

Real Estate Agents and the Personality Traits that Predict their Success

Echovate science conclusively connects personality attributes to successful real estate agent performance

OVERVIEW

If a real estate agent is empathetic, will they be more likely to close more units? If they are highly systematic, will their organizational skills lead them to sell a higher dollar volume? When recruiting for your agency, what personality traits should you look for in an applicant?

These are exactly the type of questions our Science Team, long-standing partners at the University at Albany, State University of New York (UAlbany), and a large real estate agency located in the Southeastern US set out to answer. Our goal was to examine the extent to which the 10 Echovate core attributes predict performance in real estate.

STUDY DESCRIPTION

To properly evaluate this hypothesis, we needed to collect two sets of data - individual personality and performance data.

For the personality data, we had each agent at the agency complete an Echovate assessment. The Echovate assessment includes 10 scales that were developed to assess the Five-Factor Model (FFM) of personality, which is the dominant model in the personality research literature.



For performance data, metrics were obtained from the agency including the total number of units sold and the total volume of annual sales. A complete listing of performance metrics used in this study can be found in Table 1.

TABLE 1 Performance Metrics Used in the Validation Study

METRIC	DESCRIPTION
List Number (LTM)	Number of list side units closed, last 12 months
List Dollars (LTM)	List side dollars volume closed, last 12 months
Sell Number (LTM)	Number of sell side units closed, last 12 months
Sell Dollars (LTM)	Sell side dollars volume closed, last 12 months
Total Number (LTM)	Total number of units last 12 months (buy side and seller side)
Total Dollars (LTM)	Total dollars volume of units last 12 months (buy side and seller side)
Total Number (PTM)	Total number of units previous 12 months (buy side and seller side)
Growth Change Number	Total number units change between LTM vs PTM
Percent Change Number	Growth percent change in total number of units, PTM to LTM
Total Dollars (PTM)	Total dollars volume of units previous 12 months (buy side and seller side)
Growth Change Dollars	Total dollars volume change between LTM vs. PTM
Percent Change Dollars	Growth dollars change in total dollars volume, PTM to LTM

Notes: 'LTM' refers to 'Last Twelve Months', or the 12 months prior to the date of data collection. 'PTM' refers to 'Previous Twelve Months', or the 12 months previous to the beginning of the 'LTM' period (i.e., from 24 to 12 months before data collection).

CORRELATION ANALYSIS

After the data was collected, correlation analyses were conducted by UAlbany to provide evidence of how well each scale relates to agent performance. The goal of the initial correlation analysis was to look at each of the 10 Echovate scales independently of each other.

Two scales emerged as meaningful and statistically significant predictors of performance.

SYSTEMATIC

- **Systematic** was statistically significantly related to all the performance metrics except the number of units sold as buyer's agent, and the size of the coefficients can be considered moderate.

- The negative coefficients indicate that those who like “**working by the book**”, in well-defined environments, **sell fewer units at a lower cost** than those who are more comfortable in loosely defined environments.

RESULTS ORIENTED

- **Results Oriented was statistically significantly** related to List Number (LTM), List Dollars (LTM), and Total Number (LTM) units sold, with coefficients ranging from .18 to .20.
- The positive coefficients indicate that individuals **who prioritize finishing their work and maintaining their focus on completing projects perform at higher levels.**

REGRESSION ANALYSIS

Additionally, a best subsets regression analysis was conducted to identify the **set of scales** that most strongly predicts performance. Using multiple scales in combination may improve prediction. For this analysis, we chose to focus on the Total Number and Total Dollars metrics because they capture the total output for agents and the correlation analyses showed consistent results across the list and sell subcomponent metrics.

The analysis revealed that five scales combined to optimally predict performance.



PERSEVERANCE



SYSTEMATIC



RESULTS-ORIENTED



FLEXIBILITY



EMPATHY

Therefore, the agent profile that best captures listing performance is an agent who is:

- 1 Comfortable in loosely defined environments (low Systematic)
- 2 Prioritizes task and goal completion (high Result Oriented)
- 3 Persists despite challenges and obstacles (high Perseverance)
- 4 Prefers working in environments that are fairly consistent (low Flexibility)
- 5 And possesses a heightened level of understanding & compassion (high Empathy)

CONCLUSION

The validation analyses revealed that several Echovate scales meaningfully predicted real estate agent performance.

Specifically, validity coefficients revealed that the Systematic and Results Oriented scales were correlated with several of the performance measures used to assess real estate agent performance. The regression analysis further identified a profile of top performers based on the total number of units sold and total sales volume. This profile is, in order of importance:

1. Relatively lower scores on Systematic
2. Relatively higher scores on Perseverance and Results Oriented
3. Relatively lower scores on Flexibility, and relatively higher scores on Empathy

Hence, the results suggest that a successful agent may be someone who:

- 1 Is not strongly reliant on pre-established or structured guidelines but able to design their own;
- 2 Perseveres in the face of challenges and tenaciously strive for goals;
- 3 Prioritizes task completion;
- 4 Prefers a work context that is consistent and stable; and
- 5 Possesses a strong understanding and compassion for others.

If you are looking to discover the correlation between personality traits and success at your organization, connect with the Echovate team!

We can help you identify and quantify the best attributes for your team. Learn more at echovate.com or email info@echovate.com to get started.

