

DRIVING GREATER PROFESSIONALISM

Knowledge, ethics and service excellence are critical factors in delivering higher standards of professionalism in the real estate agency industry. CEA is committed to developing the competencies and capabilities of estate agents and salespersons through continuing training and industry development programmes.





CEA Executive Director, Chionh Chye Khye at a PSM discussion with KEOs.

In line with the new regulatory framework and to meet the demands of the dynamic real estate agency industry, CEA is focused on facilitating a wide range of training programmes to promote relevant knowledge, and groom skills and capabilities. Becoming proficient at what they do means estate agents and salespersons will not only need a good grasp of specialised industry practices, they must also be equipped to deliver high standards of professional service. To gain a competitive business edge, they need to have a clear understanding of consumer needs and how best to serve them at every stage of the real estate transaction process.

MAINTAINING HIGH QUALIFICATION STANDARDS

In FY2012, CEA received continued support across the industry for implementing minimum educational requirements and qualifying

examinations. This is important to ensure that practitioners in the industry have a competent understanding of industry regulations, policies and procedures.

CEA received a total of 2,000 applications for qualification assessment. Of these, 1,775 (89%) applications were recognised as having met the minimum qualification of four GCE "O" level passes.

In the same period, 7,919 persons completed the Real Estate Salesperson (RES) course, while 80 persons completed the Real Estate Agency (REA) course. A total of 11 RES examinations and five REA examinations were held in FY2012. All aspiring salespersons are required to pass the RES examination before they can register with CEA. All Key Executive Officers (KEOs) or practising directors/partners need to pass the REA examination before they can be appointed.

In order to prepare potential KEOs, practising directors/partners and salespersons for the REA and RES examinations, courses are run by approved course providers under CEA Approved Course Provider (ACP) Scheme. CEA monitors closely the performance of ACPs through participants' feedback and the examination passing rates.

To ensure the quality of training, CEA conducted an audit of the ACPs between May and November 2012. The audit included site visits and lesson observations of the ACPs. Based on its findings, CEA revised the terms and conditions for ACPs and introduced new criteria for compliance in the areas of curriculum development and control, trainer requirements, post-course follow-up, facilities and advertising. Further audits of the ACPs will be done on an ongoing basis.

An open tender was put up to outsource the conduct and administration of the RES and REA examinations for a three-year period, from January 2013 to December 2015. The tender exercise ensures transparency and fair competition, as well as derives the best value from the contract through open competition. The tender was awarded to NTUC LearningHub Pte Ltd in December 2012.

In December 2012, as part of its regular review of the relevance and standards of the industry examinations, CEA announced a revision to the RES examination format. With effect from the May 2013 examination, a new case study section will be added in the RES examination to test applied knowledge in case interpretation and analysis. The case studies will be based on typical real life scenarios which real estate salespersons are likely to encounter when carrying out estate agency work in property transactions.

From 2013 onwards, the frequency of RES examinations was changed from once a month to once in two months.

ADVANCING PROFESSIONAL GROWTH

As continued professional growth of industry practitioners is one of the key enablers in the framework to raise industry standards, various initiatives were implemented to promote professional advancement.

In FY2012, CEA worked closely with the industry to develop new customised contents and courses for its mandatory Continuing Professional Development (CPD) Scheme. Implemented since 1 April 2011, the CPD Scheme requires KEOs and salespersons to complete at least six credit hours of CPD training a year to qualify for licence and registration renewal.

To ensure a variety of relevant CPD courses to meet the industry's training needs, CEA works with industry partners, including industry associations, government agencies, tertiary institutions, professional bodies and the CEA approved course training providers to come up with new training courses. CEA also taps the partner organisations' core areas of expertise to meet the industry's training requirements.

During the year, CEA approved a total of 133 core CPD training programmes. These courses covered a wide range of topics from CEA regulations and practice guidelines to policies and procedures related to real estate.



A new CPD activity. (Photo: The Law Society of Singapore)



Members of the CEA Examination & Professional Development Committee.

New courses were also introduced to cover topics of interest and relevance to the industry. The Consumers Association of Singapore (CASE) ran a series of four courses – “Professional Advertising in the Real Estate Business”, “Data Privacy Practice in Real Estate Business”, “Alternative Dispute Resolution for Real Estate Disputes” and “Professional Business Practice in Real Estate Business”. The speakers included academics from local universities as well as industry professionals from CASE and the Advertising Standards Authority of Singapore.

