



Brokerage Transition Factors

To Move or Not To Move?



THE MASSIMO GROUP™
COMMERCIAL REAL ESTATE CONSULTING & COACHING





PRE-TRANSITION REVIEW

■ *You*

Complete a Personality/ Natural Behavior Assessment:

Very simply, put yourself in position for success. You need to know about you, and where you will naturally thrive. There are several assessments out there. We use a modified AVA assessment specifically for the role of commercial real estate brokerage.

Historical Review

This is a quantitative reflection on the transactions you worked on with your current company. Are these the same type/size of opportunities you wish to pursue in the future? How will a change in companies impact these pursuits?

Prestige/Title

Does a title make you feel better? Who is this important to – you or your clients? It could be argued the independent, private

owner could not care either way, they are hiring you regardless of title. Refer to your natural behaviors. You may naturally need a title, and that's ok.

3-5-Year Plan

Where do you want to be in 3-5 years and how does staying with your current firm or moving to another firm help you get there?

Exit Strategy

Which platform puts you, and your team in the best position 3-5 years from today? Don't only consider your success during the next several years but consider where you want to be and where would be best for you.

Gut

Where do you want to go? This is the last, and least variable to consider. This is too important a decision to you, your family and your future to simply "go on gut".

■ *Your Relationships*

Clients

Will your existing clients be impacted if you move firms? For your larger clients & prospects, a national firm is simply a “safer” bet.

Would the culture of X be an attractor for more clients, bigger opportunities? This is something we have not addressed.

Have you asked your key clients what they think about the firms you are considering, do they care? We highly recommend you be proactive and ask your clients what they think. Share with them “I value your opinion, and would like to ask you...” This approach will help you fortify future opportunities, so don't discount this.

Team

You have determined that most team members are indifferent on where you are headed.

Your Closet Team Member

Where will your key influencer/team member excel? If you are going to grow, he/she needs to continue to grow. You need to put this support person in an environment where he/she has a will to grow his/her own skills as both an operator and a team leader.

Your Family

Which option will have the greatest impact on your personal time as well as financial freedom?

■ *Your Environment*

Targeted Business

Are you pursuing institutional clients or private owners? How do your current firm and others support your pursuits? Which firm is better positioned to serve your targeted clients?

Bureaucracy

If you are truly independent and are averse to structure, you may struggle when aligning with a national firm. Does the firm create an environment where you are stifled or restricted in not only the business you do, but how you do your business? You need to consider how you market, how you brand your team, how you create and develop your own personal brand.

Cross-Selling

What else do the firms you are considering have to offer you and your clients? Are there ancillary lines, such as sales, leasing, management, finance or consulting that will help you win more opportunities?

Referrals

How are referrals handled and distributed within the firms that you are considering? Do the top producers get all the referrals, and are you on the bottom of the totem pole? Or, are referrals distributed more evenly? Are there any referral opportunities at all within these firms?

Technology

As the market continues to move to more technological based platforms, you need to know what is available for each firm. Specifically, is there support with the technology, and will you use and leverage these platforms?

Support

Depending on the size of your team, this could be a major factor. Which firm is providing you the greatest support regarding administrative, research and marketing personnel or budget?

Reputation of Firm

How does the market perceive each of the firms you are considering? What type of deals are they known for, what is the reputation of their leadership?

Firm Culture

Sweat shop or fun loving? Interview people at the firm and get their perspective and be honest with yourself. What culture is best for you to excel?

Office Location

This can be a major “work-life” balance issue. How long is the commute, what is the proximity to amenities, what mass transportation options are available? Is the location close to where your friends work?

Office Layout

What office design works best for you and your team? Private office vs. open space?



■ *Financial Aspects*

Timing

This is both a logistical issue as well as client deal/pipeline issue. What is the right time-period for you to transition, if you have made that choice? How will this timing impact the deals you are currently working on?

Treatment of Pending Commissions and Listings

If you were to leave, will your former firm allow you to continue working existing deals, and does the firm provide carve outs?

Cash/Offer

Be sure to carefully review terms and conditions of both upfront cash and/or bonus offers.

Splits

A small difference in splits will mean a lot of money over a 3-5-year term. Negotiate this carefully.

Equity Opportunities

This could be stock in a public or private firm. Is this available, and if so, what are the parameters? Will it require a capital call and how will it be vested?

Medical/Benefits?

Health Insurance, E&O Insurance, retirement, profit sharing, 401K, etc. What is each firm offering, and how much are you out of pocket?

■ *The Market*

Peers

Will you compete directly with former peers, and is this an issue to you? Do you want to pursue a path where this could be a frequent occurrence?

Competition

How will positioning yourself with a specific firm impact your ability to compete and win more opportunities? What about peers in the same office, how would you fare competing against them?

Market Downturn

When the market downturns, and it will, where will you be better positioned for sustainability and profitability? Which opportunity will allow you to be most nimble with your marketing and your service to clients?



PRE-TRANSITION SCORE CARD

Rate your current situation, the option of going on your own, and the other firms you are considering transitioning to, with 1 through 5 on each metric. 1 being poor and 5 being excellent. Then sum the total ratings for each column.

<i>YOU</i>	CURRENT FIRM	YOUR OWN FIRM	NEW FIRM #1	NEW FIRM #2	NEW FIRM #3
Personality/Natural Behavior Assessment:					
Historical Review:					
Prestige/Title:					
3-5-year Plan:					
Exit Strategy:					
Gut:					
<i>YOUR RELATIONSHIPS</i>					
Clients:					
Team:					
Your closet team member:					
Your family:					
<i>YOUR ENVIRONMENT</i>					
Targeted business:					
Bureaucracy:					
Cross-Selling:					
Referrals:					
Technology:					
Support:					
Reputation of Firm:					
Firm Culture:					
Office Location:					
Office Layout:					
<i>FINANCIAL ASPECTS</i>					
Timing:					
Treatment of pending commissions & listings:					
Cash/Offer:					
Splits:					
Equity Opportunities:					
Medical/Benefits:					
<i>THE MARKET</i>					
Peers:					
Competition:					
Market Downturn:					
TOTAL:					