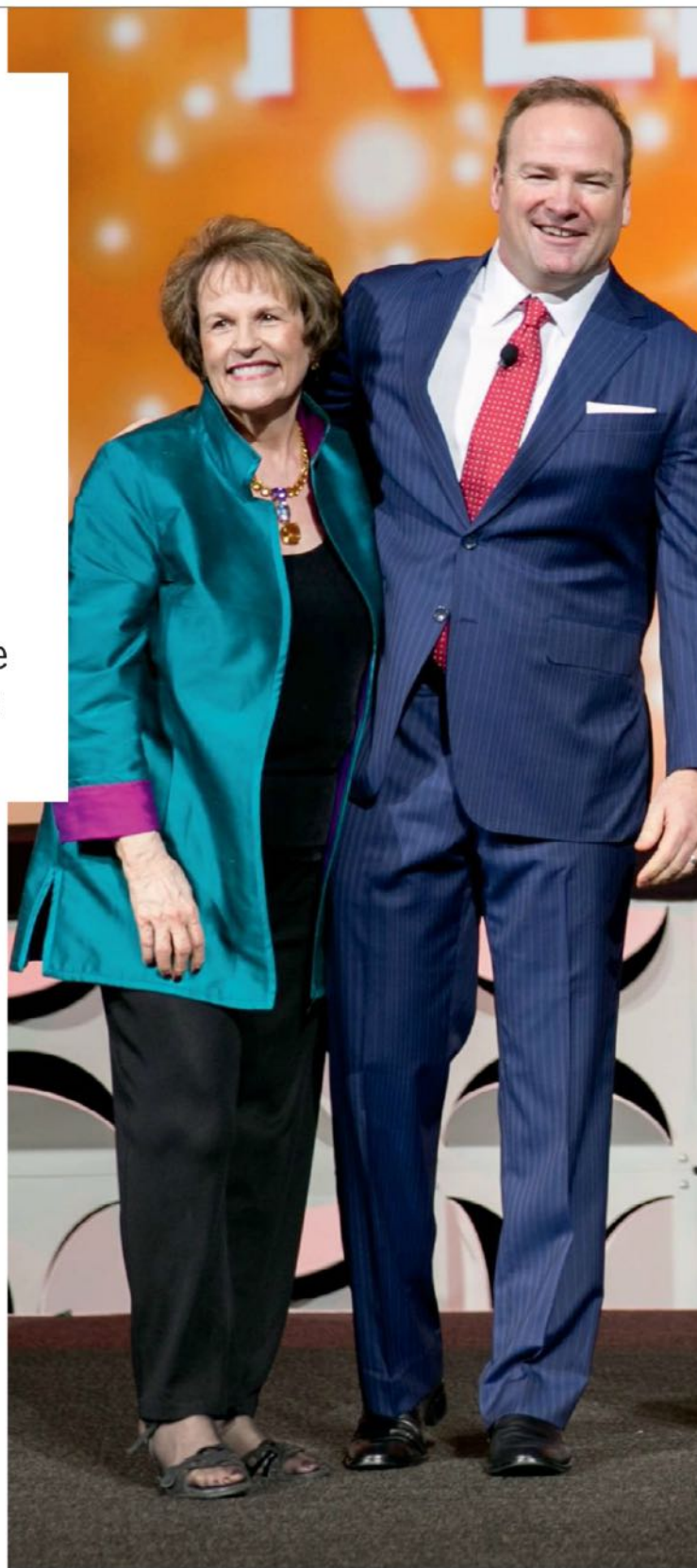
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INSIDE: New York Community Bancorp, Inc.; Leading Real Estate Companies of the World; BNSF Railway; and Sonic Automotive, Inc. | Best Practices & Outstanding Training Initiatives

Keller Williams Realty's View from the TOP

The real estate organization lands the No. 1 spot on the 2017 Training Top 125. **BY LORRI FREIFELD**



Keller Williams Realty, Inc., moved into the Training Top 125 penthouse, landing the No. 1 spot for the second time in three years and earning its induction into the Training Top 10 Hall of Fame after four consecutive Top 10 rankings.

