

# In Step With The Times





*Participants at the KEO Seminar 2011.*



# In Step With The **Times**

In the dynamic real estate sector, it is important for estate agents and salespersons to stay relevant in terms of knowledge and skills so as to deliver high standards of ethical conduct and professional service.

Under the new regulatory framework, CEA aims to raise professionalism and upgrade the capabilities of the industry through continuing training and industry development efforts.



*CEA Executive Director, Chionh Chye Khye speaking at the KEO Seminar 2011.*



Participants at the SAEA and SISV's International Real Estate Congress. (Photo: SAEA)

### Setting the Standard

An important first step in this direction has been the introduction of minimum educational requirements and qualifying examinations for practitioners in the industry.

Under the new Estate Agents (Licensing and Registration) Regulations 2010, the educational baseline for registration of salespersons was established at four GCE "O" Level passes or equivalent. In addition, all salespersons are required to pass the Real Estate Salesperson (RES) examination or the Real Estate Agency (REA) examination before they can be registered to carry out real estate agency work.

This minimum educational qualification is to ensure that newcomers to the profession are able to gain knowledge of the laws, regulations, procedures and processes that are necessary for the conduct of real estate agency work. At the same time, the qualifying RES and REA examinations serve as a mark of assurance that new entrants to the profession, as well as potential KEOs, practising directors and partners of real estate agents have a competent understanding of the policies of the industry and related matters.



Continuing training is integral to the industry's development. (Photo: Life Mastery Academy)

During the transitional phase, CEA allowed a category of existing salespersons to continue working as salespersons on a provisional basis. These salespersons had not passed an industry examination but had completed at least three property transactions over the last two years prior to the formation of CEA. They were required to pass the RES Examination by 31 December 2011, failing which their registration would lapse on 31 December 2011.

Likewise, KEOs, practising directors and partners who did not have any industry qualification equivalent to the REA examination were required to pass the REA examination by 31 December 2011. The deadline to pass the RES/REA examination was subsequently extended to 30 June 2012.

The maintenance of high examination standards is one of the foundations of an effective regulatory regime. As such, qualifying examinations are only administered by the CEA's Appointed Examination Administrators (AEAs).

Similarly, RES and REA courses can only be provided by institutions and organisations recognised under the CEA's Approved Course Provider (ACP) Scheme. These courses serve



*CEA engages overseas industry organisations such as Australia's REINT and REISA (left) and the US's NAR (right).*

to prepare aspiring salespersons and KEOs for the RES and REA examinations. CEA pays close attention to the quality of training offered by the ACPs and regularly monitors the course feedback and performance of the participants.

The first RES and REA courses commenced in November 2010 and March 2011 respectively. As at 31 March 2012, CEA has administered 12 RES and six REA examinations. A total of 8,754 participants have completed the RES course while 168 participants have completed the REA course.

### **Pathway for Continued Progress**

In the real estate agency industry, as it is in most other industries, consumer confidence is linked to the competence of the service provider. In turn, competence in all aspects of service – from salesmanship to contracts, regulations and more – is inextricably connected to ongoing professional development.

Continuing Professional Development (CPD) is one of the key components of the CEA's regulatory framework to achieve higher professional standards of the real estate agency industry. CEA implemented the mandatory CPD Scheme on 1 April 2011.

Under the Scheme, KEOs and salespersons are required to undertake mandatory CPD training of six credit hours a year for licence and registration renewal. Of the six CPD credit hours a year, a minimum of three credit hours must be on core CPD subjects. Examples of core CPD subjects include government regulations, policies and procedures related to real estate, and CEA regulations and practice guidelines. Non-core CPD subjects, which are also important, are targeted at raising the skills and professionalism of the industry.

The CPD Scheme leverages the experience and expertise of industry partners, government agencies, tertiary institutions and training providers.



*Participants at a CPD course conducted by the IEA. (Photo: MND)*



*Guest-of-Honour, Lee Yi Shyan (middle), then Minister of State for Trade & Industry and National Development, networking with KEOs at the KEO Seminar 2011.*

As at 31 March 2012, CEA has approved a total of 177 core CPD training programmes. Of the core courses approved, 97 were conducted by estate agents, 39 by industry associations, and 34 by ACPs. The remaining seven core courses were conducted by various tertiary education institutions, government agencies and other providers.

Since April 2011, CEA has been working with government agencies such as the Housing & Development Board (HDB) and the Urban Redevelopment Authority (URA), local tertiary institutions such as National University of Singapore and Ngee Ann Polytechnic, industry associations and service providers to conduct CPD courses related to their areas of speciality.

