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## Keller Williams Is at Home at No. 1

Real estate franchise moves into the top  
spot on the 2015 Training Top 125

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Best Practices & Outstanding Training Initiatives





**KELLER WILLIAMS REALTY** executive team, from left: John Davis, president; Gary Keller, chairman of the board; Mary Tennant, member of the board; Mo Anderson, vice chairman of the board; Mark Willis, member of the board; and Chris Heller, CEO.

# Keller Williams Is at Home at No. 1

2015 Rank	2014 Rank	Company Name/ Location/ Primary Business	Annual Revenue	No. of Employees	No. of Trainers Full-Time/Part-Time/SMEs	Total Training Budget	Training Budget as a Percentage of Payroll	Tuition Reimbursement	Training Infrastructure
1	2	<b>Keller Williams Realty, Inc.</b> Austin, TX Real Estate/Insurance	NFP	104,102 U.S. 107,565 Global	NFP/NFP/NFP	NFP	NFP	Yes	Yes

**Keller Williams Realty, Inc.** To help real estate agents increase the profitability of their businesses, Keller Williams Realty offers BOLD: Business Objective, Life by Design. This transformative program increases sales through the relentless pursuit of leads and business-building activities. Over the course of 7 weeks, BOLD conditions agents with mindset exercises, language techniques, and lead-generation activities. Participants are assigned to accountability teams and challenged to push each other to achieve big results. BOLD attracts real estate professionals from brokerages and brands throughout the industry, many of whom sign up every time it is offered. BOLD graduates increased their income by 175% over non-BOLD agents in 2014.

**NFP** Information provided, but not for publication **ND** Information not disclosed **N/A** Not applicable **BP** Honored for Best Practice **OTI** Honored for Outstanding Training Initiative

Bolstered by the belief that “training fuels all of our success,” North America’s largest real estate franchise moves into the top spot on the 2015 Training Top 125. **BY LORRI FREIFELD**

**E**veryone in real estate knows it’s all about “location, location, location.” Keller Williams Realty, Inc., embodied that principle as it nabbed a prime piece of real estate—the top spot—on the 2015 Training Top 125 for the first time. New CEO Chris Heller attributes the ranking to the fact that “all of our training and coaching is developed by studying and modeling the behaviors of our most successful leaders. And because our top agents are continually learning from each other and improving on ideas, our training is constantly improving.”

“Training fuels all of our success,” adds Dianna Kokoszka, CEO, KW MAPS Coaching. “As an education-based company, we always are investing in training. In 2014, we unified our training divisions and hired our first Chief Learning Officer, Bryon Ellington, who has deep experience in educational programming, technology development, and global operations. We expanded the resources offered by Keller Williams University. We’re also devoting more energy into what we call ‘market of the moment’ training. We’re helping our agents establish themselves as the experts in their market. Local expertise is one of the greatest differentiators agents bring to the client relationship.”

## MEGA AGENT EXPANSION

Keller Williams’ vision is to be the real estate company of choice. “Because of our focus on training, we attract more new agents than any other real estate franchise,” notes new President John Davis. Indeed, one of 2014’s goals was to increase agent count by 14 percent. The company finished the year up 18 percent, at more than 112,000 associates.

“As a commission-based industry, our biggest training challenge is to guide thousands of new Keller Williams agents through our training programs so they can get into production quickly and build their businesses,” Davis says.

One of Keller Williams’ most innovative and successful programs in 2014 was Mega Agent Expansion. “We’re the first real estate franchise to offer a formal training program to train top agents on how and when to expand into additional markets,” Kokoszka explains. “This is a revolutionary concept in real estate that provides associates with unprecedented opportunities to grow their businesses. It also challenges us to develop training on a whole new level.”

In 2004, founder Gary Keller’s bestselling book, “The Millionaire Real Estate Agent,” paved the way for agents to leverage prescriptive models and systems to net \$1 million annually and become “mega agents.” Ten years later, top Keller Williams agents who have mastered the MREA process are searching for what’s next. Keller Williams wants to ensure that “next” happens within Keller Williams, so the company can continue to attract top talent. Observing the market and the success of Keller Williams’ top 100 agents, Keller recognized the next natural step: expansion into additional markets. A small group of agents began experimenting with expanding their brand to new geographies. From these early expansion agents and the lessons they learned, Keller Williams created a model for a new source of growth. That required the development of a new training program.

Mega Agent Expansion (MAE) teaches top agents how to leverage economies of scale, centralized lead generation, and a shared administrative hub to launch businesses in five, 10, 20, or more additional geographic locations. “For the first time,” Kokoszka says, “individual agents can realize their dream of their brand stretching around the country or the world, all within Keller Williams.”