“It’s an honor to join the ranks of such great organizations with such committed Training leaders,” says John Davis, who serves as co-CEO of Keller Williams with Chris Heller. “I have to admit we’re actually going to miss thinking about and working through the Training Top 125 application next year because our company has gained so many insights into the training we’re offering and the best practices that leading organizations like those in the Training Top 10 Hall of Fame have modeled. They’ve helped us elevate our training game. Hopefully, we can provide that same positive example to other organizations that are looking to grow and create opportunities for their people.”

Cultivating a Growth Mindset

Keller Williams certainly knows something about successfully growing its people. “We recalibrate our percentage goals from year to year, but the buckets remain the same—agent count, production, and profitability. That’s our model,” Davis says. “Growth fuels production. Production boosts profitability. And profits help our people fund their lives.”

For 2016, Davis says, “we set ambitious goals of increasing our agent count and production by 20 percent, and having

100 percent of our franchise offices profitable for the year. Through November 2016, we had already surpassed our agent growth goal for the year, our agents’ production was up 20 percent, and 99 percent of our franchise offices were profitable for the year.”



PHOTOS COURTESY OF KELLER WILLIAMS REALTY/INC INC.

KELLER WILLIAMS EXECUTIVE TEAM,
from left: Mo Anderson, Vice Chairman of
the Board; John Davis, Co-CEO; Gary Keller,
Co-Founder and Chairman of the Board;
Chris Heller, Co-CEO; and Mary Tennant,
Member of the Board.

Davis notes that one of the simplest, most effective things Keller Williams did last year was create a Career Growth Initiative calculator. The idea originated with Keller Williams' CFO and general counsel during a staff brainstorming session. "Our Innovation

Products/Strategy Officer in 2016. Together, they're building highly skilled creative teams that are providing the platform agents and consumers prefer."

team then created this easy-to-use tool so agents could enter the take-home pay they want to finish the year with...and the program would calculate from that goal the specific daily activities (such as buyer consultations or listing appointments) they need to accomplish to keep on pace for their goals," Davis says. "In less than two months, our local leaders facilitated 116,000 goal-setting conversations with our associates—and since that time, we've hit all-time monthly records every month in every major production category we track. More important, our agents' production is growing four times the rate of the overall industry."

Keller Williams' greatest training challenge last year was a direct result of its growth. In the last five years, the organization doubled in size (to more than 150,000 real estate agents), thanks to a companywide training initiative and strong execution at the local level. "Our challenge was not simply to train these new members of our family but to boost the production for all of our associates," Davis says. "We met the challenge by being clear about our vision, by making sure we're speaking 'one language,' by integrating our tools and training across all platforms, and by focusing on our most leveraged business activities."

All Keller Williams leaders focus on the same four conversations: appointments, gross recruiting, net recruiting, and profit. "For the last five years, we've placed the most emphasis on the first conversation: doing the activities we know drive results," Davis says. "Now, as a result of the success our people have achieved and the standard of excellence they've set, we're concentrating more on that second conversation and the conversion skills our leaders need to be more effective and efficient in their roles."

Adds Co-CEO Chris Heller, "We know from experience that everything rises and falls on leadership. So we've made major investments in our C-level team. After hiring our first Chief Learning Officer a few years ago, we added a Chief Innovation Officer, Chief Technology Officer, and Chief



KELLER WILLIAMS TRAINING TEAM: Stacia Thompson, MCA Driver; Dianna Kokoszka, CEO, KW MAPS Coaching; Jay Papasan, VP, KW Publishing; Bryon Ellington, Chief Learning Officer; and Leslie Vander Gheynst, KPA Driver, with members of the Keller Williams Training Team.

Connecting Anytime, Anywhere

One such platform is KW Connect. “Here, in one place—accessible anytime, anywhere—we not only have all of our training programs and materials, but we’re making available to all of our associates user-generated content from some of the top real estate professionals in the world,” Heller says.

“KW Connect has quickly become a one-stop shop for every training resource a real estate agent could need to succeed at a very high level,” Davis adds. “This stable, secure platform is accessible only to Keller Williams agents.”

