

COMMISSION COMMENT

What You Know About Customer Service ... and What You Really Need to Know!

(Editor's Note: This article was reprinted with permission. It originally appeared as a White Paper prepared by Mr. Larry D. Romito. It has been edited to be appropriate for a newsletter format, the original and several other articles by Mr. Romito can be seen on his website which is referenced at the end of this article.)

Service is all about attitude and caring and keeping your customers happy. Isn't it? It's doing whatever it takes! Actually that's not enough. Great service requires more than a good attitude and good intentions. Competence, accountability, reliability, consistency, meeting deadlines, communication and fixing things when they go wrong are even more important than attitude and intentions. Consumers are increasingly more interested in understanding what is supposed to happen ... in knowing what's going on and knowing what to expect. A happy, cooperative demean-

or and a good attitude just aren't enough for today's service professional!

The service process and the details surrounding the real estate transaction are mysterious, invisible and even secretive for the average consumer. The transaction moves, stalls or falls apart largely unobserved and beyond the control or influence of the principals. This lack of understanding on the part of the consumer in combination with an absence of well-defined responsibilities, creates low professional accountability. Being in the dark is not acceptable to today's consumer. The *need to know* is in many cases escalating to the *need to participate*. And these factors combined with the service "costs too much" translates into potential for high levels of consumer frustration and dissatisfaction.

In a world that has rapidly migrated from a manufacturing to a service based economy, "quality service" is the key to success and survival. And while most organizations, especially in real estate, talk about quality service, unfortunately quality service remains more talk than reality. Quality service has become a cliché ... an over-used, undefined, unmeasured and meaningless expression that is void of a process, accountability and consistency.

Traditionally, real estate has been a parochial business governed by local customs and practices where closely controlled information has placed the real estate practitioner as the gatekeeper of that information. The Internet and technology have changed reality regarding the aggregation,

delivery and access of housing related information. And while many real estate practitioners continue to fight to guard "the gate", consumers are finding an increasing number of "other gates" open to access the information they seek. If information is the heart of real estate service, we are in the midst of a heart attack ... and one that may not be possible to fend off. A trillion-dollar real estate industry is attracting all forms of competition – new and old – with capital, intelligence, technology and resources on a global scale. Consumers will pursue and the marketplace will find ways to deliver better service and greater service value. Who will do it and how it will be done defines the future of real estate services. *Service has become a serious business!*

The service delivery process surrounding the real estate transaction does not offer the consumer a consistent, reliable, predictable service outcome and provides low-level professional accountability. This is in marked contrast to other high fee professional services e.g. accounting, architecture, law and medicine. Real estate practitioners (800,000 of them) individually determine what, when, how and if something is to be done related to service. The real estate industry may be the last on earth where practitioners rather than consumers define and drive service. Individual practitioners may and do provide a very different service process from day to day and even from morning to afternoon. An external event affecting the emotions,

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Commission Meeting Schedule

July 16-17Lincoln
August 20Lincoln
September 24-25Lincoln

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COMMISSION COMMENT

Official Publication of the
Nebraska Real Estate Commission
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The Nebraska Real Estate Commission often solicits articles from outside experts or reprints articles with permission. While we feel that these articles may offer a broader perspective and will be of interest to the reader, it should be remembered that the views expressed are those of the author and not necessarily those of the Commission.

DIRECTOR'S DESK



2003 LEGISLATION

LB 60 will require all original applicants for licensure as a salesperson or broker to complete a fingerprint, criminal background check. The bill, also clarifies that there is an examination for salesperson applicants and an examination for broker applicants. The bill passed and will become effective on August 31, 2003.

LB 61 will amend the Retirement Communities and Subdivisions registration statutes which are administered by the Real Estate Commission. This legislation will provide more enforcement options to the Commission and consumers as well as providing for additional disclosures to consumers. It provides for the escrow of payments in certain situations and for Public Offering Statements given to consumers prior to purchase or lease, to include additional financial and occupancy rights information. The bill passed and will become effective on August 31, 2003.

Current information on both bills can be accessed through the Commission's website.

NEW CONSTRUCTION FOR SALE?

HOW'S YOUR SIGNAGE?

