

Q3 2026 BENCHMARK REPORT · EDITION 01: EFFICIENCY

The Work Between Contract and Close

How to reduce repeat work
and keep transactions moving.

A Side × Inman report

Built on the Brokerage Ops Score

October 2026

Why efficiency comes first

In Inman and Side's August Broker Owner Brief, broker owners chose efficiency as the part of their operation they'd improve first. For this first quarterly report, Side and Inman are looking at what that means in everyday work: getting transactions closed with fewer corrections and less repeated effort.



The findings come from the Brokerage Ops Score, Side's self-assessment for broker owners. It asks 13 questions about how their brokerages operate, including how often files need corrections and how much of their time goes to operations.

The first 40 broker owners to take it point to one pattern: most brokerages are built to catch mistakes, not prevent them. When the same issue keeps coming back, understanding what's behind it can help broker owners give their teams more time for work that needs their attention.

Making that improvement involves a clear view of how people and technology work together. Jonathan Peterson of Ember Advisory Group explores that connection in the article that follows. Then, the assessment findings, an interview with Side's VP of Product Steven Price, and practical guidance help broker owners take a closer look at their own operations.

68%

of broker owners say
at least two of every
ten files come back
for correction

About this edition

This edition uses 40 completed assessments submitted from September 10 through October 8, 2026. The findings are self-reported and reflect the broker owners who took part. Side's Brokerage Ops Score is for informational purposes only and is not an audit, guarantee of results or professional advice.

You can't staff a brokerage with software



By Jonathan Peterson
Ember Advisory Group

Over the years, I have spent time inside real estate brokerages of nearly every size and model, and almost all of them are built around the same quiet imbalance. The visible part of the company belongs to sales and marketing, which makes sense in a sales-driven business where they drive growth, recruiting, and revenue, while accounting and operations sit down the hall in a space that can feel only slightly larger than a broom closet.

The picture is amusing until you consider who lives in that broom closet. They are the people paying hundreds or thousands of agents, reconciling transactions, managing commissions, running payables and receivables, producing financial reports, handling tax reporting, maintaining compliance, and fielding a constant stream of questions from agents, teams, and managers.

In many brokerages, a remarkably small team carries all of it, and that can be the mark of an efficient organization or the mark of an understaffed one. Knowing which you are looking at matters more than almost anything else in operations.

Technology Changed the Equation

Real estate brokerages have always been a margin-conscious business. Leaders are understandably careful about adding fixed overhead (especially administrative headcount), and technology has helped them do more

with less. Accounting platforms took over much of the manual bookkeeping, transaction management systems standardized workflows, integrations cut duplicate data entry, and automation absorbed the repetitive tasks, with AI now poised to absorb even more.

Those are real advances, but they can quietly lead to a flawed assumption that if software makes people more productive, more sophisticated software should eventually replace most of those people altogether. That is the moment efficiency turns into fragility, because software is only one part of an operating model. People and process are the other, and they are often the more consequential investment.

This Isn't New to Real Estate

Real estate is far from the first industry to face this, which is exactly why the path is so well marked. Manufacturing became dramatically more productive through robotics and automation, yet the manufacturers that came out ahead didn't simply buy robots and clear out their operations management. They redesigned the factory around a new mix of people, process, and machines.

Banking went through the same shift when ATMs, online banking, and mobile apps erased millions of manual transactions. Still, the need for finance, risk, and compliance professionals never disappeared. It moved up the value chain toward judgment and oversight.

Healthcare digitized records and automated scheduling without thinning out the clinicians and administrators who keep a hospital running, and logistics automated the warehouse floor while leaning even harder on the planners who orchestrate everything above it. In each of them, technology changed what people did and the skills their work demanded, but it became part of the operating system rather than the operating system itself.

Finance is where that same lesson lands closest to home. When it works, its success is invisible, because people get paid, accounts reconcile, bills go out, reports arrive, compliance holds, and the books close on time, which is another way of saying nothing happens at all. That quiet "nothing happened" is usually the sign that someone did an extraordinary job. Better accounting software no more removes the need for a finance function than robotics removed the need to run a factory.

