

Keller Center Research Report

December 2021 (Volume 14, Issue 4)



Why Do Houses Sell Above Listing Price?

Geoffrey K. Turnbull, PhD, Velma Zahirovic-Herbert, PhD, and Bennie D. Waller, PhD

Marketing Your Agents: Effort vs. Talent

Fine F. Leung, PhD, Sara Kim, PhD, and Caleb H. Tse, PhD

Creating Customer Engagement on Social Media

Fernando de Oliveira Santini, PhD, Wagner Junior Ladeira, PhD, Diego Costa Pinto, PhD, Márcia Maurer Herter, PhD, Claudio Hoffmann Sampaio, PhD, and Barry J. Babin, PhD

How Work-Family Balance Impacts Workplace Success

Merideth J. Thompson, PhD, Dawn S. Carlson, PhD, and K. Michele Kacmar, PhD

Adaptive Selling: Finding the Perfect Fit

Richard G. McFarland, PhD

INSIDER: Nine Lies about Work

Corrie A. H. Penraat, MBA

INSIDER: The Adaptation Advantage

Kristen Koehler, MBA Candidate



Baylor University

HANKAMER SCHOOL OF BUSINESS

Keller Center Research Report

Baylor University, Keller Center for Research
Hankamer School of Business
One Bear Place #98007, Waco, TX 76798
www.baylor.edu/kellercenter » Keller_Center@baylor.edu

Keller Center Research Report is a trademark owned by Baylor University.
© Baylor University. All rights reserved.

Editorial Staff

Randy Hacker, MBA
Executive Director

Marjorie Cooper, PhD
Editor

Amanda Rodriguez, MBA
Associate Editor

Table of Contents

Why Do Houses Sell Above Listing Price?	1
<i>Geoffrey K. Turnbull, PhD, Velma Zahirovic-Herbert, PhD, and Bennie D. Waller, PhD</i>	
Marketing Your Agents: Effort vs. Talent	6
<i>Fine F. Leung, PhD, Sara Kim, PhD, and Caleb H. Tse, PhD</i>	
Creating Customer Engagement on Social Media	10
<i>Fernando de Oliveira Santini, PhD, Wagner Junior Ladeira, PhD, Diego Costa Pinto, PhD, Márcia Maurer Herter, PhD, Claudio Hoffmann Sampaio, PhD, and Barry J. Babin, PhD</i>	
How Work-Family Balance Impacts Workplace Success	15
<i>Merideth J. Thompson, PhD, Dawn S. Carlson, PhD, and K. Michele Kacmar, PhD</i>	
Adaptive Selling: Finding the Perfect Fit	21
<i>Richard G. McFarland, PhD</i>	
INSIDER: Nine Lies about Work	25
<i>Corrie A. H. Penraat, MBA</i>	
INSIDER: The Adaptation Advantage	28
<i>Kristen Koehler, MBA Candidate</i>	

Why Do Houses Sell Above Listing Price?

Geoffrey K. Turnbull, PhD, Velma Zahirovic-Herbert, PhD, and Bennie D. Waller, PhD

Why do some houses sell above listing price while neighboring similar houses do not? Is it because sellers underprice their property? Are some real estate agents particularly skilled at bringing in high value buyers, or are some sellers lucky to have high value buyers show up?



Perhaps surprisingly, selling above listing price is not a market-specific or market-phase phenomenon. For example, in the Richmond, Virginia metro market, 34% of properties sold at or above the list price from 2001 to 2015, and ranged from a high average of 52% over list price in 2005 during the boom to a low average of 9% above list price in 2012 after the market crash. Weighing the roles of seller

underpricing (whether purposeful or accidental), agent strategy, and luck requires a novel twist on the usual approach to analyzing such transactions.

Before addressing why houses sell above listing price, it is worth noting that selling above listing price need not mean that the sales price is higher than it would be if the listing price had been set higher. These houses may be so underpriced that the resultant selling price, while above listing price, is still below market. However, in the market examined here, houses that sell above listing price do sell at an average premium of over 1% relative to the market.

Listing Price

We begin by considering how the listing price is set. We expect sellers to set listing prices recognizing the tradeoff between the expected selling price and liquidity or speed of the sale. Those facing divorce settlements, estate resolution, or job relocation might be more willing to trade lower prices for quicker sales and use lower listing prices to signal their eagerness to buyers. On the other hand, some sellers may be ill-informed, underestimating demand. While agents advise them, not all sellers follow their advice, and agents themselves may encourage underpricing to make managing seller expectations and marketing easier.

To sort out each factor's effects, we examine residential properties listed for sale in the Richmond, VA, metro area for 1,312 brokerage offices and over 8,500 agents with an average experience of just under 13 years. Approximately 3.2% of sold properties are agent-owned, and 15% are dual agency transactions.

The analysis begins by removing agent influence on the observed listing price to obtain a measure of seller mispricing. The next stage of the study uses this measure of seller intent or market knowledge along with listing agent experience measures and observed selling strategies to sort out how sellers and agents each influence the likelihood of selling at or above listing price. The econometric model provides a measure of "luck" as well.

Summarizing several key results, we find that the price segment matters in this market. The probability of selling above list increases with house value in Richmond. But luck also matters as houses fortunate enough to be near others that previously sold above listing price are more likely to sell above list themselves. Such a discrepancy in pricing probably occurs because many buyers use nearby transactions, rather than the total market, as reference points when structuring their offers.

Seller Influence

Not surprisingly, seller underpricing (whether purposeful or in error) increases the probability of selling above listing price, with the strongest effect observed in the mid-range price segment in the Richmond market. Decisions to sell vacant or tenant-occupied houses reduce the probability of selling above list, in line with considerable existing evidence that these properties tend to sell at discounts. Limited property showings also reduce the likelihood of selling above list. Surprisingly, requiring buyer mortgage prequalification does not influence selling price, and incentives like offering home warranties actually lower the probability of selling above listing price.

Agent Influence

Agent effects provide some unexpected results as well. Extensive agent comments in the listing increase the likelihood of selling above list, but the number of pictures does not. Comments appear to be more effective than pictures in drawing the attention of agents working with high value buyers. Greater agent experience, in terms of tenure or previous sales, also increases the probability of selling above listing price. Nonetheless, sales above listing price tend to occur early in the listing contract period, evidence that luck matters as these high value buyers show up early in the marketing period during which agents have the weakest incentives to push the property aggressively.ⁱ Other agent strategies also have surprising effects; for example, incentives like cooperative broker commission rates or bonuses are not the key to sales above list, and dual agency transactions are less likely to sell at or above listing price.

Interestingly, agent-owned houses are less likely than client houses to sell above listing price. This is in line with broader evidence that agents do not behave the same when selling their own houses as when selling their clients' houses.ⁱⁱ Finally, luck matters. Overwhelmingly. Seller behavior, agent strategies, property and neighborhood characteristics, and market conditions only account for about 18% of the likelihood of selling above listing price in the market studied. Luck appears to be at work over 80% of the time.

What does this mean for agents?

- Underpricing to sell above listing price may not lead to higher selling price.
- Underpricing effects on selling above list vary significantly across price segments.
- Whether it is the more extensive inter-agent network or greater buyer contact marketing skills, emulating what more experienced agents do, is likely to result in higher sale prices.
- Pictures are essential to buyers, but listing comments are more important for agents working with high value buyers.
- Offering commission splits and bonuses are not effective ways to sell above listing price.
- Sales above listing price more likely occur early in the listing contract period than later.
- Good agents consider whether the strategy of selling above listing price is in the best interest of the seller.

Recommended Reading

Zahirovic-Herbert, Velma, Geoffrey K., Turnbull, and Bennie D. Waller (2020), “Properties that Transact at or Above Listing Price: Strategic Pricing, Better Broker, or Just Dumb Luck?,” *Journal of Real Estate Finance and Economics*, 60(1), 53-76.