The Commission Office was asked recently what was wrong with a sign offering "new construction" for sale by a licensee. The sign only included the name of the builder, the licensee's phone number and a list of base prices for various home options. The sign indicated the base price included plans, "specs" and lots.

Our answer was simple it appeared to be a "blind ad" and upon investigation the "base price" did not include the lot.

What could the licensee do to correct the problems? 1) place a "rider" on the sign with the name under which the licensee's designated broker is doing business and, if desired, the licensee's name 2) cover-up or paint-over the word "lots" since they were not included in the "base price", or change price range figures to include lot price. In the alternative, if no changes were made to the sign, then the sign had to be removed or taken-down.

Do your signs offering new construction for sale have any or all of these problems? If so, make the necessary corrections immediately.

If you have questions, contact our office.

Les Tyrnell

**MEET THE REAL ESTATE
COMMISSION STAFF**

The Real Estate Commission Staff is here to serve the public and the licensee population. It is our goal to be helpful and forthright in a courteous and professional manner. We hope that when you contact our office, you always receive useful, accurate information and/or are referred to the proper authority.

Following is a communication resource to assist you when contacting our office. If the indicated person is unavailable to take your call, please share the purpose for the call and your call will be routed to someone else who can help you.

We take pride in having a skilled staff, if you have comments or suggestions as to how we may better serve you, please contact our office.

COMMUNICATIONS GUIDE

Ask for person indicated if you have questions in the following areas.

- Commission Meeting Information . . . Heidi Burkland
InfoTech@nrec.state.ne.us
- Complaint Procedures Terry Mayrose
DDEnf@nrec.state.ne.us
- Continuing Education History or
Inquiries Julie Schuur
EdEnf@nrec.state.ne.us
- Curriculum Design (Education &
Instructor Approval) Teresa Hoffman
DeputyD@nrec.state.ne.us
- Errors and Omissions Insurance
Inquiries Teresa Hoffman
DeputyD@nrec.state.ne.us
- License Applications Packet
Requests General Staff
- License Applications Process Melanie Patrick-Heather
Applic@nrec.state.ne.us
- Licensing and Education
Requirements Teresa Hoffman
DeputyD@nrec.state.ne.us
- New Licenses in Process. Melanie Patrick-Heather
Applic@nrec.state.ne.us
- Specialized Registrations Monica Wade
Finance@nrec.state.ne.us
- Transfer of License Monica Wade
LicTsf@nrec.state.ne.us
- Trust Account Matters Terry Mayrose
DDEnf@nrec.state.ne.us
John Clark
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Nebraska Requires Criminal Background Checks of Original Applicants

The Nebraska Legislature passed, and Governor Mike Johanns signed, legislation which will require all applicants for original licensure as a real estate salesperson or broker to undergo a criminal background check utilizing fingerprints. This includes both resident and nonresident applicants. Under Nebraska law, this legislation becomes effective 90 days after the Legislature adjourns for the year. Therefore, the effective date will be on August 31, 2003. The Commission will begin including general instructions and fingerprint cards in application packets in June.

All applicants whose applications for original licensure are received on or after August 31, 2003, will have to have the background check completed and the report received by the Commission prior to submitting his or her application. Each applicant will have

his or her fingerprint card submitted to the Nebraska State Patrol. The State Patrol will conduct a complete check on each applicant, including an FBI check, and submit the resulting report directly to the Commission Office. The cost for the background check and the report, which each applicant will pay directly to the Nebraska State Patrol, is \$33.00.

It is strongly recommended that applicants utilize a law enforcement agency to have their prints rolled onto the cards so that they are readable. It is also recommended that applicants take along a stamped envelope addressed to the:

**Nebraska State Patrol
Attn: CID, P.O. Box 94907
Lincoln, NE 68509-4907**

so that the law enforcement agency can send the fingerprints immediately and expedite the background check.

Disciplinary Actions Taken by the Real Estate Commission

(Does Not Include Cases on Appeal)

2002-016 – Commission vs. Steven Robert Evers, Broker. Stipulation & Consent Order. License censured; plus an additional three (3) hours of continuing education in the area of agency to be completed by May 28, 2003. [Violated Neb. Rev. Stat. § 76-2421, failing at the earliest practicable opportunity during or fol-

lowing the first substantial contact with the buyers who had not entered into a written agreement for brokerage services with a designated broker, to provide the buyers with a written copy of the current brokerage disclosure pamphlet which has been prepared and approved by the Commission.]
March 5, 2003



We've Got Mail!!

