**Developing Professional Conduct and Ethical Practices**

**Session Description:**

A highly interactive ethics and professional conduct program will help new Licensees gain competency in handling real estate transactions. Participants will be actively involved in viable case studies, as well as group discussion regarding ethics issues.

**Type of learning methodologies used to engage the audience:**

* Group Exercises – Case study
* Role Play (on a selective basis)
* Interactive questioning
* Power Point Presentation
* Demonstration

**Session Objectives – Upon completion of the course, the participant will be able to:**

* Outline disruptions as they relate to a real estate career as identified in the Danger Report by Stephan Swanepoel, 2015.
* Discuss the significance of research studies, such as the Aspen Declaration, on ethical reasoning skills of the business professional.
* Identify how real estate professionals are perceived in terms of honesty and integrity.
* Define and review the difference between values, principles, and ethics as they relate to the real estate profession and identify values that are most important to them as they build their real estate careers.
* Evaluate various types of behaviors when faced with ethical dilemmas.
* Given a case scenario, identify which series of events in a transaction resulted in the transgression and provide adequate resolution to the problem.
* Recognize that changing population trends increase the concern for providing equal professional service to all.
* Identify major fair housing violations and how they are addressed in Fair Housing laws.
* Recognize illegal fair housing activities and fine-tune enforcement choices.
* Describe how to answer potentially illegal questions without damaging customer/client relationships.
* Define and apply the basic terminology and principles of agency.
* Summarize and demonstrate understanding of the State Laws and Administrative Rules related to real estate.
* List agency obligations and fiduciary duties to the various parties in a real estate transaction.
* Describe the Complaint process used by the Nebraska Real Estate Commission.
* Define the legal theories of Liability; Intentional Misrepresentation, Unintentional Misrepresentation, Intentional Concealment, Unintentional Concealment and Negligence.
* Explain the importance of proper disclosure to the consumer and list the various remedies for misrepresentation.
* Outline the types of complaints received at the Nebraska Real Estate Commission.
* Explain what professional dress is for a real estate professional.
* Employ a method of effective communication that is appreciated by the public and licensed peers throughout the real estate transaction.
* Improve professionalism as it relates to interpersonal interactions, dress and general etiquette during a real estate transaction.
* Length of Presentation: 6 Hours - 360 Minutes including two 15-Minute Breaks

**Developing Professional Conduct and Ethical Practices**

**5 Minutes Welcome and Housekeeping Details**

* Welcome participants
* Cell phones and pagers off.
* Breaks – when, where and how they will be called back, Bathroom location
* Introduction of education guidelines and other topics (if desired)
* Program objectives review

**5 Minutes Rational Choices and Applied Ethics - Defined**

* Ethics
* Values
* First Principles

**10 Minutes Town Hall – Reality Check**

* “What has been your experience in facing ethical conflicts?”
* “How do you feel a real estate professional is perceived by the public? If it isn’t positive, how would you change that?”

**15 Minutes Wake Up Call**

* Gallup Poll on Integrity and Honesty – 2019
* Elements from “The Danger Report”, Stephan Swanepoel, 2015
* Not in Unison with Fast Paced World
* Too Many Uninformed Decisions Are Taken
* Lowest Common Denominator Impediment
* Reluctance of Leaders to Step Up
* Changing of the Old Guard
* Off-MLS Listings Escalate

**5 Minutes Town Hall - Why Study Ethics and Professionalism?**

* Discussion on how the public and Licensees value integrity and honesty in the workplace.

**10 Minutes What Managing Brokers Have Seen in the Marketplace**

* Antitrust and Fair housing violations
* Negative comments about others
* Procuring cause and commission disputes
* Presenting multiple offers creating drama
* Undisclosed Dual Variable commission rate
* Shopping of offers improperly
* Lack of proper agency disclosure
* Revealing confidential information without client permission
* Town Hall – What have you witnesses in your marketplace that may not seem “right”?