References

1. Anderson, Randy I., Raymond T. Brastow, Geoffrey K. Turnbull, and Bennie D. Waller (2014) “Seller Over-Pricing and Listing Contract Length: The Effects of Endogenous Listing Contracts on Housing Markets,” *Journal of Real Estate Finance and Economics*, 49(3), 434-450.
2. Barwick, Panle Jia, Parag A. Pathak, and Maisy Wong (2017), “Conflicts of Interest and Steering in Residential Brokerage,” *American Economic Journal: Applied Economics*, 9(3), 191-222.
3. Bian, Xun, Geoffrey K. Turnbull and Bennie D. Waller (2017), “Client Externality Effects of Agents Selling Their Own Properties,” *Journal of Real Estate Finance and Economics*, 54(2), 139-164.
4. Clauretje, Terrence M. and Nasser Daneshvary (2008), “Principal–Agent Conflict and Broker Effort Near Listing Contract Expiration: The Case of Residential Properties,” *Journal of Real Estate Finance and Economics*, 37(2), 147-161.
5. Levitt, Steve D. and Chad Syverson (2008), “Market Distortions when Agents are Better Informed: The Value of Information in Real Estate Transactions,” *Review of Economics and Statistics*, 90(4), 599-611.
6. Rutherford, Ronald C., Thomas M. Springer, and Abdullah Yavas (2005), “Conflicts between Principals and Agents: Evidence from Residential Brokerage,” *Journal of Financial Economics*, 76(3), 627-665.

About the Authors

Geoffrey K. Turnbull, PhD

Jim Heistand-NAIOP Eminent Scholar Chair in Real Estate, University of Central Florida

Dr. Geoffrey Turnbull (PhD – University of Wisconsin-Milwaukee) is an internationally recognized scholar who has published extensively on housing and brokerage markets, property rights issues in developed and developing countries, local public finance, and urban development. He is a Fellow of the Weimer School of Advanced Studies in Real Estate and Land Economics and recipient of the David Ricardo Medal, the American Real Estate Society's highest honor in recognition of his research and influence on the real estate discipline. Professor Turnbull serves on the editorial boards of the *Journal of Real Estate Finance and Economics* and the *Journal of Housing Economics* and is co-editor of the *Journal of Housing Research*. Dr. Turnbull also advises government agencies and firms in the technology, real estate services and real estate development industries. His previous academic positions include Professor of Economics at Georgia State University and Professor of Economics and the C. J. Brown Distinguished Professor of Real Estate at Louisiana State University.

Velma Zahirovic-Herbert, PhD

Professor of Real Estate and Martha and Robert Fogelman Family Chair in Sustainable Real Estate, University of Memphis

Dr. Zahirovic-Herbert's (PhD – Georgia State University) research interests are in the applications of consumer behavior theories to real property markets. Her research has been published in the *Journal of Real Estate Finance and Economics*, *Real Estate Economics*, *Journal of Real Estate Research*, *Land Economics*, *Journal of Housing Economics*, *Urban Studies*, *Housing Studies*, *Journal of Housing and the Built Environment*, and other related journals. She is a managing editor of the *Journal of Housing Research*. She is a recipient of the William N. Kinnard Young Scholar Award, which recognizes an outstanding young real estate scholar for works reflected in multiple publications. Dr. Zahirovic-Herbert is an active member of the American Real Estate Society, where she co-chairs the ARES women's caucus group, Connecting Women in Real Estate Research & Education.

Bennie D. Waller, PhD

Director of the Center for Financial Responsibility, Longwood University

In addition to teaching in the Finance and Real Estate Program at Longwood University, Dr. Bennie Waller (PhD – University of Mississippi) is active in consulting, and maintains an ambitious research agenda. His consulting and research is largely focused in the area of principal-agent and housing externality issues in residential real estate and the use of automated valuation models for valuing real estate. Dr. Waller holds an active Virginia Real Estate License. Dr. Waller's research has been presented at numerous conferences including the American Real Estate Society, the American Real Estate and Urban Economics Association, the Decision Sciences Institute and Financial Management Association. Dr. Waller's research has appeared in *Real Estate Economics*, *Journal of Real Estate Finance and Economics*, *Journal of*

Real Estate Research, and *The Appraisal Journal*, among others. Furthermore, his research has been cited in top media outlets such as National Public Radio, MSNBC.com and the Wall Street Journal. Dr. Waller is the co-author of two leading real estate textbooks, “Real Estate Finance” and “Investment Decisions in Real Estate.”

ⁱ Claurette and Daneshvary (2008) and Anderson, Brastow, Turnbull, and Waller (2014) provide evidence that agents' sales efforts increase as the listing contract period nears its end.

ⁱⁱ Rutheford, Springer, and Yavas (2005), Levitt and Syverson (2008), Barwich, Pathak and Wong (2017) and Bian, Turnbull and Waller (2017) provide evidence of this pervasive principal/agent problem.

Marketing Your Agents: Effort vs. Talent

Fine F. Leung, PhD, Sara Kim, PhD, and Caleb H. Tse, PhD

When highlighting the exceptional performance of their service employees, firms often credit the success to either sheer effort or natural talent. This same trend is seen in the real estate market, as brokers attribute the high performance of their agents to effort or natural talent. For example, an agency may advertise that “Our agents work tirelessly to get our customers the best price possible,” or “The talent of our network ensures that properties are sold an average of 2x faster than competitors.”

As real estate firms promote performance of their agents’ effort and talent, however, it is unclear what effect this type of marketing has on prospective clients’ evaluation of the agents and client outcomes.



About our Study

Social psychology and marketing research have shown that impressions about others are usually formed by two perceived factors—competence and warmth. This study focuses on the relationship between competence and warmth, and more specifically, how the dimensions of competence, dedicated effort, and natural talent are related to a perception of warmth. We also examine how the warmth-competence framework and performance attributes influence the dynamics of client-employee relationships.

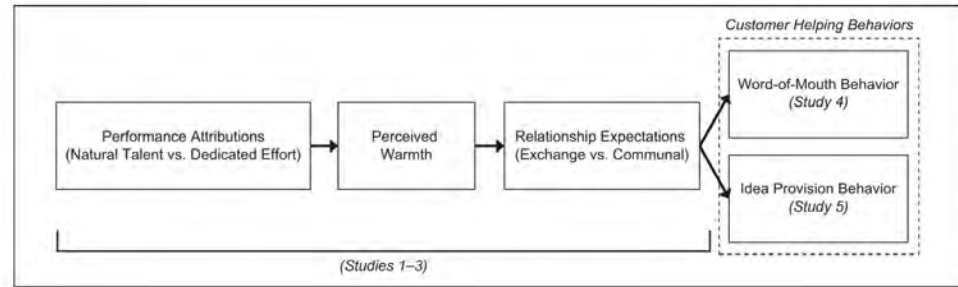
Although real estate firms can create client relationships in other ways, such as providing exceptional customer service, these tactics require interactions with the client. This research is the first of its kind to model how firms can build expectations of relationships with potential clients through their marketing communications apart from actual sales interactions.

Effort

Perceived effort or competent performance are believed to be the results of commitment, perseverance, and hard work. Research demonstrates that highlighting a real estate agent’s dedicated effort leads clients to expect a more communal relationship experience due to the perceived warmth of the salesperson. When performance is attributed to effort, a consumer views the agent as “one of them,” because most people believe they must exert a high amount of effort to succeed. This perception on the part of the customer causes the salesperson to be viewed as warmer than those who are viewed as socially distant or members of the “out group.”

Perceived warmth creates a consumer expectation that the real estate agent will be communally focused and prioritize a relational

Figure 1.



experience. Consumers will assume agents will go above and beyond to take care of them and consider their individual needs. Perceived warmth and communal experiences lead clients to increased word-of-mouth behaviors and sharing new product ideas or improvements with the agency (see Figure 1).

Talent

Talent is believed to be the result of innate aptitude. When firms highlight natural talent in marketing, a client will tend to view real estate agents as cold, and previous research has shown that highlighting natural talent increases perceived social distance. Prodigies or masterminds are viewed as having something that others do not. Perceived dissimilarity increases the likelihood that clients will view the agent as self-centered, having a limited emotional capacity, and disconnected from human experience.

Although all interactions to some degree are transactional-based, academic research considers communal and exchange-based interactions on a sliding scale. Lack of warmth leads to exchange-based relationship expectations. An agent may be viewed as “instruments for their own goals.” Clients will view the agent as strictly a business partner and will expect the agent to provide services that are worth their money. These interactions bring about less helping behavior from the customer in the form of WOM and idea provision.

