



## Real Estate Industry Cites Recruiting Young Agents as No. 1 Concern



The [real estate](#) industry is facing a number of stops and starts, particularly as certain sectors in the market rebound quickly – such as the residential market – while other areas remain stagnant. Although market forces, business operations, errors and omissions claims and fluctuating supply and demand are critical factors agents are facing, the majority of industry leaders cite their challenges in recruiting young, new talent as their most pressing concern.

Imprev Marketing Technologies recently released the results of its 2013 Thought Leader Survey, which revealed that top executives and companies are struggling to [attract new talent](#) to their ranks, a scenario that could become burdensome as real estate demand climbs and the industry's aging workforce begins to retire. When asked to list their top concerns – especially those that impact their revenue and profitability – 42 percent said finding young talent was their biggest problem. Citing data from the National Association of REALTORS®, the study notes that the average real estate agent is 57 years old. However, the average American worker is 41 years old and the typical age of a first-time buyer is 31, the report published.

“Over the last five years, the average age of real estate agents has almost moved in lock-step with the calendar,” says Renwick Congdon, chief executive officer of Imprev, a fact that is also supported by NAR research.

## **Will talent acquisition challenges lead to a sub-par industry?**

Approximately 36 percent of survey respondents said they are “not able to get top producers to apply,” and although many seasoned veterans are continuing to work later in life, many now have more flexibility to move to other firms that offer more competitive salary and benefits. This may put several agencies in a dire situation as they lose their top agents and are unable to recruit fresh talent. In addition to difficulties finding and retaining talent, some companies also listed a lack of quality in its applicants as an issue. Roughly a third – 33 percent – said that “too few quality prospects” was also making it hard to grow their business and remain competitive in an evolving market.

This scenario could also have implications not only for agencies, but for consumers as well. Agencies that retain or hire agents who are not properly trained, well-versed in [real estate](#) rule and regulations, and willing to fully disclose the terms of an agreement, may facilitate bad housing transactions that could lead to costly E&O insurance claims. The financial and reputational damage that can result from these lawsuits may only exacerbate agencies’ inability to draw more talent to their ranks.

In light of this data, many seasoned real estate agents are exploring new ways to recruit talent without sacrificing quality.

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