**15 Minutes Break**

**10 Minutes Agency**

* Agent / Customer / Client Defined
* Seller / Buyer / Dual Agency Defined
* Disclosure – Verbal (Oral) and Written

**20 Minutes Agency Duties and Responsibilities**

* Disclosure
* Obedience
* Loyalty
* Accounting
* Reasonable Care
* Confidentiality

**20 Minutes Agency Ethics and Professionalism**

* Be the Client Advocate – Act in the Client’s Best Interests
* Maintain Confidentiality
* Honesty
* Be a Trusted Advisor – Especially on Pricing and Terms
* Positive Attitude
* Defer Liability
* Be a Resource
* Remember Representation
* Transparency
* Educate - Point Out Options and Explain Processes

**15 Minutes Break**

**10 Minutes Agency Blitz**

* Town Hall Q & A
	+ When asked, should I tell clients what I really think about other Agents, especially if it is negative?
	+ In relation to confidentiality, are your abilities to represent a new Buyer client limited with regard to former listings? Are you a Dual Agent when showing those past listings to new Buyer clients?
	+ Doing a listing appointment, you learn the Seller needs to sell quickly and may be flexible on pricing. You don’t get the listing. Later you represent a Buyer looking at the property. Are you obligated to keep the Seller’s information confidential?
	+ If you are a Dual Agent, what advice on the transaction can to give to the Sellers and/or Buyers?

**10 Minutes Rational Choices and Ethics – Applications & Scenarios**

* Ethical Dilemma
* Group Work - 4 Scenarios explored
* Town Hall - Ethical Conflicts

**10 Minutes Overview of the Aspen Declaration**

* Trustworthiness
* Respect
* Responsibility
* Fairness and Justice
* Caring
* Civic Virtue and Citizenship

**10 Minutes Town Hall**

**“**What attributes are most appreciated as it relates to ethical behavior and professionalism?”

**10 Minutes Ethical Conduct in Real Estate**

* + - Overview of expectations and Nebraska Administrative Rules and Guidelines

**Break [Short or Lunch]**

**30 Minutes Ethical and Professional Scenario**

* + - 6 ethical real estate dilemmas as provided by Association Executives

**20 Minutes Ethical Analysis**

* + - Ethical dilemma behavior overview
		- Situational Model of Ethical Analysis and Decision Making
		- Rotarian decision-making model
		- Kew Garden decision making model
		- What Would You Do? Scenario – which model will you use?

**15 Minutes Break**

**20 Minutes Fair Housing Issues**

* Broad Overview Of Fair Housing Terms And Laws
* Disability Discrimination and Familial Status
* Testers; Disparate treatment, Disparate Impact
* Steering and Blockbusting
* Advertising
* Penalties and Enforcement

**20 Minutes Liability Issues Defined**

* Intentional Misrepresentation
* Intentional Concealment
* Negligent Misrepresentation
* Negligent Non-disclosure
* Negligence
* Breach of Fiduciary Duties
* Group Work – You Be the Judge

**10 Minutes Eight Guidelines for Avoiding Misrepresentation**

* Lessen Risk in the Area of Vicarious Liability

**15 Minutes Break**

**10 Minutes Nebraska Real Estate Commission - Claims Overview**

* Overview of claims in last five years.

**35 Minutes Professionalism in Real Estate**

* Town Hall Discussion
	+ “What issues do you see in how real estate Licensees dress?”
* Professional Dress
	+ Feedback from Association Executives and Education Directors
* Communication
	+ Town Hall Discussion – “If you were the Seller, what type of communication would you expect?”
	+ Town Hall Discussion – “If you were the Buyer, what type of communication would you expect?”
	+ High Tech vs. High Touch – technology getting in the way of establishing relationships?
		- Technology resource list – discussion on how to incorporate to increase connection and communication with peers and public.
* Activities to increase perception of professionalism – Segments from Pathways to Professionalism
	+ Prompt responses in the way others wish to be communicated with
	+ Advise others if off schedule or need to cancel appointments
	+ Announce yourself loudly when entering a property
	+ Never talk negatively about a property while owners are present
	+ Don’t use slang or jargon that others might not understand
	+ Keep your promises
	+ Meet all deadlines
	+ Provide information that is factual, not what you “think”
	+ Never leave a Buyer unaccompanied in a property
	+ Leave property as you found it, but if something feels wrong let the other Agent know immediately
	+ Do not use a Seller’s home as if it was your own – no smoking, eating, using bathrooms, etc.
	+ Notify other Licensees if MLS information is inaccurate
	+ Do not prospect at other Licensee’s open houses

**5 Minutes** **Wrap Up**