Managerial Implications

As real estate firms highlight performance effort and talent, they should strategically try to create expectations that parallel their service propositions. Firms that emphasize communality in their service should attribute agent performance to effort, affirming the client’s expectation of a more communal relationship. If these same firms emphasize talent and indicate a more exchange-based relationship, client’s communal relationship expectations may be unmet and will lead to service dissatisfaction.

Results of our study also established that clients pay attention to specific types of employee information depending on whether performance effort or talent is stressed. If firms want consumers to pay attention to clients’ personal information, they should attribute the employee’s

performance to effort. On the other hand, if firms want clients to focus on job-related information, they should highlight the talent of the agents.

Performance attributes also influence client helping behavior. When firms highlight effort in performance, they will encourage word-of-mouth behavior and service ideas. Word-of-mouth is considered one of the most “significant developments in contemporary consumer behavior,” because of its ability to influence the way clients make purchasing decisions and affect sales. Involving clients in new products or service ideas enhances new product financial performance. Clients may engage in other-helping behaviors, such as participating in firm activities and helping the agent’s other customers.

Conclusion

The importance of aligning a real estate marketing strategy with service objectives is crucial. Begin forming expectations of relationships with clients, even before they pick up for the phone or set foot in your office. Carefully selected wording when describing your employee’s performance can boost perceived warmth, word-of-mouth behaviors, and idea provision.

Recommended Reading

Leung, Fine F, Sara Kim, and Caleb H. Tse (2020), “Highlighting Effort Versus Talent in Service Employee Performance: Customer Attributions and Responses,” *Journal of Marketing*, 84(3), 106-121.

About the Authors

Fine F. Leung, PhD

Assistant Professor of Marketing, Hong Kong Polytechnic University

Dr. Fine Leung’s (PhD – University of Hong Kong) core research interest is in marketing strategy, with a focus on research topics relating to customer relationship management, influencer marketing, customer participation, and services marketing. Prior to her graduate studies, she had years of marketing experience in a leading consumer product company in China. She had also worked in a global investment bank covering the consumer and retail sectors in Asia.

Sara Kim, PhD

Associate Professor of Marketing, University of Hong Kong

Dr. Sara Kim’s (PhD – Chicago Booth) research focus is on consumer and managerial decision making and its implications for marketing management. She is particularly interested in antecedents of consumers’ sense of self including self-affirmation, identity threats, mortality salience, and implicit theories of personality, and the impact of consumers’ sense of self on various consumer judgments and behaviors such as consumer emotions, word-of-mouth,

prosocial behavior, and anthropomorphism. Her work has appeared in such publications as *Journal of Consumer Research* and *Psychological Science*. Her research has received media coverage by outlets such as *New York Times*, *Time*, *Science Daily*, and *Medical News Today*.

Caleb H. Tse, PhD

Assistant Professor of Marketing, Nanyang Technological University

Dr. Caleb H. Tse's (PhD – University of Hong Kong) main research areas include marketing strategy (customer co-creation and innovation), international business (counterfeiting, learning by exporting), and advertising (celebrity endorsement, cross-platform advertising). His research has been published in *Journal of Marketing*, *Journal of Management*, *Journal of International Marketing*, *Journal of Business Research*, *Journal of World Business*, *Journal of Advertising*, *Journal of Advertising Research*, and *International Journal of Advertising*. He serves as an editorial board member of *International Journal of Advertising*.

Creating Customer Engagement on Social Media

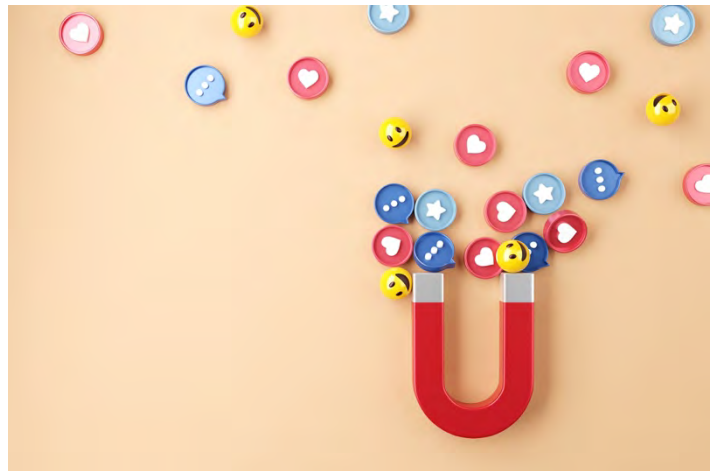
Fernando de Oliveira Santini, PhD, Wagner Junior Ladeira, PhD, Diego Costa Pinto, PhD, Márcia Maurer Herter, PhD, Claudio Hoffmann Sampaio, PhD, and Barry J. Babin, PhD

Nearly half of the world's population, roughly 3.8 billion people, use some form of social media, so the importance of customer engagement through social media has skyrocketed in recent years. Medium and large businesses spend roughly 11% of their marketing budgets, nearly \$84 billion, specifically targeting social media platforms such as Twitter, Instagram, Facebook, Pinterest, and LinkedIn. Such investments are not solely made for the purpose of increasing immediate purchases but also for creating trust and commitment to build positive long-term customer relationships.

Even so, firms have an increasingly difficult time measuring the financial return on such social media marketing aimed toward creating meaningful customer engagement. Studies up to this point have found inconclusive evidence to suggest that customer engagement equates to a positive increase in firm performance.

About Our Study

Our study aims to synthesize previous customer engagement literature into a comprehensive framework for studying customer engagement in social media. Customer engagement has fairly accurate predictive power in regard to consumer outcomes and firm performance. Findings suggest social media engagement is driven by satisfaction, positive emotions, and trust. These components are grouped into three stages including relationship



formation, customer engagement resulting from satisfaction (positive emotions and trust), and customer engagement directly contributing to firm performance.

Relationship Formation

Relationship formation is based on two essential components—trust and commitment. For our purposes, *trust* is defined as the willingness to rely on exchange partners. The more trusting a client is, the more engaged that individual will be. Participants in online communities feel increased trust when they experience a sense of belonging. In short, trust increases customer satisfaction. *Commitment* is defined as customers' willingness to continue a long-standing

association, to be engaged in brand-community exchanges, and to promote brands. Commitment also works to increase customer satisfaction.

Customer Engagement

Although trust is essential for relationship formation, trust directly builds customer engagement and plays a role in generating customer satisfaction. Customer satisfaction and positive emotions are two additional main drivers of customer engagement and are born from positive intellectual and sentimental evaluation of the consumption of a production or service. In short, satisfied customers are generally more enthusiastic and vocal about their positive experience on social media. Positive emotions include sociability, feelings of enthusiasm, freedom of expression, and creative optimistic outlooks. These positive emotions will trigger self-indulgent purchasing and customer engagement.

Engaged customers directly increase positive client behavior and word of mouth. Behavioral intention mediates the relationship between customer engagement and performance. Customer intention is defined as the willingness of a client to continue interacting in ways that will benefit the firm and to seek out other brand-related experiences. Customer engagement positively affects behavioral intentions that drive purchases and firm performance. Word-of-mouth, on the other hand, is the unprompted sharing of positive or negative information about a firm or product based on a buyer's longing to create and preserve social relationships. Our findings suggest word-of-mouth, contrary to popular opinion, does not improve firm performance.

Firm performance (sales growth and financial performance) is neutrally and negatively impacted by customer engagement depending on market conditions. One such condition is convenience (time and effort to acquire good/service). Under high convenience the influence of satisfaction on customer engagement is especially strong. Satisfaction is a stronger predictor of customer engagement in B2B customer (vs. B2C) conditions when using Twitter (vs. Facebook and blogs), and for manufactured goods as compared to services.

Managerial Implications

Time, money, and other resources are limited, so firms must prioritize social media actions to most effectively enhance the customer engagement process. The results of our study suggest that real estate agents should focus such energy on building trust with clients. Building trust directly increases customer engagement and indirectly increases client satisfaction. A simple way to begin building trust is ensuring transparency in business practices and actions. Customer engagement increases firm performance, behavioral intention, and word-of-mouth, although only via the behavioral intentions route.