The platform brings together the best features of learning management system (LMS) and Massive Open Online Course (MOOC) platforms; social platforms such as Facebook and Instagram; and video and content-sharing sites, such as YouTube and Vimeo. Features include:

- User-generated content from more than 150,000 associates, including executives, who can easily upload videos, audio files, and links
- A “Follow Me” feature for users to follow top associates and executives and receive notifications when new content is posted
- A Q&A forum where agents can ask questions, give answers, and vote on response helpfulness

- User ratings and comments for all content, which surfaces the best ideas
- All Keller Williams training resources for instructors and students in one place
- A searchable company-wide calendar, enabling associates to register for 250,000-plus annual instructor-led training (ILT) classes offered anywhere

Users have both their own profile and channel, where they can curate Keller Williams content, their own uploads, and other users’ uploads, and then combine them into sharable playlists. Office managers can create tailored training programs for new agents or other unique groups. Users can track content consumed on their channel and even restrict access to certain content, so agents with teams, for example, can create proprietary team training programs.

Users accumulate points for interaction, for example, in the Q&A forum, to earn higher site status as experts, making them more likely to receive client referrals from other agents.

A new “Mega versus Mega” webisode series leverages the platform by pairing up the top “mega agents” in the company in friendly competition. Each

uploads a three-minute video explaining their approach to a common real estate challenge. Keller Williams promotes these videos in company-wide e-mails, inviting associates to rate them; victors then advance to battle other winners. This fun way for agents to learn techniques from top agents has become very popular, with the “battles” averaging 10,000 views.

Agent activity and adoption exceeded the year one content upload goal in just six months. On an average day, Davis says, associates watch more than 624 hours of online training!

Making the SHIFT

The biggest external factor that impacts Keller Williams agents’ businesses is the housing cycle, Heller notes. “And while no one can predict exactly when the market will shift—or how severe it will be—we do know what the next inevitable phase of the cycle is. And that’s why we’re preparing our agents so intensively right now to not only survive the market shift, but to thrive. This includes revisiting our SHIFT Curriculum that proved so successful during the last market downturn and updating it and adapting it to new modes of social learning.”

Keller Williams Cofounder and Chairman Gary Keller sent a famous “SHIFT” e-mail to KW University instructional

designers in 2007 at the onset of the worst crisis in U.S. real estate since the Great Depression. “The market has created a need for timely and tightly focused courses that agents can dig into quickly for answers on what to do RIGHT NOW. The 12 topics they struggle with RIGHT NOW are ...” the e-mail explained.

Before the SHIFT, all an agent typically had to do was stick a sign in the front yard, and a home sold almost immediately, with multiple offers for well over list price. The industry ballooned from 800,000 to 1.2 million agents. But many had never experienced tough markets or developed the foundational skills needed to thrive. And then overnight, the SHIFT began weighing down the businesses of what ultimately would be hundreds of thousands of agents unwilling or unable to adapt.

But Gary Keller knew there were opportunities for those willing to learn. In a series of emergency writing sessions in late 2007, he and Keller Williams executives partnered with Keller Williams instructional designers to create the Breakthrough to Mastery series. The team worked over the winter holidays to launch these 12 just-in-time self-study courses in January 2008.

The downloadable guidebooks were supplemented with online modules, including Keller-led interviews of top agents. Each course trained on a different “tactic” that successful agents were using to adapt, ranging from selling foreclosed bank properties to expense management.

At the time, KW saw a large drop in its training material sales because agents were slashing their budgets. Knowing agents needed training to adapt quickly, Keller Williams took action. “First, in Tactic 2: Expense Management, we teach agents to budget for training,” Heller says. “More importantly, Keller Williams made the decision, beginning with this curriculum, to remove training barriers by offer-

ing all of our training materials for free.”

To make this content even more accessible, in 2009, Keller Williams turned each of the 12 guides into one- to three-hour instructor-led training classes, for monthly delivery by leaders and top agents in its franchise offices, rebranding them the “SHIFT curriculum.” It also created a traveling one-day SHIFT seminar led by Keller and other top Keller Williams executives. More than 31,000 associates attended nearly 70 tour stops over 18 months—and they only paid for lunch!

“Today, the SHIFT training that began as a reaction to the Great Recession allows us to quickly react to the economic shifts some of our markets now are experiencing again,” Heller says. “Earlier this year, 245 of our offices in these markets attended a virtual ILT series on the SHIFT curriculum, and began holding hundreds of SHIFT training classes each month in their offices.”

