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The Wrong Ladder: Mismatch Between Subgoal Sequences and Actual Goal Performance
Liyin Jin, PhD, Qian Xu, PhD, and Ying Zhang, PhD

For real estate professionals, success is measured by performance – how many homes you sell or how many customers you reach. One thing, however, is certain – the real estate industry is complex and requires strong motivation to remain successful.

How does an agent maximize his/her potential while remaining motivated? According to our study, the most success can be found through subgoals – smaller goals that build toward the overall goal.

Our Study

While attention has been paid to the difference between the presence and absence of subgoals in goal pursuit, our study sought to systematically examine how subgoals should be structured to maximize their beneficial impact.

To further examine this issue, we developed a set of hypotheses detailing our predictions. We hypothesize that when facing subgoals of varying levels of difficulty, consumers prefer to begin their pursuit with the more difficult subgoals. This is due to the belief that their energy levels will decrease as they expend more energy and that the optimal strategy for attaining the overall goal is to tackle the more difficult task earlier.

We also predict that people are likely to perform better if they start with the easier subgoal. This is most likely because the completion of easy subgoals allows one to experience greater commitment to the goal, thereby increasing his/her effort to accomplish the overall goal.

To test our hypotheses, we conducted a series of seven studies to examine hypothesized discrepancy in consumers’ preferences and their actual performance in goals with a subgoal structure. Each study tested a different aspect of our hypotheses and each successive study became more detailed. Studies ranged from sit-ups in a controlled environment to loyalty cards allowing customers to receive monetary benefits upon redemption.
Our research is important to real estate professionals as it provides a detailed look into the value of subgoals in completing tasks. For real estate professionals, a clear understanding of the best methods for completing a task through subgoals is essential to maximizing productivity and sales performance.

**Properly-Ordered Subgoals Lead to Increased Productivity and Effectiveness**

Setting goals for oneself is no doubt an effective way to stay motivated and efficient in your work. However, by setting – and executing – clear subgoals in the proper order, one can maximize the likelihood of completing the overarching goal.

When deciding whether to initiate a goal or the optimal strategy for pursuing a goal, people often rely on their predictions about the difficulty of goal attainment. However, what many fail to consider is how committed they will feel toward the goal after they have enjoyed some early success and how much increased effort they might be willing to exert to further pursue that goal.

As our study overwhelmingly showed, people prefer to begin with subgoals that are more difficult, believing that this approach makes their overall pursuit more attainable. However, by prioritizing their subgoals from easiest to most difficult, they are more likely to complete the overall goal when they first achieve the relatively easy subgoals.

Why is this? Humans operate well with positive feedback. The achievement of an easy subgoal constitutes this positive feedback and can take different forms, influencing a person’s mindset toward a particular task. However, people tend to be unrealistically optimistic (Weinstein and Klein 1995; Whitley and Hern 1991) and overestimate their commitment and ability to achieve certain goals. Thus, by completing subgoals in an easy-to-difficult order, one can experience more commitment in the mid-way of a goal pursuit.

People often ignore the dynamic aspect of their mental states when making a commitment. One example is the robust planning fallacy which occurs, to some extent, because people fail to anticipate how their willingness to work on a task might decrease after they commit to it. In a similar fashion, consumers often commit to variety of tasks that they later regret because their satiation level is ultimately lower than anticipated (Simonson 1990).

Some participants did not succumb to the future-planning fallacy. Indeed, a nontrivial number of participants accurately chose the subgoal sequence that better facilitated their eventual accomplishment. However, as this study demonstrates, a majority of participants did not anticipate that early success could enhance their commitment to a goal.
Implications for Real Estate Sales Professionals

For real estate professionals, our study has numerous implications. The career of a real estate professional is marked by the completion of tasks – closing the sale of a home or securing a new client. Ultimately, it is the manner in which these tasks are completed that provides the best possible outcome for an agent.

Of course, our study made it easy to identify the easy-to-difficult and difficult-to-easy sequence. Throughout our daily lives, this is far from the case. It thus becomes the role of a real estate professional to explicitly identify subgoals that build toward an ultimate goal. Such “goal building” can assist in managing time and energy throughout the process.

Let’s examine a daily task you may find yourself completing as a real estate professional – increasing the number of clients you serve. Such a task is difficult and any results will be seen in the distant future. In this case, it is important to set subgoals to assist you in reaching the overarching goal of increasing your number of clients.

To start, you must concretely identify your goals – a generalized goal will not be as effective in keeping you focused and motivated. For example, instead of “By the end of the year, I want to increase the number of clients I have,” try “Within the next 6 months, I want to have 50 new clients for my business.”

Once you have a clearly-defined goal, you can break down the goal into subgoals. Leads will undoubtedly be easier to come by at first but dwindle as you begin contacting them. Thus, you can easily follow an “easy-to-difficult” subgoal sequence – an action advocated by the results of this study. In month 1 and 2, you may seek to gain 12 new clients each month – a realistic and manageable subgoal that is much less daunting than the ultimate goal. In months 3 and 4, you could seek to gain 8 new clients each month. Then, in months 5 and 6, you would gain 5 new clients per month. While 5 new clients may seem easy to acquire, it is important to remember that by this time you may have exhausted your leads and will need to rely on referrals and marketing to gain new clients.

Ultimately, in setting goals in an “easy-to-difficult” way, a real estate professional can keep motivation high while helping to ensure that long-term goals are completed.
Such a technique can also be applied to the sales process, as an agent seeks to close a real estate transaction and gain referrals. By completing less complex aspects of the home buying process early on, one can increase the likelihood of seeing the process to completion.

Similar tactics utilizing the same principles can be applied to personal goals that may or may not be long term. As seen in our study, the completion of simple tasks such as sit-ups can be incentivized through an “easy-to-difficult” subgoal sequence.

**Conclusion**

Within the real estate industry, agents must remain self-driven and function as independent business owners. In order to accomplish this, goals must be set on a regular basis to ensure timely completion of overarching business objectives. This can be facilitated through subgoals. Such subgoals – when oriented in an “easy-to-difficult” sequence – can increase productivity and the likelihood of completing an overarching goal.

**Recommended Reading**


**References**


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