Positive emotions directly affect customer engagement, and this is especially true for hedonic purchases such as a vacation home or one with considerable amenities. We suggest real estate

agents increase resource allocation toward more satisfying and enjoyable touchpoints with customers as a way of strengthening customer engagement. The goal should not be to simply increase social media impressions but instead to increase *positive* impressions. Positive impressions keep customers engaged and improve firm performance.

Study results suggest that Twitter has the strongest satisfaction-customer engagement relationship compared to other platforms. Twitter provides a fast and effective mechanism for communicating via social media given its standard word count limit. Facebook, on the other hand, is currently suffering a 50% decline in customer engagement as a result of competing informational news feeds and a lack of user trust. Instagram has less data available to establish clear customer engagement relationships, as the platform is still relatively new at the time of our study.

Tangible consumer goods have a stronger customer engagement-firm performance relationship compared to services. That being said, real estate agents should work to increase the tangibility of services to improve customer engagement and subsequently firm performance. We suggest searching for ways to increase the self-indulgent values, such as pleasure, fun, and adventure of your firm's services to increase client engagement and firm performance. Self-indulgent consumption increases customer engagement three times more than practical consumption.

Conclusion

Only 40% of consumers follow their favorite brands/companies online, and of those, only 25% end up making a purchase. Customer engagement highlights the role of emotion and trust in driving customer activities, including customer purchasing behaviors, which enhance value to both buyers and sellers.

Recommended Reading

de Oliveira Santini, Fernando, Wagner Junio Ladeira, Marcia Maurer Herter, Claudio Hoffmann Sampaio, Barry J. Babin (2020), "Customer Engagement in Social Media: A Framework and Meta-Analysis," *Journal of the Academic Marketing Science*, 27 May 2020, 1211-1228.

About the Authors

Fernando de Oliveira Santini, PhD

Professor of Marketing and Management, Universidade do Vale do Rio dos Sinos (Brazil)

Dr. Fernando De Oliverira Santini (PhD –Pontifical Catholic University of Rio Grande do Sul) is a renowned researcher on marketing and management issues, with international publications. Dr. Santini is a professor of the Undergraduate and Graduate Program in Administration at Unisinos. He also works in the area of evaluation of the Institution's Innovation, Evaluation and Training Center (NIAF).

Wagner Junior Ladeira, PhD

Professor of Business Administration, Universidade do Vale do Rio dos Sinos (Brazil)

Dr. Wagner Junior Ladeira's (PhD - Federal University of Rio Grande do Sul) research interests include consumer behavior, brand strategy and innovation, retail strategies, quantitative research, experimental research, and meta-analysis. He previously worked in the sales area at Ambev and carried out market research for several companies.

Diego Costa Pinto, PhD

Professor of Business Administration, Universidade do Vale do Rio dos Sinos (Brazil)

Dr. Diego Costa Pinto's (PhD – Neoma Business School) research appears in international peer reviewed ranked journals, including the *International Journal of Retail and Distribution Management*, *International Journal of Consumer Studies*, *Journal of Brand Management*, and *Journal of Consumer Behavior* and international academic conferences such as the Association for Consumer Research, the Academy of Marketing Science (AMS) and the European Marketing Academy (EMAC). As a consultant, Dr. Pinto worked on research projects at Box1824 and CFT consultancy for companies such as RedBull, TIM Mobile, Kraft Foods, Grendene (Melissa), SESI/FIERGS, Ipiranga (Ultra Group) and Calçados Bibi (Footwear).

Márcia Maurer Herter, PhD

Professor of Marketing, Universidade Europeia (Portugal)

Dr. Márcia Maurer Herter's (PhD – Neoma Business School) research focuses on consumer well-being, social and sustainable consumption, experiential and sensory marketing, and consumer behavior. She has published in several international journals such as the *Journal of Academy of Marketing Science*, *European Journal of Marketing*, *International Journal of Retail & Distribution Management*, *Journal of Retailing and Consumer Services*, *International Journal of Consumer Studies*, *Business Ethics Quarterly*, and *Journal of Cleaner Production* and in international academic conferences such as the Association for Consumer Research (ACR), the Academy of Marketing Science (AMS), and the European Marketing Academy (EMAC). Dr. Herter has professional and consulting experience via the International Retailing Center in large companies such as Midea Carrier, Decathlon, McDonalds France, and SESI. She also co-authored a Marketing book for practitioners at Editora Almedina (Portugal).

Claudio Hoffmann Sampaio, PhD

Professor of Business Administration, Chair of Graduate Program in Business Administration, Pontifical Catholic University of Rio Grande do Sul (Brazil)

Dr. Claudio Hoffmann Sampaio's (PhD – Federal University of Rio Grande do Sul) research focuses on consumer behavior, strategic marketing, business performance, and innovation. He has published in several international peer reviewed ranked journals and in international academic conferences. Dr. Sampaio is a full professor of the Undergraduate and Graduate Program in Business Administration at the Pontifical Catholic University of Rio Grande do Sul.

Barry J. Babin, PhD

Morris Lewis Professor and Chair of Marketing, The University of Mississippi

Dr. Barry J. Babin (PhD – Louisiana State University) is the Executive Director of the Academy of Marketing Science (AMS) and has authored over 100 professional publications with research appearing in the *International Journal of Wine Business Research*, *Journal of the Academy of Marketing Science*, *Journal of Marketing*, *Journal of Retailing*, *Journal of Business Research (JBR)*, *Journal of Consumer Research*, *European Journal of Marketing*, and many others. Dr. Babin served as Marketing Section Editor for *JBR* for over 15 years and received the Michel Laroche Award for his contribution. He is an AMS Distinguished Fellow and recipient of the prestigious Harold W. Berkman Distinguished Service Award. He is author/coauthor of several leading books including *CB: A Consumer Value Framework*, *Multivariate Data Analysis*, and *Exploring/Essentials of Marketing Research*. He also has received university recognition for outstanding mentorship of graduate students.

How Work-Family Balance Impacts Workplace Success

Merideth J. Thompson, PhD, Dawn S. Carlson, PhD, and K. Michele Kacmar, PhD

Does family really matter when it comes to workplace success? Although a great deal of research examines the processes through which the work domain influences an individual's family domain, the inverse has largely been neglected thus far.¹⁻⁴ To supplement an existing body of literature regarding the work-family interface, our team conducted research with the overarching goal of answering two primary questions. First, does an incumbent's family functioning work through work-family balance (WFB) to relate to that individual's interactions with coworkers and thereby shape coworkers' job attitudes and experiences? And second, does task interdependence moderate the process?



Background and Hypotheses

Before diving into the research's intricacies, it is necessary to define the terms discussed throughout this paper, including work-family balance, conservation of resources theory, crossover theory, and task interdependence.

Work-Family Balance and Conservation of Resources Theory

Work-family balance (WFB) is defined as the accomplishment of role-related expectations that are negotiated and shared between an individual and their role-related partners in the work and family domains.⁵ Next, the conservation of resources (COR) theory is commonly used to explain how resource acquisition affects an individual's attitudes, experiences, and behaviors within a specific domain (i.e., work or family domains).⁶ Furthermore, when a job incumbent experiences family stability, intimacy, and positive relationships between family members (i.e., resources),⁷ they have the opportunity to invest these resources in accomplishing responsibilities in both the work and family domains, which, at its essence is WFB. Thus, when applying COR theory, WFB can be conceptualized as a valuable resource that accompanies a high level of family functioning. This conceptualization led our team to our initial hypothesis: we propose that a high level of job incumbent family functioning relates positively to job incumbent WFB.

Crossover Theory

Crossover theory describes the process through which an individual's experiences in one domain cross over to influence the experiences of another individual in a different domain.⁸ In the

context of our study, COR corresponds to the incumbent's surplus of resources that accompany a high level of family functioning. These resources are then utilized to fulfill expectations in the workplace and maintain balance, thereby resulting in the crossover of the job incumbent's WFB to their coworkers' workplace experiences. Furthermore, previous literature suggests those who experience greater WFB are likely to become fully engaged in the workplace through attentiveness to and care for the responsibilities of that role, including being supportive of coworkers.^{9,10} This supportive nature fosters positive interactions with coworkers, likely leading to enhanced coworker job satisfaction and broader sense of attachment to the organization. Thus, our team also hypothesizes that job incumbent WFB will mediate the positive relationship between job incumbent family functioning and coworker job satisfaction and commitment. We also hypothesize that WFB will mediate a positive relationship between job incumbent family functioning and their coworkers' perception of their good organizational citizenship behaviors. Similarly, we posit a negative impact on coworkers' perception of the job incumbent's incivility behaviors.

