

# THE ROLERCOASTER LIFECYCLE OF A REAL ESTATE BUSINESS

Presented by Jacob Aldridge, Director of  
Strategic Advisory, businessDEPOT

&

Kevin Turner of Real Estate UNCUT



# THE LIFECYCLE OF A REAL ESTATE BUSINESS

Every real estate business – and the Principal who leads it – goes through the same emotional journey. If we understand where we are on this rollercoaster lifecycle, we can better decide where we need to focus our energy ... and plan for what will happen to us next. Principals who manage their business with this lifecycle in mind are more profitable and more relaxed throughout.





# START-UP CYCLE

## THE EMOTIONAL JOURNEY

- Excitement and enthusiasm slowly giving way to uncertainty and anxiousness.
- Fail to clear the speedbump and you get stuck in the 'Trough of Sorrow'.

## BIGGEST RISKS

- Too big too fast – not having support in place to help you grow; spending on hope not reality
- Doing too much – you'll be run off your feet, so make sure it's doing the right things

## TOP 3 PRIORITIES

### 1. MARKET FIT

Connect your Service and Marketing initiatives to your area

### 2. BUSINESS MODEL

Create a repeatable business engine, so work comes in and profit comes out every month

### 3. SUSTAINABLE SALES

The easier your sales process – winning listings and managements - the faster your growth.



# SCALE-UP CYCLE

## THE EMOTIONAL JOURNEY

- Confidence and then relaxed growth
- Euphoria as you achieve your goals, and frustration as it takes on a life of its own

## BIGGEST RISKS

- Paying yourself back too early – pulling money out of the business for that new house
- Letting the tail wag the dog- you've got a team and a reputation, but you need to stay in charge

## TOP 3 SCALE-UP PRIORITIES

### 1. PROFIT FORMULA

Revenue is Vanity, Profit is Sanity. Are you analysing & growing yours?

### 2. GROWTH PLAN

Forward planning avoids bottlenecks and waste as you scale your business engine.

### 3. TEAM CULTURE

Culture starts on day one. You need to define & design it before growth changes everything.



# STEP-UP CYCLE

## THE EMOTIONAL JOURNEY

- Overwhelm and disillusionment may make you want to give up
- Step Up to get re-energised and optimistic about your business again

## BIGGEST RISKS

- Drowning in the stuff
- Losing sight of your personal vision and how this business fits into your family's life

## THE 3 STEP-UP PRIORITIES

### 1. BUSINESS BY DESIGN

The world has changed since start-up. Have you the courage to change what worked in the past, to face the future?

### 2. REST & RECOUPERATION

The business is 'stuffed' and so are you. Time to review responsibilities.

### 3. PRODUCT & MARKET REFRESH

New competitors with fresh energy are challenging your experience. Beat them at their own game.



# SELL-UP CYCLE

## THE EMOTIONAL JOURNEY

- Hopeful anticipation as you seek your new vision, Pride for a job well done, and Fulfilment ... or a desire for something more

## BIGGEST RISKS

- Forgetting to share your story with the team and acknowledge your success
- Stopping innovation and letting bad habits creep back in

## THE 3 SELL-UP PRIORITIES

### 1. WHAT'S YOUR NUMBER

If you're thinking Exit Strategies, what do you need to depart?

### 2. GET SUCCESSION READY

Internal or External Sale? Maybe a family handover? Is your business ready for you to leave?

### 3. LEVERAGE OR LEGACY

Are you leaving something behind for your community or the industry, or scaling up for the next opportunity?



# THE ROLLERCOASTER LIFECYCLE



phase:

start up

scale up

step up

sell up

Key message:

Half of all new businesses fail to clear this #Speedbump

Uncontrolled Growth is fun – but it's easy to trip over the looming #Hurdle

Only successful businesses make it this far. But it feels like a #BrickWall

Just 6% of Co's reach this phase and sell for the #HighestMultiple

TOP PRIORITY

REVENUE

GROWTH

OVERHEADS

EQUITY



# FIND OUT IF COACHING IS RIGHT FOR YOU

[ book a complimentary coffee or skype with our Director of Strategic Business Advice ]



## JACOB ALDRIDGE

✉ [j.aldridge@businessdepot.com.au](mailto:j.aldridge@businessdepot.com.au)

☎ [ 07 ] 3193 3000

📱 0427 151 181

🐦 [@jacobaldridge](https://twitter.com/jacobaldridge)

🏠 [businessdepot.com.au](https://businessdepot.com.au)