For example, CPD courses such as “Resale Procedures & Documentation” and “HDB Housing Policies” for salespersons conducted by HDB were very well received.

Industry associations such as the Institute of Estate Agents (IEA), Singapore Accredited Estate Agencies

(SAEA) and Singapore Institute of Surveyors and Valuers (SISV) play an important role and conduct CPD courses related to residential, commercial and industrial property, covering both sales and lease transactions. They source for trainers and practitioners in various fields such as in specialised areas of estate agency work, law, finance, management and put together programmes which are cleared with CEA as CPD courses for the industry.

CEA also works with the Singapore Institute of Retail Studies (SIRS) to offer Workforce Skills Qualification (WSQ) service excellence training programmes contextualised for the real estate agency industry. SIRS is a national Continuing Education & Training (CET) centre that provides WSQ service excellence training. Since October 2011, several runs of the CPD WSQ course titled “WSQ: Offer Customised and Personalised Services” were conducted for salespersons from various estate agents. The course received good feedback. In line with plans to provide a progression pathway, CEA worked with SIRS on the next level “supervisory level” training,





*KEO Seminar 2011 panel discussion, moderated by CEA Deputy Executive Director, Soh Kee Hean (fourth from left).*

named “WSQ: Lead a Service Team with CEA Code of Ethics for Real Estate Professionals”. CEA will continue to work with SIRS to roll out relevant programmes, as service excellence gains ground as a hallmark of professionalism in the real estate agency industry.

### **Dialogues, Collaborations and Exchanges**

Continuous learning and improvement in the industry is also achieved through professional interactions, collaborations and exchanges.

Between October 2010 and March 2012, CEA held some 20 KEO briefings, which served as platforms for dialogues and sharing of best practices with the industry.

To mark its first anniversary, CEA organised a KEO Seminar on 18 October 2011 as a platform for industry engagement and networking with stakeholders. The event was graced by Guest-of-

Honour, Lee Yi Shyan, then Minister of State for Trade & Industry and National Development.

Themed “Professionalism and Service”, the seminar covered strategic directions for the real estate agency industry, and best practices to raise professional standards and deliver service excellence in the industry. The speakers included representatives from government agencies and the real estate agency industry. The event attracted over 460 KEOs, guests and journalists.

CEA regularly involved partner agencies, industry associations and estate agents in Working Groups to work on various industry matters such as practice guidelines. This approach ensures that market realities and industry views are considered when changes are made. One such group worked on the first Practice Guidelines on Ethical Advertising and another group was formed to work on the Professional Service Manual.



*Guest-of-Honour, Lee Yi Shyan (left) visiting the information booth of the IEA at the KEO Seminar 2011.*

Achieving business excellence is also important to the industry. To this end, CEA seeks ways to promote higher productivity within the industry.

The Council held a Focus Group Discussion in September 2011 with a number of small and medium-sized estate agents on the adoption of infocomm as an enabler to enhance their operations and productivity. This initiative was supported by the Infocomm Development Authority of Singapore (IDA) and its business partners, as well as IEA, SISV and SAEA.

An industry workgroup comprising CEA, IDA and the industry associations was formed to identify suitable infocomm solutions for implementation. Successful solutions and adopters will receive funding under IDA's Increase SME Productivity with Infocomm Adoption & Transformation (iSPRINT) Scheme. The solutions are expected to be implemented from end 2012/early 2013. Through this collaborative effort, it is hoped that economies of scale can be achieved, thereby reducing the cost for estate agents to implement recommended solutions.



*A focus group discussion involving CEA, IDA and representatives from estate agents.*

Key partner agencies are engaged closely by CEA. Two such agencies are the HDB and URA as there are many areas of mutual interest since estate agents operate in the HDB resale market and private property market. Regular meetings are held to discuss policy and operational matters that concerned both agencies. Where necessary, combined Circulars are sent out to estate agents to guide them on practice areas that are regulated by both CEA and the partner agencies.

Since its formation, the Council has also been engaging overseas industry organisations to exchange views and experiences on the real estate profession and practices.

CEA hosted several visits by overseas industry bodies, including the Hong Kong Consumer Council and the Royal Institution of Chartered Surveyors, UK in April 2011, and the Real Estate Institute of the Northern Territory, Australia and Real Estate Institute of South Australia in March 2012. CEA also hosted a visit by the US National Association of Realtors, facilitated by the IEA in November 2010.