E-mail, that is. The Commission is focusing on technology. Our goal is to enhance our accessibility and service to the Public and to our Licensee Population. With that in mind, let us call your attention to the addition of e-mail addresses in the "Communications Guide" located on page 3. If you have any questions, please feel free to contact us by phone, mail, or e-mail, so that we may be of assistance.



Advertising on “The NET”

(Editor’s note: Due to recent inquiries regarding electronic advertising, the following article has been reprinted from the Spring 1999, Commission Comment.)

Over the last two years, articles have been published in the Commission Comment regarding advertising requirements. The articles were general in nature, but indicated Internet advertising was included. As more and more licensees are developing a web page, and/or promoting, soliciting, and marketing on the Internet, the Commission felt it was important to “zero in” on “the Net” specifically with regard to advertising.

In a nutshell, what is required of licensees on the Internet is the same as that required of licensees in any other medium. 299 NAC 2-003 states: “Advertising shall include all forms of identification, representation, promotion, and solicitation disseminated in any manner and by any means of communication to the public for any purpose related to licensed real estate activity.” With regard to the Internet, this would include web sites, e-mail, and any other potential “on-line” identification, representation, promotion, or solicitation to the public which is related to licensed real estate activity.

299 NAC 2-003 goes on to state: “All advertising shall be under the direct supervision of the broker and in the name the broker is conducting business, as recorded with the Commission.” With regard to the Internet, this means that the broker has supervisory responsibilities over what is placed on the Internet, and the name under which the broker is conducting business must appear on any web site which is established or Internet electronic communications used to communicate to the public for any purpose related to licensed real estate activity. This would include, but not be limited to, the home page, each

individual page and/or frame of a web site, e-mail, e-mail discussion groups, bulletin boards, etc.

[NOTE: If it has not been made clear in the previous advertising articles, it must be clarified here—a broker may require “advertising” (as defined earlier in this article) to carry additional information, e.g. office address, main telephone number, the company logo, etc. If so required, the affiliated licensee needs to comply with these broker requirements also.]

Therefore, it is highly recommended that brokers develop policies and procedures for the supervision

and approval of advertising on “The Net.”

Some potential problems on the Internet, which have been brought to our attention, are as follows. Use of the word “licensee” is intended to include the broker and the affiliated licensee, as applicable.

1. Expired listings continuing to appear on the Internet:

Licensees need to make sure that listings which have expired are removed post haste.

When the listing expires, the consent to offer the real estate for sale or lease also expires. Continued advertising of a property after expiration of consent is a violation of Neb. Rev. Stat. § 81-885.24 (12)