Brokerages are simply the next to live through what these industries already have.

The Real Question Is Capacity

When brokerage leaders evaluate operations, the conversation usually starts with technology: which accounting platform? Which transaction management system? Which reporting tool? What can be automated?

Those questions matter, but they belong after the more fundamental ones: What work actually needs to happen, and who owns it? Where are the handoffs, and what happens when a transaction does not follow the standard path? Who handles the exceptions, and where does institutional knowledge really live? Most importantly, what happens if volume climbs by twenty, fifty, or a hundred percent?

The goal was never to use software to cut headcount; it was to build capacity, and capacity comes from the right combination of people, process, and technology working together.



The Hidden Cost of Running Too Lean

Understaffing is seductive because it flatters the income statement at first, since one fewer hire means lower payroll. But the cost simply shifts elsewhere.

Some of it lands in the technology budget, where brokerages patch staffing gaps with overlapping systems and with tools that never quite do the job they were bought to do. More lands in the day-to-day, where reconciliations drag, reporting slips, exceptions pile up, managers spend time on admin instead of managing, and executives become the escalation point for routine problems.

Critical processes end up living in spreadsheets, or worse, in the memory of a single person, until someone says, "Ask Susan, she's the only one who knows how that works," a sentence that should concern any executive who hears it. The strain reaches the agents too, who wait to get paid and chase down answers until they get frustrated and leave.

The Answer Is Not Simply More People

None of this means the fix is to add headcount, because throwing people at an inefficient process is no more sophisticated than throwing software at it. A brokerage drowning in redundant data entry may need better integration rather than another administrator, and ten competing spreadsheets usually signal a need for standardization rather than another analyst. Automation and AI should absolutely take over the low-value work that machines can do faster and more accurately.

The real task is to decide what to automate, standardize, and centralize, and what still calls for human judgment, expertise, and accountability, because that line is the difference between operating lean and operating understaffed.

Start With the Business, Not the Software

If I were evaluating a brokerage's operations, I wouldn't start with which software to buy; I would start with the organization itself. Show me how a transaction moves through the company, who touches it, where the money moves, where decisions get made, and where exceptions crop up. Show me the bottlenecks and where the institutional knowledge sits, and then show me what

happens if the business doubles. Only then does it make sense to decide what technology belongs in the picture.

The point is not to run a brokerage with the fewest possible people, but to build one with the right people, supported by the right processes and amplified by the right technology. When you design those pieces together, you get far more than efficiency, because the brokerage becomes easier to run and better prepared for whatever comes next.

Routine work is standardized and automated without giving up accountability, risk drops because critical controls and knowledge no longer rest on a handful of people, agents get a better experience because payments and support finally work the way they should, and the business becomes ready to grow, because adding agents, offices, or markets no longer means rebuilding the foundation every time.

That is the promised land of good brokerage operations: a business that can grow without becoming harder to run. Technology is vital to getting there, but the best technology never replaces the business architecture; it supports it. It gives your people the capacity to spend less time keeping the machinery running and more time building the brokerage they set out to create.

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JONATHAN PETERSON — EMBER ADVISORY GROUP

What the Brokerage Ops Score covers

The assessment's 13 questions cover four areas of a brokerage's operations, and this edition focuses on Efficiency. The examples below show what each area can look like in everyday work.

Efficiency

THIS EDITION

How efficiently files move from contract to close.

- A file comes back for a missing disclosure or attachment.
- The same deal gets entered into more than one system.

Agent Satisfaction

How well the operation serves agents.

- An agent waits days to get paid after closing.
- An agent chases down an answer on a transaction issue.

Risk Management

How much risk sits in the files.

- A compliance issue turns up the week of closing.
- Files would need a day or two of prep to pass an audit.

Growth Readiness

Whether the operation could handle more volume.

- Routine tasks wait on the owner to move forward.
- More transactions would mean hiring at the same pace.