Task Interdependence

Task interdependence is defined as the degree to which an individual is dependent on others, such as a coworker, to effectively carry out their work and to facilitate an individual's motivation to maintain positive relationships with others at work.^{11,12} Furthermore, task interdependence should promote a multitude of positive outcomes such as increased cooperation, helping behaviors, and facilitating positive interpersonal relationships, since the job incumbent and coworkers must work together to get the job done.¹³⁻¹⁶ Accordingly, we theorize that task interdependence will play a moderating role on the mediated relationships between family functioning and the outcomes through WFB in that crossover is more likely to occur among coworkers who interact more frequently.¹⁷ Thus, our team predicts that the positive indirect relationship between a job incumbent's family functioning and the coworker's job satisfaction and commitment, as well as positive perceptions of the job incumbent's good organizational citizenship and negative perception of incivility, through work-family balance is stronger when task interdependence is high.

Our Research and Findings

Our team utilized survey-based research from 226 tri-matched job incumbents (who are married and work full time), the incumbent's spouse, and the incumbent's coworker to test our hypotheses. After conducting statistical analysis, our team discovered that our mediating variable, WFB, was significantly related to our independent variable, family functioning, as well as three of our dependent variables: coworker's job satisfaction, the job incumbent's organizational citizenship behavior, and his or her coworkers' perceptions of the job incumbent's incivility. Notably, the coworkers' job satisfaction was especially pronounced when task interdependence is high, which would intuitively be consistent with a situation where people work closely together to accomplish their jobs. Further, the negative relationship with incivility

was strongest when task dependence was low. These results could indicate that job incumbents make special efforts at civility when working closely with coworkers, but not so much when successful job performance is not tied to compatibility with a coworker.

Through the integration of COR theory and crossover theory,^{7,8,18} our study examined and emphasized the significant relationship between family functioning and WFB, and the crossover of the job incumbent's WFB to their coworker outcomes. Ultimately, we found that an individual's family functioning helped them (i.e., the job incumbent) achieve greater levels of the resource of WFB. Furthermore, WFB crosses over to the work role, developing a better workplace experience for the incumbent's coworker. Thus, our findings support the argument that the indirect and beneficial effect of family functioning relationships on coworker outcomes occurs through the job incumbent's WFB.

Though most of our hypotheses were supported, it is important to note that our study found no significant impact on the coworker's organizational commitment. It is likely the case because organizational commitment is an organization-level variable, as opposed to an individual-level variable.¹⁹ Additionally, our moderating variable, task interdependence, showed that its effect on coworkers' job satisfaction was especially pronounced when task interdependence was high. However, the negative relationship with incivility was strongest when task dependence was low.

Real Estate Implications

First and foremost, our study communicates the need to foster high levels of family functioning amongst employees. Our results indicate that actively supporting a job incumbent's family life would be of great benefit to an organization, considering a high-functioning family life strongly correlates to happier and more committed employees who treat their coworkers with more respect. From a managerial perspective, our research



provides a multitude of practical applications. Leaders can provide this support through offering work-life balance initiatives, including items such as flexible work schedules and flexible leave.²⁰⁻²² The vitality of fostering work-life balance is immensely transparent and offers leaders a significant opportunity to attain the competitive advantage of maintaining happier, more engaged, and more respectful employees, translating to enhanced morale and success within the organization.

Furthermore, from an intrapersonal perspective, this study is of great use to real estate professionals. Due to the nature of an agent's work, working beyond the walls of the office is accessible and frequently encouraged. However, it is vital to establish boundaries regarding work life balance. The verdict is in—family does matter. Familial relationships are not isolated from workplace success. Thus, real estate agents must prioritize investing in and developing their familial relationships, as they significantly contribute to overall organizational success.

Recommended Readings

Thompson, Merideth J., Dawn S. Carlson, and K. Michele Kacmar (2020), "Family Matters: The Impact of Family Functioning on Coworker Outcomes," *Human Relations*, 74(9), 1504-1531. <https://doi.org/10.1177/0018726720930067>

Sources

1. Paustian-Underdahl, Samantha C., Jonathon R. B. Halbesleben, Dawn S. Carlson, and Michele K. Kacmar (2016), "The Work-Family Interface and Promotability: Boundary Integration as a Double-Edge Sword," *Journal of Management*, 42(4), 960-981.
2. Steiner, Rebekka S. and Franciska Krings (2016), "How Was Your Day, Darling? A Literature Review of Positive and Negative Crossover at the Work-Family Interface in Couples," *European Psychologist*, 21(4), 296-315.
3. Ten Brummelhuis, Lieke L., Jarrod M. Haar, and Maree Roche (2014), "Does Family Help to be a Better Leader: A Closer Look at Crossover Processes from Leaders to Followers," *Personnel Psychology*, 67(4), 917-949.
4. Thompson, Merideth J., Dawn S. Carlson, and Jenny M. Hoobler (2017), "Spillover and Crossover of Workplace Aggression," in Bowling, Nathan A. and Sandy M. Hershcovis (eds) *Research and Theory on Workplace Aggression*, New York, NY: Cambridge University Press, 186-220.
5. Grzywacz, Joseph G. and Dawn S. Carlson (2007), "Conceptualizing Work—Family Balance: Implications for Practice and Research," *Advances in Developing Human Resources*, 9(4), 455-471.
6. Halbesleben, Jonathon R. B., Jean-Pierre Neveu, Samantha C. Paustian-Underdahl, and Mina Westman (2014), "Getting to the "COR" Understanding the Role of Resources in Conservation of Resources Theory," *Journal of Management*, 40(5), 1334-1364.
7. Hobfoll, Stevan E. (2001), "The Influence of Culture, Community, and the Nested-Self in the Stress Process: Advancing Conservation of Resources Theory," *Applied Psychology: An International Review*, 50(3), 337-370.
8. Westman, Mina (2006), "Crossover of Stress and Strain in the Work-Family Context," in Jones, Fiona, Ronald J Burke and Mina Westman (eds) *Work-life Balance: A Psychological Perspective*, New York, NY: Psychology Press, 163-184.

9. Marks, Stephen R. and Shelley M. MacDermid (1996), "Multiple Roles and the Self: A Theory of Role Balance," *Journal of Marriage and the Family*, 58(2), 417-432.
10. Mesmer-Magnus, Jessica and David J. Glew (2012), "Workplace Predictors of Family-Facilitative Co- Worker Support," *Journal of Workplace Behavioral Health*, 27(4), 289-310.
11. Brass, Daniel J. (1985), "Technology and the Structuring of Jobs: Employee Satisfaction, Performance, and Influence," *Organizational Behavior and Human Decision Processes*, 35(2), 216-240.
12. Hershcovis, Sandy M., Tara C. Reich, Sharon K. Parker, and Jennifer Bozeman (2012), "The Relationship Between Workplace Aggression and Target Deviant Behaviour: The Moderating Roles of Power and Task Interdependence," *Work & Stress*, 26(1), 1-20.
13. Wageman, Ruth and George Baker (1997), "Incentives and Cooperation: The Joint Effects of Task and Reward Interdependence on Group Performance," *Journal of Organizational Behavior*, 18(2), 139-158.
14. Allen, Belinda C., Leisa D. Sargent, and Lisa M. Bradley (2003), "Differential Effects of Task and Reward Interdependence on Perceived Helping Behavior, Effort, and Group Performance," *Small Group Research*, 34(6), 716-740.
15. Campion, Michael A., Gina J. Medsker, and A. Catherine Higgs (1993), "Relations Between Work Group Characteristics and Effectiveness: Implications for Designing Effective Work Groups," *Personnel Psychology*, 46(4), 823-847.
16. Johnson, David W. and Roger T. Johnson (1989), "Cooperation and Competition: Theory and Research," in Edina MN: *Interaction Book Company*.
17. Bakker, Arnold B., Mina Westman, and I. J. Hetty van Emmerik (2009), "Advancements in Crossover Theory," *Journal of Managerial Psychology*, 24(3), 206-219.
18. Westman, Mina (2001), "Stress and Strain Crossover," *Human Relations*, 54(6), 717-752.
19. Porter, Lyman W., Richard M. Steers, Richard T. Mowday, and Paul V. Boulian (1974), "Organizational Commitment, Job Satisfaction, and Turnover Among Psychiatric Technicians," *Journal of Applied Psychology*, 59(5), 603-609.
20. Radcliffe, Laura S. and Catherine Cassell (2015), "Flexible Working, Work-Family Conflict, and Maternal Gatekeeping: The Daily Experiences of Dual-Earner Couples," *Journal of Occupational and Organizational Psychology*, 88(4), 835-855.
21. Jang, Soo Jung (2009), "The Relationships of Flexible Work Schedules, Workplace Support, Supervisory Support, Work-Life Balance, and the Well-Being of Working Parents," *Journal of Social Service Research*, 35(2), 93-104.
22. White, Leroy, Andy Lockett, and Graeme Currie (2019), "How Does the Availability and Use of Flexible Leave Influence the Employer-Employee Relationship?" *Human Resource Management*, 59(5), 445-461.