## FAST FACTS

- **Total number of employees and independent contractors/franchisees trained overall annually: 107,565**
- **Average length of employee service: 5 years**
- **Percentage of job openings filled by internal candidates: 75 percent**
- **Percentage of new hires referred by employees: 59 percent**
- **Total number of employees and independent contractors/franchisees trained annually via instructor-led classroom sessions: 100,000**
- **Total number of employees and independent contractors/franchisees trained annually via online, self-paced study: 26,000**
- **Number of courses offered as instructor-led classroom sessions: 310**
- **Number of courses offered as instructor-led virtual classroom sessions: 259**
- **Number of courses offered as online-self-paced modules: 2,000**
- **Average per-person hours of formal, planned training provided to employees annually: 82**

MAE launched in February 2014 and includes instructor-led classes, Webinars, expert interviews, productivity resources, and coaching. Top expansion agents participate through mentorship, coaching, and consulting.

Program components include:

- **A 40-city tour throughout North America:** This builds awareness and promotes expansion; it is taught by a mega agent and early adopter of expansion.
- **Expansion Systems Orientation:** A two-day training course offered monthly at the Keller Williams Learning Center to dive deep into expansion mechanics. “Participants walk away with a working business plan, action items, accountability systems, and the leadership skills needed to head sales teams in multiple locations,” Kokoszka says. A top expansion agent co-teaches the class with founder Gary Keller.
- **Social media community:** A private community of learning and sharing for expansion agents.
- **Job aids:** Checklists, forms, spreadsheet models to chart compensation options for key team members, and a “First 100 Days” plan for a new expansion.
- **Monthly calls:** Regular Q&A sessions with top expansion agents on introductory and advanced topics.
- **Coaching program:** “We’re training our top KW MAPS Coaches in MAE concepts and methodologies so they can help their expansion agent clients,” Kokoszka says.

The MAE program already has achieved noteworthy results, including:

- 208 members (the 2014 goal was 100)
- 42 expansion teams formed (the 2014 goal was 20)
- High attendance levels at the 40-city tour (1,805 vs. a goal of 840) and Expansion Systems Orientation training (411 vs. a goal of 140)





KW MAPS COACHING CEO Dianna Kokoszka (center in blue) surrounded by BOLD coaches.

- A recruiting explosion: “MAE was specifically cited as the reason we attracted eight new teams into KW whose total production in 2013 exceeded \$600 million,” according to Kokoszka.

Ongoing evaluation of the program is based on three goals:

1. Increase retention of current mega agents by giving them the growth opportunity of expansion teams.
2. Increase agent count by attracting high-performing, expansion-ready agents to Keller Williams.
3. Increase productivity. “We are developing new metrics, including the number of expansion teams per agent and total expansion network production, to better assess the program across time,” Kokoszka says.

Keller Williams anticipates significant continued global growth. As Keller Williams expands outside of North America (in 2014, it added new regions in Dubai, Mexico, and Portugal), “we’ve continued to develop and adapt training materials and delivery methods to reach real estate professionals throughout the world,” Heller notes.

## CONTINUING TO BE BOLD

Keller Williams’ BOLD (Business Objective: A Life by Design) initiative was another major contributor to the company’s 2013/2014 financial success that saw Keller Williams agent commissions rise 16 percent and 98 percent of KW offices make a profit for the year. Focusing on productivity, BOLD conditions agents with mindset exercises, language techniques, and live lead-generation activities. For one day a week for seven weeks, an average of 100 agents travel to attend BOLD in their region. During class, attendees “real-play,” calling customers with instructor guidance and support. “Real-play is the crux of the pro-

gram, enabling students to generate real business while learning,” Kokoszka says. Results are posted in the classroom weekly, and 10-person teams push and support each other to practice and achieve results together.

BOLD facilitators are top experienced agents who undergo an arduous certification process—a credential considered an honor at KW. They must follow the course content with no deviations and are evaluated on and held accountable to the results their classes produce.

According to the National Association of REALTORS, the average agent completes 12 transactions a year that generate \$60,000 in commissions. During the seven-week BOLD course, agents achieve 14 transactions, or \$70,000 in commissions. “That translates to half a million dollars in annual gross commission income—more than eight times the national average,” Kokoszka says. “We know BOLD participants outperform agents who have not taken BOLD by 169 percent. Moreover, the financial impact compounds as 70 percent of agents take the course repeatedly to master the techniques and boost their productivity.”

## COMPETITIVE AND COLLABORATIVE

As top real estate agents, Heller and Davis know that to succeed in real estate, you have to be competitive and collaborative. In practically every transaction, there are two agents coming together to represent their clients. And many agents are part of teams. Keller Williams’ model puts brokers and agents on the same side of the table. As a result, associates think of their colleagues as collaborators, not competitors.

This shared identity enhances Keller Williams’ training programs, Heller believes. “Moreover, our Profit Share program (detailed below)—which rewards the associates



KELLER WILLIAMS UNIVERSITY team members, from left: Julie Fantechi, Kim Harryman, Mona Covey, Bryon Ellington, Pam Bunn, Dawn Sroka, and Jonathan Moerbe.

who help the company grow—promotes collective success. What’s good for one agent is good for all agents. This spirit of collegiality and camaraderie underpins a unique corporate culture that fosters collaboration and the pursuit of win-win opportunities.”

It also encourages the sharing of best practices. As a company, Keller Williams purposefully works with top performers to identify best practices to share. Every market center has an Associate Leadership Council (ALC) composed of its top agents, notes Vice Chairman Mo Anderson. And every ALC has an Education Committee made up of volunteer agents who go out and reinforce these best practices through training and education in the office.

