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Trust in Leadership and Authenticity in Real Estate

Amanda Rodriguez, MBA

There’s no doubt that trust impacts an organization’s reputation and culture. Building and growing trust in the workplace can lead to great success for an organization, rooted in employee satisfaction and genuine, authentic interactions among supervisors, employees, and customers. Dr. Stephen Covey, author of *The 7 Habits of Highly Effective People*, once said, “Trust is the glue of life. It’s the most essential ingredient in effective communication. It’s the foundational principle that holds all relationships.” Buying or selling a home is an emotional commitment, and trust is a key characteristic clients look for in a relationship with their real estate agent.

An agent’s success can typically be related to relationships s/he has built on trust. Honest and genuine relationships can determine whether or not one wins the listing or the right to represent a homebuyer. These honest and genuine relationships are created through authentic interactions between the agent and the client – that is, interactions where emotions are not suppressed or regulated – and build trust between the client and agent. But, in a world where the customer is always right, maintaining true, authentic interactions can be difficult. The emotional labor needed to sustain authentic interactions can be daunting. Because of this, inauthentic emotional encounters, such as surface acting to suppress or regulate one’s true emotions, happen. Inauthentic emotional encounters lead to mistrust towards the agent, which can lead to burnout, frustration, mental fatigue, or depression.

We understand that relationships built on trust are key for individual and organizational success, but where do we start? Simply stated, supervisors in an agency directly affect their agents by their authentic and positive interactions (which researchers refer to as trait affectivity). Positive and negative trait affectivity determine the amount of trust agents have in their supervisors, which, in turn, shapes the agents’ authenticity with their clients.

Agents owe clients their loyalty, obedience, diligence, disclosure, confidentiality, accountability, and reasonable skill and care, which are all building blocks of trust. According to Dana Yagil in “Trust in the Supervisor and Authenticity in Service Roles,” when leaders create positive emotional behavior with agents, agents build authentic and honest relationships with their clients, thus increasing prosperity and satisfaction, and most importantly, trust.
Real estate clients often look for agents who are cheerful, friendly, and genuine. As a result, agents are sometimes forced to suppress emotions to match such expectations of the client and the agency. However, when agents see their personal identities as synonymous with the identity of the organization, the two roles become intertwined. When an agent feels safe in authentic interactions, it is more comfortable and natural to have such a conversation. Agents no longer feel the need to fake sincerity in client relations to meet the organization’s standards and the agent can be more genuine in his or her interactions and displays of emotions. In order to help organizations become more consistent in this area, Yagil explored how the emotional influence of the supervisor impacts the agent’s performance with clients.

Research and Findings

Yagil’s research team surveyed and analyzed supervisor-agent and agent-client attitudes after a service interaction. The analytical approach (hierarchical linear modeling) permitted her to conclude how variables found at the leadership level affect relations at the agent-client level.

Researchers found that agents who trust their supervisors relate positively to their authentic and genuine interactions. For instance, if a selling agent wants to win the listing of a house that is not market ready, s/he can be genuine and honest about the amount of work it is going to take to sell the house, or the agent can be inauthentic, selling false hope, to the client.

Emotional interactions between agents and clients create corresponding changes in the client emotions. Clients recognize lower levels of authenticity or when an agent seems to be “reading from a script.” Such interactions are important because they shape the agent-client relationship, which impacts client willingness to choose the agent or engage with the agent over the long run. Authentic behaviors impact service evaluations and referrals. When an agent displays authenticity in a client relationship, the client senses the agent is sincere in the home buying/selling process and gives the client confidence in the agent’s capabilities.

Implications for Real Estate Professionals

When agents trust supervisors, they are more likely to operate authentically and sincerely in client interactions. When an agent functions with this level of authenticity, s/he is less likely to worry -- about mistakes, word choice, actions or decisions in risky situations. Worry and fear prompts agents to engage in surface acting which is tiring, inauthentic and often leads to mistrust. The result of a supervisor-agent relationship lacking trust is decreased job satisfaction and higher turnover among agents. Agents looking to build a more trusting relationship with the supervisor should try:

- Focusing on the bigger picture and the benevolent benefits that will come to you, the client, and the agency
• Talking with your supervisor and being honest and genuine about the way you feel about him or her
• Finding a mentor in the workplace who can help you navigate the hierarchy and aid you as needed in doing your job

Authenticity is described as a basic need and essential for emotional well-being, and it leads to resilience and optimism, higher self-esteem, and better relationships. Because building authentic relationships is a skill that is developed over time, real estate agencies should consider training programs that emphasize the importance of trust and authenticity between the supervisor-agent and agent-client relationship.

Supervisors can also work to develop better rapport with agents. To build rapport and strengthen relationships with agents, try:

• Communicating with your agents in a transparent fashion
• Staying calm and showing concern toward your agents’ well-being
• Giving and receiving constructive feedback about your agency’s operations
• Empowering your agents to direct appropriate activities (i.e., don’t micromanage)
• Investing time to build real relationships with your agents within and outside the workplace

Recommended Reading


About the Author

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Amanda serves as the Assistant Director for the Keller Center for Research and as the Associate Editor of the Keller Center Research Report at Baylor University. Before joining the Keller Center team, she managed Corporate Relations for Baylor's Center for Professional Selling. Amanda earned her MBA in Management and BA in Journalism from the University of Texas at Arlington.