About the Authors

Merideth J. Thompson, PhD

Professor of Management, Utah State University

Dr. Merideth Thompson's (PhD – Vanderbilt University) research focuses on two main areas: bad employee behavior and the work-family interface. Her research has appeared in leading academic journals including the *Journal of Applied Psychology*, the *Journal of Management*, *Personnel Psychology*, the *Journal of Organizational Behavior*, *Human Relations*, and several others. Furthermore, Dr. Thompson has been interviewed and quoted by leading news outlets including The New York Times, ABC News, Fox News, Harvard Business Review, USA Today, and Business News Daily.

Dawn S. Carlson, PhD

Chair of Organizational Development and Professor of Management, Baylor University

Dr. Dawn Carlson's (PhD – Florida State University) research focuses on the intersection of work and family life, including work-family conflict, enrichment, and balance. Her research has appeared in leading academic journals including the *Journal of Social Psychology*, the *Journal of Applied Psychology*, the *Journal of Management*, *Computers in Human Behavior*, and *Human Relations*, amongst many others. Furthermore, Dr. Carlson has co-authored the book *Beyond Juggling: Rebalancing Your Busy Life*. Additionally, she has received several significant accolades and awards including Florida State University's *Distinguished Doctoral Alumna* for 2018, the Graduate Business Association's *Outstanding Academician* award, multiple *Outstanding Professor* awards, and multiple *Best Publication* awards.

K. Michele Kacmar, PhD

Professor and Endowed Chair of the Department of Management, Texas State University

Dr. Michele Kacmar's (PhD – Texas A&M University) research interests include impression management, organizational policies, ethics, and work family conflict. Her research has appeared in leading academic journals including the *Academy of Management Journal*, the *Organizational Management Journal*, the *Journal of Applied Psychology*, the *Journal of Social Psychology*, and *Human Relations*, amongst many others. Furthermore, Dr. Kacmar has co-authored the strategic management textbook *Human Resource Management: A Strategic Approach*. Additionally, she has received several significant accolades and awards including the *Michael J. Driver Best Careers Paper* award, the *Mays Distinguished Doctoral Alumni* award, and the *Best Doctoral Student Paper* award, among others.

Adaptive Selling: Finding the Perfect Fit

Richard G. McFarland, PhD

Now more than ever, clients expect a uniquely tailored experience and product. For this reason, adaptive selling is widely advocated to improve sales performance, job satisfaction, and customer satisfaction with salespeople. Adaptive selling is one of the most important areas of marketing research to date and is consistent with customer-centric marketing concepts.



Real estate agents frequently act on adaptive theory techniques, such as adjusting their approach with clients based on feedback received, the sales situation, and the customer to whom the agent is selling. The purpose of this article is to build upon already utilized aspects of adaptive selling while increasing a real estate agent's understanding of adaptive selling and providing recommendations to further hone these techniques.

About This Study

Adaptive selling is defined as “the altering of sales behaviors during a customer interaction or across customer interactions based on perceived information about the nature of the selling situation or differences in buyers.”¹ Professor Barton Weitz and his colleagues completed the foundational research on adaptive selling theory and conceptualized the model at both macro and micro levels. Most research after this point was focused on macro-level adaptive selling.

This research adds to previous research by, most importantly, providing guidelines on possible measurement strategies for *micro*-level adaptive selling. This study also provides examples of what actions should be categorized in each of Weitz's five steps (ISTEA model) of micro-level selling and postulates research questions for further study and reviews ADAPTS (the five specific steps of the adaptive selling process) macro-level measuring dimensions.

Macro-Level Adaptive Selling

Macro-level adaptive selling research treats adaptive selling as a single construct focusing on the abstract nature of the theory and the role of knowledge to categorize situations and what to do in each situation. Macro-level adaptive selling is measured using the ADAPTS scale based on theoretical backgrounds, including knowledge structure theory and self-presentation/self-monitoring theory. Note that ADAPTS does not measure specific behaviors or whether

adaptations were appropriate for the situation. Instead, ADAPTS measures the level of adaptive selling by a salesperson and answers the question of whether a salesperson is practicing adaptive selling. Adaptive selling can be improved on a macro level through training, motivation, and leadership.

To accurately review whether a real estate agent is using adaptive selling techniques at the macro level, we suggest measuring responses to the following five statements:

- When I feel that my sales approach is not working, I can easily change to another approach.
- I like to experiment with different sales approaches.
- I am very flexible in the selling approach I use.
- I can easily use a wide variety of selling approaches.
- I try to understand how one customer differs from one another.

Micro-Level Adaptive Selling

In 1978, Weitz argued that to be a successful salesperson one must recognize and adapt to specific customer needs and buying situations. A salesperson's ability to influence customers is related to his/her ability to perform the following activities: (1) develop impressions, (2) formulate strategies, (3) transmit messages, (4) evaluate responses to those messages, and (5) make appropriate adjustments. Breaking down adaptive selling into these five parts is extremely difficult and makes measuring the application of adaptive selling increasingly difficult.

Real Estate Implications

The micro-level adaptive selling ISTEA multi-stage model outlines the practice of adaptive selling as a dynamic process occurring over these five stages (see recommended reading for more specific measurement techniques):

Impression formation stage is the first step in micro-level adaptive selling and takes place when a seller first forms an impression of the customer (customer characteristics, their needs, purchasing goals, communication styles, and other situational factors) based on past experiences with the targeted customer. Research demonstrates that salespeople who share/imitate a customer's communication style and read customer emotions are able to estimate customers' needs and how important prices are to customers. They also can accurately assess the quality of the relationship as well as match relational activities to the closeness of the relationship, thus making them more effective.

At the *impression strategy phase*, a seller develops a communication strategy based on impressions created in the first stage. The most effective real estate agent can match specific categories of influence tactics to the communication style of the buyer. Often these agents have a higher level of knowledge regarding different categories of tactics. Research also shows that

the better a real estate agent is at putting themselves in the shoes of the individual to whom they are selling, the better they are able to predict how customers will respond to different strategies.

A real estate agent in the *transmission stage* delivers the message. This stage focuses on the message that is communicated and how it is communicated, such as language used, tone, pronouns, types of evidence presented, communication medium, etc. Note that communication must be bidirectional (face-to-face, video conference, telephone, texting, etc.) for the adaptive selling technique to be relevant. Persuasive communication



falls into three categories including rational, emotional, and coercive tactics. Research suggests a real estate agent will be more successful if they are able to match their communication style to the buyer. Storytelling also has the potential to heighten the attention of buyers and better relate the real estate agent to said buyer.

Evaluation occurs when a real estate agent observes the customer's reaction (to the message that was just transmitted) and asks for the opinions of the customer. An agent can engage in passive observation or active listening and questioning throughout the evaluation. Those who are better at reading the emotions of buyers are better at adaptive selling, as observation provides valuable information regarding the effectiveness of the strategy implemented by the seller. Research stresses the importance of active listening to improve one's ability to evaluate buyer response more accurately. Taking it one step further, real estate agents should aim to utilize empathetic listening—striving to understand the thoughts and emotions underlying buyer responses.