## KEYS TO ENGAGEMENT AND RECRUITMENT

To foster employee engagement, Keller Williams launched a companion course to “Recruiting Great Agents” called “Keeping Agents First.” It focuses on the PERCs (production, engagement, recognition, and culture) and is taught throughout the year.

“Our Growth Initiative also targets engagement in several ways,” adds Davis. “These include the adoption of Training Tracking (which encourages market center lead-

ers to engage associates whose production gains are not keeping pace with their colleagues’), presenting Reboot (a multi-stop tour engaging all levels of office leadership), and empowering market center administrators (MCAs) to take on increased leadership responsibilities fostering engagement in the office.”

Another factor in employee engagement is the Keller Williams Profit Share system, which aims to facilitate growth from within and fosters the company’s belief that “together, everyone achieves more.” Keller Williams agents are eligible for Profit Share (and its worldwide companion, Growth Share) by sponsoring and mentoring new agents in the company. Through this program, agents share in the company profits created by the agents they sponsor. “So agents encourage potential recruits to join Keller Williams by sharing our value proposition of training and coaching, and once they join, agents support their new recruits, helping them navigate all the tools and resources Keller Williams offers to enhance their careers, including education, coaching, and technology solutions,” Davis says. “Agents accompany their recruits to KW training events offered in their office, region, or at international conferences.”

Agents and their sponsors have a mutually beneficial relationship. The potential rewards for both parties are



unlimited, driven by trusting, respectful relationships and monetary gain, Davis says.

Profit and Growth Share workshops are offered monthly both as instructor-led training in local offices and as Webinars from international offices. Agents are encouraged to take the workshops multiple times and to continue to support their

“All of our training and coaching is developed by studying and modeling the behaviors of our most successful leaders, and because our top agents are continually learning from each other and improving on ideas, our training is constantly improving.”

new agents. There is profit share coaching, as well, and there is no limit to the number of agents an agent can sponsor.

The Keller Williams Profit Share program has resulted in distribution of more than half a billion dollars since inception. In 2014 alone, Keller Williams shared \$98 million with associates.

Training also plays a part in employee recruitment. “Our market centers are trained as part of their recruiting efforts to open the classroom to competitors’ agents,” Davis explains. “Individual associates invite potential recruits to attend training sessions and educational events. They’re trained to contact other agents and talk with them about how they’re doing compared with the rest of their local board of REALTORS and the opportunities and resources Keller Wil-

liams offers. Successful recruits join an agent’s Profit Share tree, helping build passive income for life.”

Keller Williams’ Family Reunion event is five days long and sells out every year at just over 10,000 attendees (limited only by convention space) or 8 percent of Keller Williams agents. Family Reunion features Keller Williams executives, top

leaders and agents, and master faculty leading more than 250 educational, 1.5-hour sessions covering sales skills, business acumen, leadership skills, and technology training. In one of his sessions, Gary Keller delivers his Vision Speech for KW and the real estate industry at large and highlights the proprietary training and trends derived by the KW research division. This data-based training gives both leaders and agents the competitive edge they need in their markets. In

fact, leaders who bring recruits to Family Reunion have a 92 percent conversion rate.

## MOVING AHEAD

Keller Williams has several new initiatives in the works to enhance training, including a field-driven platform for top experts to share ideas, techniques, and best practices, Heller says. “And we’re utilizing software to create real-time feedback aimed at continual improvement of both instructional content and instructors.”

Looking farther ahead, Heller says, “at the rate we’re growing, we’ll double in size in the next decade, but the fundamentals of the real estate business are not going to change.” Real estate is a local business based on individual agents and their relationships, he notes. “Agents are going to continue to be the center of the real estate transaction. Our opportunity is to train real estate agents better than anyone else in the world so they can provide superior service to clients and build big businesses for themselves and their families. Training will continue to be our primary means for helping our associates achieve their dreams.”

As for Heller’s dream if Keller Williams had unlimited funding for training, “it would be to provide every one of our associates, no matter their production level or where in the world they live, with daily access to world-class master faculty trainers. We’d also provide every associate with a full-time accountability coach.”

That’s an offer most agents—and employees in general—would be happy to receive. 

## QUICK TIPS

According to Dianna Kokoszka, CEO, KW MAPS Coaching, “Gary Keller teaches us to focus on our most leveraged activity. What’s the ONE Thing we can do such that by doing it everything else will become easier or unnecessary?”

Keller Williams is a company built by agents for agents. That means its most leveraged activity is modeling the behavior of its top agents, Kokoszka says. For other companies aiming to bolster their success, Kokoszka offers the following advice:

- To improve training programs, mastermind with your most successful leaders. Learn how they’re excelling and then systematize those innovations so all members of your organization can grow.
- To improve employee engagement, make sure every strategy you’re pursuing is helping to build an organization everyone wants to be part of and no one ever wants to leave.
- To trim training costs, explore mutually advantageous partnerships and invest for the long term.