About the data

Assessments

40

Questions

13

Submitted

Sept 10 – Oct 8, 2026

Respondents

Broker owners

What returned files reveal about efficiency

The Problem

A file that closes successfully may still have needed several rounds of work. The assessment asked broker owners how many of every ten transaction files come back for correction.

The Data

Files returned for correction out of every ten

Share of respondents · n = 40



Percentages are rounded, so totals may add to 101%.

THE PATH FORWARD

A reviewer who catches an error is doing important work. When the same error keeps appearing, there's an opportunity to improve how files are prepared, so the team spends less time fixing familiar problems.

1. Review a recent group of returned files and record why each came back.
2. If the same information keeps going missing, clarify the submission requirements and who checks for it before review.
3. Track whether repeat returns go down, while keeping a thorough review in place.

The time behind the operation

The Problem

The assessment asked how much time broker owners spend on operations and what support doubling transaction volume would require.

The Data

Share of broker owners' time spent on operations

Growth Readiness · Share of respondents · n = 40



What doubling transaction volume would require

Growth Readiness · Share of respondents · n = 40



Percentages are rounded, so totals may add to 101%.

Most respondents spend at least a fifth of their time on operations, while most expect to double volume with little or no additional support. That confidence is worth testing against the work broker owners already handle: how much would grow along with the business?

THE PATH FORWARD

1. For a week, note what takes up your time on operations, and which of it would grow with more transactions.
2. Choose one task your team could handle with clearer guidance or authority, and give someone responsibility for it.

Making the workflow more efficient



Steven Price

VP of Product, Side

The findings point to two areas to explore: recurring file corrections and how much of broker owners' time goes to operations. In this conversation, Inman asks Steven Price, Side's VP of Product, what he watches for in a brokerage's operations and where files most often stall. The interview has been edited for length and clarity.

Side runs the back office for hundreds of partners. How do you tell a brokerage that's operating efficiently from one that's quietly understaffed, and what are the early warning signs?

I'd watch four:

First-pass rate: what share of documents go from intake to close without being sent back.

Touch rate: how often a person has to step in on a file, how much time they spend, and whether that's shrinking.

Time to pay: how long it takes from closing to the agent getting paid. Agents feel this more than anything else you do.

Surprises: how often compliance or money problems come up late in the deal instead of at intake.

If those four are healthy, the brokerage almost always is too. If they start slipping, that's usually the first sign the team is stretched.

What should a broker owner who wants to do a self-audit map out now? And what's the most common blind spot you see?

Start by mapping where files stall. In the typical brokerage that point is surprisingly consistent, and it's

rarely at closing: it's the handoff right after the contract is signed, when the file moves from the agent, who's focused on the client, to the back office, which is focused on the record. That's the most common blind spot. An overlooked disclosure, a mismatched ownership type, a forgotten attachment, or inconsistent commission splits don't get caught until someone downstream notices. That doesn't just eat up time; it often means requiring the client to re-execute documents, which eats up trust.

The symptoms vary by market. The cause rarely does: the file was set in motion before it was correct or complete. For a file to pass the first time, three things have to be true at intake: the core facts (parties, property, price, dates) are captured once, as structured data and not just a PDF; everything the file will need is known upfront from the deal type, market, ownership type, year built, etc.; and money is defined early, meaning who gets paid, how much, and through what. If you get those right on day one, and your system holds to them, most issues get caught at intake instead of at closing.

What operations work does Side own, and what stays with the partner's own team? And has that line moved in the past year? If so, why?

With SideOS, the broker owner is the broker of record: the license, the supervision, the data, and the final call

are theirs, along with the brand, recruiting and developing agents, the culture, and the client relationships. Side powers the engine underneath, and the broker directs it: transaction workflow tools, document and compliance checks, deadline tracking, commission processing and disbursement, and support that flags what's off and helps the file move once the broker makes the call.

The line has moved, mostly in when compliance happens rather than who does it. The traditional model is review after the fact: an agent submits documents, someone checks them, and problems get sent back, by which point a fix can mean asking the client to sign again. We've been moving compliance upstream, into the moment the transaction is created and the documents are prepared. The facts of the deal determine what's required before anything is signed, and errors get caught while they're still cheap to fix, so the broker's review is about judgment, not cleanup.

