

BUSINESS



Simulated selling

Computer program can tell if you have what it takes to be a real estate agent

By Tony Wong
Business Reporter

The cold call is just about the hardest thing to do in any sales job, but I try anyway.

I knock on the door and a middle-aged guy in a blue polo shirt answers. He looks angry, like he just woke up.

"Yes?"

"Hi. I know of buyers looking for properties in this neighbourhood. Do you know anyone who is interested in selling?"

My palms start to sweat. I swear he's about to slam the door in my face.

Luckily, this is just a simulation.

I'm actually in my downtown Toronto office taking a computer assessment developed this year by a Toronto company to determine if someone has the potential to be a real estate agent. Call it a flight simulator for realtors.

I figured I was the perfect candidate for the course. The last time I tried my hand at selling was to flog lottery tickets for charity at \$20 a pop. I didn't want to badger my friends, so I ended up

buying the whole batch.

Before that, I remember the pressure of going door to door at Halloween in grade school collecting money for UNICEF. I was so scared that I ended up putting my piddly allowance into the UNICEF box and taking it to school.

The \$1.29 in pennies didn't look all that substantial compared with what the other kids were bringing in, but it spared me the fear and embarrassment of those door-to-door cold calls.

Now here I was doing it all over again, thanks to Toronto's Upward Motion Inc. and its Success Profiler.

According to chief executive Igor Kotlyar, this is the first time that a simulator such as this has been used to assess potential applicants for a particular industry. While there are other companies in North America using simulators to train their staff, Upward Motion feels the business of assessing potential is the next big thing.

"Hiring and training the wrong employee can be a costly nightmare," say Kotlyar and company president Kim Ades in the May

issue of *HR Magazine*.

Kotlyar and Ades were inspired by the flight simulators used in the airline industry to develop the real estate sales simulator.

“They provide a dramatic way to test and develop employees’ abilities in an artificial, safe environment,” Kotlyar says.

Well, I didn’t get punched out by the guy in the blue shirt during my first cold call, so I turn my computer back on and give it another try.

This time, 20-something-looking Jerry sits down in front of me and starts yakking away about what he wants in a house.

He has a goatee and is wearing one of those bowling shirts that Kramer wears in *Seinfeld*.

Jerry starts talking about the neighbourhood, the fact that he’s hungry and the frog legs he had for dinner last night.

“I could eat like that every night,” he tells me. As if I cared.

Of the four pre-programmed answers that pop onto the screen, I point my cursor to the most obsequious one: “Jerry, you have quite a sophisticated taste for food.” I feel vaguely slimy, and it’s not something I’d say in real life, but hey, aren’t I supposed to be sucking up?

Jerry says he’s going to get something to eat. I suspect that he’s trying to kiss me off. Maybe I’m too transparent. But no, he returns and says he wants to see some properties. He’s a first-time buyer, has about \$150,000 to spend and needs underground parking.

The program gives me four different places to choose from. I pick a condo for \$153,000 that seems to meet his criteria. Jerry agrees that it’s a great place. Problem is, he wants a penthouse condo that is way out of his price range, but I should have figured that out given the fact that he’s got a taste for frog legs on a Big Mac budget.

“My friends would be really impressed,” he says of the penthouse condo.

I tell him not to rush his decision, maybe take another look at the condos to see what’s best for him.

But Jerry seems really stuck on that penthouse unit. I’m pretty sure the worst answer would be to tell Jerry to go for it — considering it’s out of his budget. On the other hand, I’m not sure how aggressive I should be in order to close the deal. After some more hand-holding, I reassure Jerry that I’ll be around, to take his time.

Jerry splits again and comes back another day with some bad news: “I need to talk to my dad about it. I’ll call you later.”

“I’ll call you later”? Boy, am I frustrated and I’m only minutes into the simulation. I can’t imagine what it would feel like to be rejected at the end of a weekend of real negotiations.

“The failure rate is high for people who participate in the real estate industry,” Kotlyar says. “That makes it ideal for something like this (assessment), which can help to determine who will be ideal candidates.”

Ades says she targeted the real estate industry first because she and Kotlyar were looking for a vocation with the characteristics of high turnover, an objective measurement of performance such as sales, and a big difference between the top and lowest performing members.

“Real estate fit that bill perfectly,” she says. The program took about a year to develop and debuted in May at a conference in Wash-

ington.

“Something like this wouldn’t have been possible two years ago. The technology just wasn’t there,” Kotlyar says.

The price structure varies, but for an individual assessment it’s about \$75.

The company says the test is an effective measure of how someone would perform as a real estate agent, and can distinguish among low, average or high performers.

Kotlyar says hundreds of agents have taken the test with varying degrees of success and the correlation between their results and how well they do in the real world is high.

In other words, agents who sell a lot of big expensive houses are supposed to score higher on this test.

The assessment, which takes anywhere from 40 minutes to an hour, is divided into three parts. The first part is the sales simulator, the second tests cognitive ability, and the third personality.

The cognitive-ability section seems like your standard IQ test with reading comprehension and math questions.

The third section is to determine if the candidate has a sales personality. But it seems easy to bluff your way through some of the questions if you really want that sales job.

Some questions, for example, ask how conscientious you are and if you’re not completely honest, you can probably skew the results.

“Yes, you can cheat, that’s one of the big problems with assessments. But the personality section represents only one-third of the assessment,” Kotlyar says.

“Even if someone deliberately misleads you in that section, you still have to face the other two phases.”

The results are instantaneous and although I’m pretty sure I’m not suited to a job in sales, the answer comes back that I’m ... satisfactory.

Actually, the bar graph shows I’m slightly above the median mark in terms of suitability.

“Tony appears suited for a career in real estate sales; however, Tony would benefit from additional training and development,” reads my report card.

I’m not sure whether I’m happy I’ve passed or not, but according to the results, I have “excellent” listening and comprehension skills, which end up being my top marks. My worst marks are in the extroversion category.

Extroverts tend to be more successful in sales, but my profile indicates that I might still have a successful career if I could “learn to control occasional inclinations to focus inward and to project energy and cheeriness when in the presence of others.”

Memo to self: Smile more and press the flesh.

According to Kotlyar, these types of simulations will soon be seen in more and more human resource departments.

He sees a future when prospective employees can go to a company Web site and get a virtual tour of the company and experience what it would be like to work there.

Companies would then use data from these sessions to determine the prospective employee’s suitability.

It’s one step closer to the future envisioned by Steven Spielberg in his recent movie *Minority Report*, but this time the scientists, not the fortune tellers, are giving us a glimpse into the future.

As for me, I’m not sure I’m ready to do cold calls for a living — even if it is just on a computer screen.

‘Hiring and training the wrong employee can be a costly nightmare.’

- Igor Kotlyar and Kim Ades