In recognition of the importance of legal knowledge required of salespersons in the course of carrying out estate agency work, CEA worked with the Law Society of Singapore to hold a three-module seminar on “Sharpening Your Real Estate Skills – Acquiring Conveyancing Knowledge”.



RES examination conducted by NTUC LearningHub.

The Singapore Institute of Retail Studies, a national Continuing Education & Training Centre, conducted a “WSQ Lead a Service Team with CEA Code of Ethics” course, targeted at supervisors who lead teams of salespersons. Others included “Commercial Properties Leasing & Transaction Course” by the Ngee Ann Polytechnic and “The Requirements on Outdoor Advertisement” by the Building & Construction Authority.

CEA gave materials to the industry associations to help them run relevant CPD courses for the industry. For example, the Institute of Estate Agents (IEA) was given disciplinary case studies to develop a course on “Handling Complaints/ Disputes & Disciplinary Case Studies”. The SAEA Ltd conducted a workshop for KEOs, practising directors/partners on “Standard Operating Procedures - Complaints & Dispute Resolution - Training & Supervision”. The Singapore Institute of Surveyors and Valuers (SISV) incorporated the CEA Dispute Resolution Framework into its “SISV Construction & Real Estate Mediation Course”.

There were other CPD courses conducted by various estate agents and industry associations on topics relating to the property cooling measures, property tax issues, seller’s stamp duty, additional buyer’s stamp duty and GST.

To further enhance the quality of CPD courses, CEA implemented new requirements from 1 January 2013. All activity providers were required to use the revised core CPD Activity Application Form to submit core CPD courses for approval by CEA. They must comply with requirements such as ensuring the course content and coverage is comprehensive and prepared with the target audience in mind, and that all courses must indicate the relevant level of training in the course publicity. They must ensure the CPD trainers are well qualified to deliver the core CPD activity, and satisfy criteria including sufficient years of practical experience or relevant experience and academic qualifications for the selected topics. All activity providers must ensure proper and stringent

controls on attendance taking, record keeping and use CEA’s standardised post-course evaluation form to obtain course feedback.

To increase the number of core CPD courses for the industry, CEA has allowed the large estate agents with more than 400 salespersons to open their core CPD courses to salespersons from other estate agents.

During the year, staff audited CPD activities to assess the quality of the programmes and to ensure compliance with CEA’s guidelines. The CPD activity providers audited include industry associations, ACPs and estate agents. They were given comments on how to improve on their delivery of CPD programmes.

To support CEA’s efforts to raise professional standards, the Singapore Industrial & Services Employees’ Union (SISEU) launched the SISEU Real Estate Professionals’ Chapter on 4 March 2013. The SISEU Chapter aims to reach out to the real estate professionals through skills training and industry development activities. To mark its launch, the SISEU Chapter announced a pilot funding of \$20,000 from NTUC’s Employment and Employability Institute (e2i) to provide salespersons who are Singaporeans and Permanent Residents with fee subsidies for some CPD courses run by the industry association SAEA Ltd.

COLLABORATING FOR PROFESSIONALISM & BUSINESS EXCELLENCE

CEA engages the industry regularly through exchanges and collaborations on various fronts to build capabilities and achieve operational excellence in the industry.

Bi-monthly dialogue sessions were held with KEOs from the large and medium-sized estate agents to gather feedback from the industry and share best practices, disciplinary cases, case studies on advertisement infringements and complaints statistics. They were also updated on the CEA’s initiatives such as regulations review, upcoming guidelines and practice circulars, industry development programmes and consumer outreach activities.

CEA also met up with the Housing & Development Board (HDB) and Urban Redevelopment Authority (URA) on a bi-monthly basis to cross-share information and discuss policy and operational matters relevant to the agencies. Such close collaborations have facilitated and enabled HDB to send relevant HDB circulars or information directly to KEOs for compliance or reference by estate agents and salespersons. From time to time, joint circulars with HDB or URA on latest policy/



Acting Minister for Manpower Tan Chuan-Jin announced CEA’s review of regulations at APRECE 2013. (Photo: IEA)



RES course. (Photo: IEA)

procedural updates have been sent out to estate agents to guide them on practice areas that are regulated by both CEA and the partner agencies.