Side added AI-driven compliance and reporting tools to its app this year. What tasks has AI taken on, and which have you deliberately kept with people? What are some examples of an exception or edge case where human judgment still matters most?

We are automating tasks where the right answer is knowable: pulling data out of documents, checking

whether a required item exists, flagging when two documents don't match, tracking deadlines, and moving money once the broker has approved it. We deliberately leave judgment to people. That includes an unusual deal structure, an atypical clause in a contract, and any call where the broker's license is on the line. The goal isn't to take people out of the file. It's to make sure that each time a person touches a file, it's because the file needs human input or judgment, and that touchpoint is supported with all the information they need.

In his article, Jonathan Peterson warns about critical knowledge staying with one person. How does Side's model reduce key-person risk for partners?

Every brokerage has that person. They know which addendum this county's title companies expect, which agent always forgets the lead-based paint disclosure, and how to untangle a commission split nobody wrote down. They're invaluable, until they go on vacation. Or leave. The risk is that their knowledge only exists in their head, their inbox, and their sticky notes.

Our model addresses this in two ways. First, expertise becomes a rule, not a habit: when someone experienced knows a requirement, it gets written into the system as a rule that applies to every file, and if the person moves on, the rule stays. Second, every file shows its work: what was checked, what passed, what was flagged and why, and how it was resolved, all in one place. A new team member, the broker, or an auditor can open any transaction and see the full story.

The point is to make sure the brokerage doesn't depend on any one person's memory to stay compliant. The broker's best people still matter. Their expertise just becomes codified and consistent.

Walk us through what changes operationally when a Side partner's volume jumps 20%, 50% or 100%, or if they expand into a new office or market.

The biggest change is that a partner can grow without adding back-office staff at the same rate. In most brokerages, growth means more files, more chaos, and more hires, and inefficiencies can mean that hiring actually grows faster than volume. A clean operation

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*The symptoms vary by market.
The cause rarely does: the file
was set in motion before it was
correct or complete.*

STEVEN PRICE — VP OF PRODUCT, SIDE

breaks that link. It also gives them the option of expanding into new markets, or adding services like mortgage or title, because they can stay on top of the core transaction without being buried in it.

Peterson says agents feel operational strain most directly. Things like waiting for commission checks and chasing answers from brokers. How does Side measure operations quality from the agent's side?

Peterson's right: agents don't experience your back office as a process. They experience it as waiting. Waiting to get

paid, waiting for an answer, waiting to find out what's wrong with a file they thought was done. So we measure the waiting: how long from closing to payment, how fast agents get an answer when they reach out, how often they need to ask at all, and how often work comes back to them for a fix. And we measure how long the work itself takes. None of these measure our team's activity. They measure the agent's experience, because an operation can look efficient from the inside while it quietly costs agents their time and their patience.

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STEVEN PRICE — VP OF PRODUCT, SIDE

Four measures to track

These measures, adapted from Steven Price's first answer in the interview, help broker owners see where work takes more effort than it needs to, and whether changes are making a difference.

1

First-pass rate

Track the share of files accepted without being returned for a correction. Record the reasons for returns so you can identify recurring issues.

2

Manual intervention

Track where someone has to step in on a file and how much time it takes. Distinguish necessary review from repeated entry, follow-up, or correction.

3

Time to pay

Measure the time between closing and agent payment. Document the causes of delays so you can identify steps the brokerage can improve.

4

Issues discovered late

Record compliance or payment issues first identified near closing. Review whether the information needed to address them was available earlier.

Start with one recurring issue your team would welcome help solving. Agree on a change and who will carry it through, then use these measures to see what improves on the next group of files.

See where your operation stands

Take the Brokerage Ops Score

Spend a few minutes reviewing your operation and receive your readout immediately.

side.com/brokerage-ops-score →

Apply to the Broker Owner Council

communities.inman.com/in-take-form →