While industry sales in many markets have slowed or even gone backward over the last year, this training has helped Keller Williams’ sales climb an average of 2 percent per month in 2016, contributing to 20 percent higher agent commissions. As a result, Davis says, Keller Williams is attracting agents looking to thrive in tough markets, contributing to a net increase of more than 20,000 agents and record profitability for its local franchise offices.

Reinforcement, Retention, and Recruitment

A central tenet of Keller Williams’ belief system is “Success through others.” Notes Heller, “Our headquarters team is deeply engaged with what our agents and local leadership teams are doing in the field. Every week, our employees take part in the same growth calls our agents and local leaders are on—and then as teams and small groups, they discuss the call and brainstorm additional ways we can support our associates in the field. We also have a constant stream of associates visiting our headquarters building in Austin to take classes at our on-site learning center. They interact with our headquarters team and tour our corporate facilities, which is just one more way we ensure open lines of communication for ideas, suggestions, and feedback.”

Davis adds that in all of Keller Williams classes, “we hit the pause button periodically to check comprehension and share aha’s with the group. The key is turning those aha’s into action. So in all of our classes, we also develop specific action plans. And we strongly encourage our associates to join one of our coaching programs because we know how powerful it is to have an accountability relationship...and the impact that coaching has on the results our people achieve.”

Heller notes: “We’re the only company I know of where every agent has a weekly opportunity to take part in a coaching call led by one of our top executives. Our commitment to leadership starts at the top. All of our top executives teach in the field. Our top regional leaders serve as master faculty, and our local team leaders and productivity coaches are teaching training classes in their market centers every day.”

In his book, “The ONE Thing,” Gary Keller recommends asking what he calls the focusing question: “What’s the ONE

FAST FACTS

Total number of employees and independent contractors/franchisees trained overall annually: 180,304

Average length of employee service: 6.5 years

Percentage of job openings filled by internal candidates: 84.6%

Percentage of new hires referred by employees: 79.9%

Total number of employees and independent contractors/franchisees trained annually via instructor-led classroom sessions: 180,304

Total number of employees and independent contractors/franchisees trained annually via online, self-paced study: 78,480

Number of courses offered as instructor-led classroom sessions: 345

Number of courses offered as instructor-led virtual classroom sessions: 492

Number of courses offered as online-self-paced modules: 2,855

thing I can do such that by doing it everything else will be easier or unnecessary?" For real estate agents, Davis says, the answer is: "Do the activities!"

That's why Keller Williams incorporates "real-play" into its training courses. "Agents don't just learn what they should do, they get on the phone and talk to consumers," Davis says. "Real-play demystifies what they're hearing in the classroom and contributes directly to the growth of their business. They get positive reinforcement of the lessons they're learning and see immediate, tangible results."

TRAINING TIPS

"Find what's effective. And model it," Keller Williams Realty, Inc., Co-CEO Chris Heller advises other companies looking to improve their training programs. "For us, that means looking to our top agents in the field, asking what they're doing and how they're doing it, and then developing and scaling solutions that benefit our entire associate base."

As for cutting costs, Heller says, "our mantra is 'Lead with revenue.' When we develop effective training, our entire company benefits, and that allows us to invest in new training programs and initiatives."

Keller Williams' training plays a major role in its agent recruitment. "We invite competitors and prospects to our training," Davis says. "Whether it's a lunchtime class in a local market center or one of our major weeklong training events such as Family Reunion or Mega Camp, we strongly encourage our agents and local leaders to invite guests to attend. We want to make clear to potential additions to our family our deep commitment to training and what they can expect if—scratch that, when!—they choose to join our team."

Heller says Keller Williams is excited by the innovation and technology the organization is developing and how it's going to help agents and consumers. "A decade from now, the way consumers search for and buy homes and the insights agents are able to provide will be almost unrecognizable from the process today," he notes. "Our success at keeping our agents at the forefront of this evolution, helping them differentiate themselves from their competitors, and providing an extraordinary customer experience will be determined by how well we train our people."

Training is at the core of everything Keller Williams does, Heller stresses. "Every day—from live trainings in our regions and franchise offices to virtual and on-demand learning—we're teaching our agents the skills and strategies they need to grow their businesses, which puts money in their pockets, makes our offices more profitable, and gives us more profits to share with the associates who are helping us grow." **R**

Happy to be here

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