CEA organised collaborative work groups to tap industry participation and the expertise of relevant government agencies, industry associations and estate agents. This open approach helps garner the views and suggestions from a broad cross-section of the industry, which is beneficial when initiating new programmes or dealing with complex industry issues and policies.

The success of industry-wide partnership was clearly demonstrated in the progress made in developing the Professional Service Manual (PSM) in FY2012. The PSM sets out the dos and don'ts to guide salespersons in their work and the professional practices expected of them. This is the first time that the real estate agency industry will have a detailed set of guidelines on service standards and ethical behaviours. This collaborative effort involved various industry stakeholders and government agencies including the URA and HDB.

The PSM Working Group kick-started the project in November 2011 and has since completed several rounds of industry-wide consultations. These consultations were integral to the drafting of the PSM in view of the impact of the

new regulatory requirements on the industry practices. As at 31 March 2013, the manual was in the final stage of completion. The PSM implementation date is targeted for 1 January 2014 to allow time for the industry to understand its contents fully as well as to conduct training for salespersons.

A review of the existing Estate Agents Regulations was also underway. In June 2012, CEA formed a Regulations Review Working Group, comprising representatives from the estate agents, industry associations, CASE, HDB and URA. This major initiative was announced by the Acting Minister for Manpower and Senior Minister of State for National Development, Tan Chuan-Jin at the Asia Pacific Real Estate Convention and Expo 2013 on 20 March 2013.

The issues reviewed include provisions relating to dual representation, avoidance of association with moneylending and conflict of interest. Other areas under review include provisions relating to marketing, co-broking arrangements and usage of CEA's prescribed estate agency agreement.

The Code of Ethics & Professional Client Care will also be fine-tuned, while the Code of Practice will be enhanced to help estate agents better manage their recruitment efforts, salespersons' training and estate agency work. In addition, the Working Group will refine the licensing and registration requirements, and look into ways to promote wider use of the resolution mechanism for disputes between estate agents and consumers. Changes arising from the review are expected to be implemented in FY2014.

Another joint initiative spearheaded by CEA was the call for industry adoption of IT and Software-as-a-Service (SaaS). CEA set up a Working Group to review IT solutions for real estate businesses. This followed closely to the Infocomm Development Authority of Singapore's (IDA) SaaS Call-For-Collaboration (CFC) public exercise launched in 2012. The CFC hopes to encourage small and medium enterprises to adopt SaaS IT solutions for business benefits,



CEA's Director (Regulatory Control), Chan Mun Kit (extreme left) and Chairman of SAEA Ltd, Tay Kah Poh (second from right) with Secretary-General of NTUC, Lim Swee Say (centre) and industry partners at the launch of SISEU. (Photo: NTUC)

from enhanced productivity to better customer engagement.

Three vendors have been appointed to develop and roll out Real Estate Agency Management SaaS applications to the industry from 1 March 2013. The Real Estate Agency Management SaaS modules will support integrated "back-end" agency operations and "front-end" salespersons operations. They will also be scalable to suit the diverse needs of different estate agents and salespersons.

CEA is exploring the use of the internet to promote e-learning for the industry. In collaboration with the Singapore Polytechnic, CEA started work in December 2012 on a pilot project



CPD activity. (Photo: Real Estate School)

to develop a learning web application covering contents in the Practice Guidelines on Ethical Advertising. The application is in the form of a scenario-based comic strip. To achieve the learning objectives, the contents are organised into chapters, each depicting the estate agency work carried out, learning points and quiz questions at the end of each comic strip. It is intended to educate salespersons and to serve as public education to the consumers who may also find this informative and useful when they engage salespersons for their property transactions.

LOOKING AHEAD

In the year ahead, the industry can expect enhancements to the RES and REA course syllabus to ensure delivery of clear learning outcomes and continued relevance in the fast changing industry.

A CPD training roadmap will also be introduced to provide a progressive pathway to encourage development of knowledge and skills for individuals and the industry.

Significant opportunities for growth and competency development lie ahead for estate agents and salespeople as CEA continues to lead the industry towards transformation for the future.