The final step of the ISTEAM model is the *adjustment stage*. Based on the evaluation, real estate agents then update the impression of a buyer, pivot strategy formulation, update the message OR make no changes. The adjustment stage is simply the output of the evaluation stage. Research suggests having a learning orientation will increase the success of a real estate agent within the adjustment stage.

Conclusion

As the real estate landscape continues to evolve, the need for adaptive selling will increase as customers require more and more personalized purchasing experiences. The adoption of adaptive selling techniques has great benefits for both buyers and sellers as it improves sales performance, job satisfaction, and customer satisfaction. This research suggests several areas for further research, specifically within micro-level adaptive selling, so it will be essential for real estate

agents to remain flexible and ready to learn as continued research pinpoints potential for improvement in selling techniques.

Recommended Reading

McFarland, Richard (2019), “A Conceptual Framework of Macrolevel and Microlevel Adaptive Selling Theory, Setting a Research Agenda, and Suggested Measurement Strategies,” *Journal of Personal Selling & Sales Management*, 39(3), 207-221.

This research was awarded the 2020 James M. Comer Award for Best Contribution to Selling and Sales Management Theory in the *Journal of Personal Selling and Sales Management*.

Reference

1. Weitz, Barton A., Harish Sujan, and Mita Sujan (1986), “Knowledge, Motivation, and Adaptive Behavior: A Framework for Improving Selling Effectiveness.” *Journal of Marketing*, 50(4), 174-191.

About the Author

Richard G. McFarland, PhD

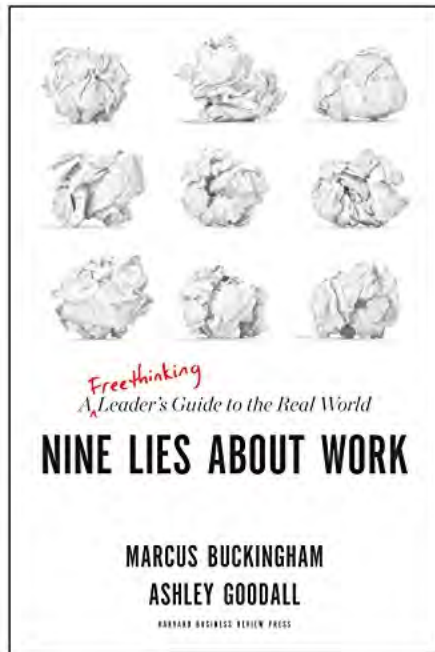
Professor of Marketing, ESSEC Business School (France)

Dr. Richard G. McFarland (PhD – Georgia Institute of Technology) is on the permanent faculty as a Full Professor of Marketing at ESSEC Business School in Paris, France. Previously, he was a tenured faculty member at West Virginia University and at Kansas State University where he held the L. L. McAninch Endowed Chair of Business Administration. His research and teaching interests focus on inter-organizational relationship and marketing strategies. More specifically, his research focuses on the role of institutions in driving marketing channels relationships and behaviors; influence tactics and persuasion in personal selling and business-to-business contexts; building trust and trust recovery in business-to-business relationships; and the role of emotional intelligence within sales organizations. His research has appeared in a number of leading journals, including *Journal of Marketing*, *Journal of Marketing Research*, *Journal of the Academy of Marketing Science*, *Journal of Personal Selling & Sales Management*, and *Marketing Letters*. He also serves on the editorial review boards of the *Journal of Retailing*, and the *Journal of Personal Selling & Sales Management* where he was twice awarded the best reviewer of the year award.

Dr. McFarland has won numerous awards for his research and teaching, including the Ralph Reitz award for the single best teacher of the year in the Business College at Kansas State University, the best single researcher award in the Business College at Kansas State University on two occasions, The Louis Stern Award in 2016 for the most long-term, impactful research in inter-organizational research, the 2020 James M. Comer Award for best contributions to selling & sales management theory, among other awards.

INSIDER: Nine Lies about Work

Corrie A. H. Penraat, MBA



In their book, *Nine Lies about Work*, Marcus Buckingham and Ashley Goodall uncover nine lies that we encounter every day at work as companies seek control, simplicity, and uniformity within their workforce. Each lie plays into organization leaders' need to persuade themselves and stakeholders that they are making progress towards their objectives. Buckingham and Goodall reject such dogma and instead seek evidence to discover the less popular truth about work.

This book was written for freethinking leaders who are willing to embrace the quiriness of each individual and engage in the less tidy version of the real world.

THINK POINT #1: People Don't Care What Company They Work For

The strength and unity of your team, not your company culture, is what matters most. Often, we are told people care what company they work for, but Buckingham and Goodall say research proves differently. When the rubber hits the road, only a small percent of company culture translates into your job description. Culture is often far from actual day-to-day responsibilities, projects, interactions and what your day really looks like, and “ground level stuff” is what people really care about. What is the truth about the workplace environment at your real estate firm? Do managers play favorites? How do real estate agents team up with clients? Is conflict resolution satisfactory? Are promotions fair and equitable?

Teams help employees see where to focus and what to do. Teams and colleagues can become family and ground us in our day-to-day work. Culture seeks uniformity—teams seek to elicit each member's unique contributions and achieve what no one person could do alone. As a real estate firm, take your focus off your firm's culture and instead learn how to build great teams internally with employees and externally with clients. Often, clients choose their realtors not based on the firm's company culture but based on their interactions with the team.

THINK POINT #2: The Best Plan Doesn't Always Win

Focus less on planning and more on giving people dependable, real-time intelligence. The real world moves too fast for plans. By the time you are ready to execute your carefully constructed plan, it will be irrelevant. An intelligence system comprised of real-time data, dispersed broadly

and rapidly and presented in detail so that team members can see and respond to patterns in deciding for themselves what to do surpasses formal planning every time.

As a real estate firm, distribute as much information as you can internally to employees and externally to clients. Planning systems confine information to those who “need to know,” while intelligence systems liberate. If you think the data will help your team or clients gain a better understanding of their work or goals in real time, share it! The flow of real-time data should be as frequent as possible. Solicit feedback to assess what data teams and clients find useful. Watch what information they gravitate towards and steadily increase the “volume, depth, and speed of this sort of data.” Instead of laying out a plan for prospective property buyers or sellers, give them access to real-time data driven analytics.

THINK POINT #3: The Best People Aren’t Well Rounded

The authors explain that the best people aren’t well rounded, they are “spiky,” and that being unique is a strength, not a weakness. Each person is profoundly unique, and no amount of corporate training will remove that. Each member of your team thinks differently, is motivated differently, and responds to relational communication differently. Companies, for the sake of control and simplicity, create models and then manage the model. These models promise a systematic way to understand the entirety of a real estate firm’s people and to find ways to work around each person’s uniqueness, all while improving upon weakness. Excellent performance, however, is not the absence of weakness but rather the presence of a few signature strengths. The authors note, “no two humans, doing the same job really well in the same field, achieve excellence in the same way.”

Get into the outcomes business—efficiency, predictability, sustainability—and do this creatively to engage the talent at your company. Define the outcome you want, then look at each person’s strength to figure out how, together as a team, you can reach those outcomes most efficiently. Buckingham and Goodall advise readers to avoid forcing a person into a particular role and, instead, fit the role to the person. To effectively fit a role to a person, you must utilize team technology. Integrate people’s wonderfully imperfect capabilities to achieve a given objective. Diversity is not an impediment, but instead, an essential ingredient in creating a high-performing team.

THINK POINT #4: People Can’t Reliably Rate Other People

People can only reliably rate their own experiences, because experience is all we have. It’s not possible to accurately put a number to each person’s abilities—how do you keep the definition of “persuading” skills stable while judging each unique person against that definition? Reviews are a mechanism of a business to manage people—keeping the best people challenged and weeding out low performers. None of these models of performance reviews will ensure the facts surface, because all of them are based on the belief that people can reliably rate other people.

It's important to find an accurate way for your clients to rate your efforts as a real estate agent. The data, once it is collected, represents you as a real estate agent, and it defines how you are seen at work, paid, promoted, and trained. Instead of asking your clients about others, ask them about themselves. By focusing on an individual's own experience, an objective measure of engagement emerges. Once you have designed questions like this, you could simply ask clients what their experience was with each real estate agent. Here's what some questions might look like: Do you go to this agent when you need extraordinary results? Do you choose to work this agent as often as you can? Would you promote this person if you could? Do you think this person has a performance problem that needs to be addressed immediately? Stop understanding performance as a broad abstraction and instead find elements of it you can measure consistently and act on practically.

Conclusion

As businesses seek to categorize their employees and standardize job roles, they are losing out on some of the most creative and quirky aspects of their workforce. As a leader within your organization, challenge yourself to think outside of the box and seek evidence rather than relying on ingrained "truth." You might be surprised by the results you uncover.

Recommended Reading

Buckingham, Marcus and Ashley Goodall (2019), *Nine Lies about Work: A Freethinking Leader's Guide to the Real World*, Harvard Business Review Press: Boston, Massachusetts.

About the Author

Corrie A. H. Penraat, MBA

Baylor University

Corrie Penraat earned her MBA in Data Analytics from Baylor University and a Bachelor of Science in International Business from Grove City College. Corrie currently serves on The Walt Disney Company's Facility Asset Management Room Team.

INSIDER: The Adaptation Advantage

Kristen Koehler, MBA Candidate

As one reads about the future of the world's workforce, there is one overarching and dominant theme that repeatedly arises and incites turmoil among those in the thick of their careers. The headline reads, "Robots are going to take your job." While this headline is startling and concerning, in *The Adaptation Advantage*, Heather McGowan and Chris Shipley explain that although robots can indeed take your job, they can also guide you into your next position. To understand how an individual or an organization can learn, unlearn, and adapt to the workforce's evolving changes, we must look back and know how we got here. McGowan and Shipley provide a framework to understand why it's hard for humans to change, how the world will continue to advance, and what individuals can do to make themselves adaptable in a world where everything is constantly changing.



THINK POINT #1: Adapting at the Speed of Change

Technological innovations are accelerating the pace of business to unimaginable speeds. With technological change occurring all around us, there is one thing that isn't changing: how we adapt to it. We are amidst the fourth technological revolution in which cyberspace has thoroughly infiltrated nearly every component of our lives.

On top of the technological changes arising, our society is experiencing fundamental shifts beyond the world of technology. As *New York Times* columnist Thomas Friedman states in his book, *Thank You for Being Late*, three fundamental changes are happening in society today: technology, the environment, and the global economy. With all three of these changes coinciding, people are looking ahead and trying to differentiate themselves in the ever-dynamic workforce. McGowan and Shipley suggest that people previously learned in school and then applied it to their work. Now society must shift its focus to continuously learn to harness the full potential of the adaptation advantage.

Although practicing the adaptation advantage may seem daunting at first, you have already taken the first steps towards increasing your human capabilities with technology. For instance, do you remember the last time you memorized a new phone number? Your answer is most likely no, due to the vast competencies and innovations of the tiny computer in your pocket. If you have been able to adapt to a smartphone that guides many aspects of your life, then you are capable of

mastering the adaptation advantage. Rather than trying to "robot-proof" their careers, workers can outsource dull and routine tasks, such as computing taxes, to technologies while freeing themselves up to perform better and more fulfilling work. Human potential has dramatically increased due to the technological revolution; now, it is up to society to make the most exponential opportunities occurring all around us.

On an organizational level, firms must transition from scalable efficiency to scalable learning to tap into the adaptation advantage. Organizational success relies on evaluating market turns and seizing emerging fads before competitors. A firm's competitive advantage begins by shifting employees to a "work to learn" process. According to McGowan and Shipley, the fundamental idea that gaining knowledge before entering the workforce is the only way for individuals to further their career is an idea of the past. Instead, when you work to learn, there is a continuous cycle of learning from your work and subsequent giving back to your work that provides the most utility to both employee and employer. By fostering continuous learning, firms can provide their employees with the capabilities to adapt to an ever-changing world.

THINK POINT #2: Letting Go and Learning Fast to Thrive

Occupations drive human identity. Over the course of one's life, you hear variations of "what do you want to be when you grow up," "what is your major," and ultimately, "what do you do for a living." While these questions can tell us a lot about a person, they also teach you to fixate your identities on your work. McGowan and Shipley implore you to challenge the preconceived notion that your identity relies solely on your occupation.

How do you find the courage to let go of occupational identity? The first step is determining why you have your job in the first place. For example, as a real estate agent, do you work to make a living? Or to be regarded as the best agent in the county? Or better yet, to help people find the home in which they will raise their children? A purpose-driven identity, such as the agent who believes that their purpose is to help people find their home, allows the agent to transcend job title and develop a purpose beyond the scope of one's job.

While reducing occupational identity is the first step towards harnessing the adaptation advantage, the next and possibly most crucial step is teaching yourself how to relearn. To thrive in the future of work is to develop adaptation skills. This begins by creating an agile and adaptive mindset, while also being aware and fueled by a greater purpose. When agility, adaptivity, awareness, and agency combine, you have developed the agile mindset needed to break education's monotony. From there, you can positively embrace change and develop new skill sets that will advance your career along with your company's agility.

Finally, to combat the headline that robots are going to take your job, you must begin by developing your uniquely human skills. To maximize human potential, humans need to be at the center of every core business and product. Humans are uniquely able to learn and create beyond

that of their technological counterparts; therefore, having a human-centric value proposition is extremely important to our workforce. The fourth technological revolution has forced us to reevaluate our identity in our occupations, yet, with a couple of minor mindset changes, you will be well on your way to raising the adaptation advantage to new heights.

THINK POINT #3: Leading People and Organizations in the Evolution of Work

With the world changing all around us, there is a profound need for a new approach to leadership. The best leaders model their ability to adapt to change. How can a leader effectively display such behavior? Leaders first have to put who they are and what they care about in front of their team members. By introducing and sharing your values with your team, you can build mutual respect that can ultimately help your organization embrace the adaptation advantage.



Effective leaders must be constant learners who are unphased by what they do not know while also accepting being wrong to pursue increased knowledge. As a proficient leader, you do not need to know everything; instead, your ability to learn from complex situations and apply your knowledge to your organization and teammates is what will set you apart from an average leader. Another way to enable your team to adapt is to be a vulnerable leader, which

is a means to establish trust within your team. Leaders who hide their weaknesses compromise their team by encouraging them to hide their weaknesses as well as their knowledge. When leaders are vulnerable and show that they make mistakes too, their team members are more willing to take a risk for the organization's overall benefit.

The final piece to the adaptation advantage puzzle is how to position your organization to utilize learners for all levels within your organization. That piece is culture. Culture is the most important tool your company can leverage to gain a competitive advantage in your industry. Organizations should focus on employees by building up their human capabilities through continued learning. In addition, firms can alter their organizational structure to no longer emphasize individual units. Ultimately, organizations that establish a core culture centralized on increasing human capabilities will harness the adaptation advantage's power.

Conclusion

It is undeniable that the world *is* changing. Individuals and organizations from every industry have to adapt to changes around us. McGowan and Shipley implore you not to look at change as a bad thing. Instead, it is an opportunity to reshape the way we look at the world around us. By harnessing the adaptation advantage, individuals are able to let go, learn fast, and thrive in the future of work.

Recommended Reading

McGowan, Heather E. and Chris Shipley (2020), *The Adaptation Advantage: Let Go, Learn Fast and Thrive in the Future of Work*, Wiley.

About the Author

Kristen Koehler, MBA Candidate

Baylor University

Kristen Koehler is a graduate student from El Paso, Texas. She earned a Bachelor of Arts in Medical Humanities with minors in Biology and Business Administration from Baylor University in December 2019. Kristen is currently seeking an MBA with a concentration in Healthcare Administration and plans to pursue a career in the healthcare industry.



Keller Center Research Report

Baylor University | Keller Center for Research | Hankamer School of Business
One Bear Place #98007 | Waco, TX 76798

www.baylor.edu/kellercenter | Keller_Center@baylor.edu

*Keller Center Research Report is a trademark owned by Baylor University
© Baylor University All rights reserved.*