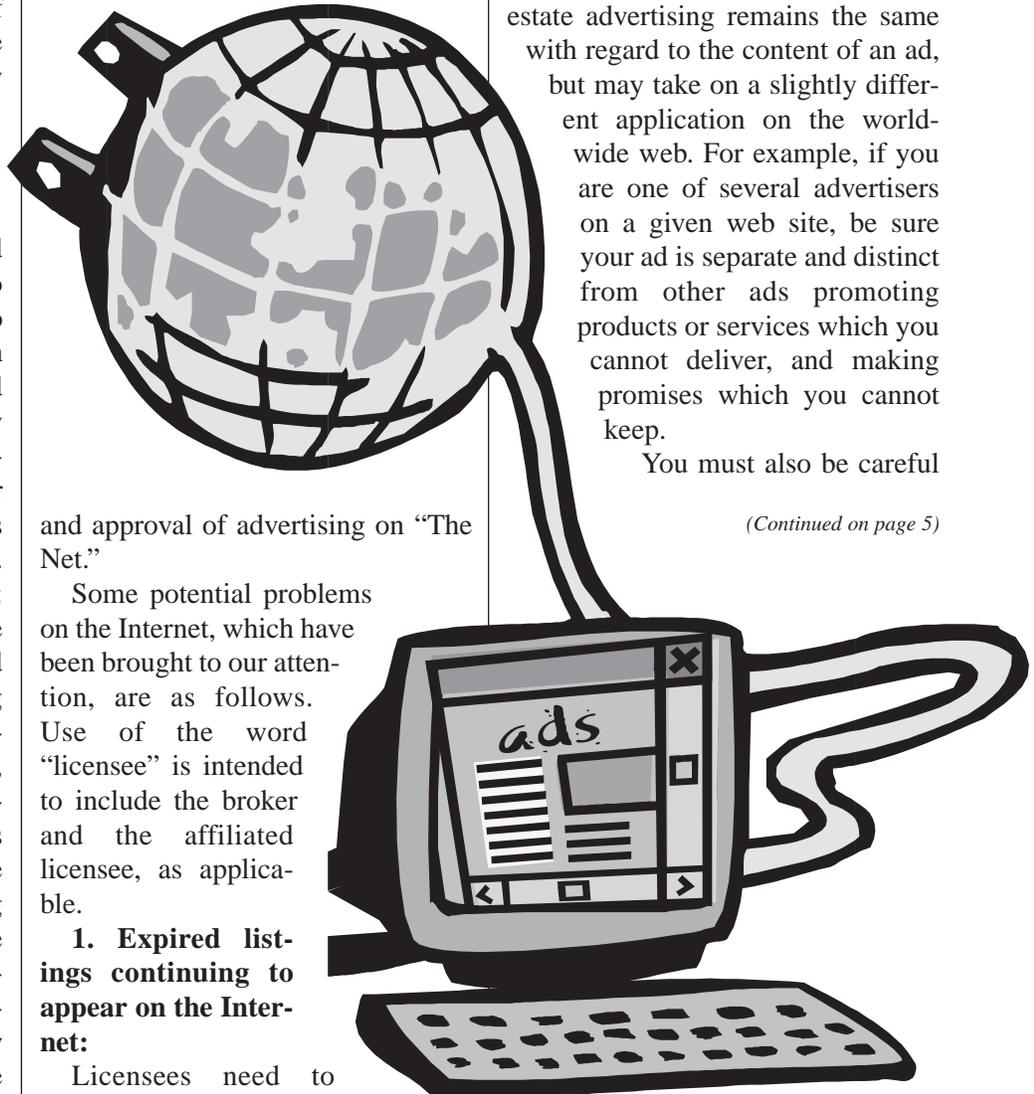
2. Sites with multiple advertisers and/or links to other sites:

(The following advice appeared in Kentucky Real Estate News, a publication of the Kentucky Real Estate Commission. It was written by Joseph B. Helm, Jr., previous Executive Director of the Kentucky Commission. This advice also applies to Nebraska Licensees.)

“The statutory standard for all real estate advertising remains the same with regard to the content of an ad, but may take on a slightly different application on the worldwide web. For example, if you are one of several advertisers on a given web site, be sure your ad is separate and distinct from other ads promoting products or services which you cannot deliver, and making promises which you cannot keep.

You must also be careful

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ADVERTISING (Cont'd)

when establishing links to other web sites from your own. For instance, if you are linking to an outside database of available properties, it should be clear to the consumer that these are not your listings. Also, if you link to other sites offering other services, [and] do not differentiate effectively and lead some consumers to believe that you are participating in some way, you may be assuming some liability for the performance of those services.”

3. Linking to other sites without permission:

Licensees should obtain permission from other sites to which you link or which you frame.

4. Carefully select sites to which you link:

When linking to, or allowing linking from, other sites, licensees should review the other site to assure that messages carried on the other site are compatible with the image the licensee wishes to portray or the views with which the licensee wishes to be associated.

5. Conducting licensed activity in another real estate regulatory jurisdiction where the licensee is not licensed:

Licensees should be very careful not to give the impression of being licensed in places where the licensee is not licensed. This may be solved by including the names(s) of the real estate regulatory jurisdictions in which the licensee is licensed.

The Association of Real Estate License Law Officials (ARELLO) has developed language which brokers could use as guidelines for advertising on the Internet. The guidelines are as follows, and have been edited to be applicable to Nebraska licensees.

1. When a real estate firm is advertising or marketing on a site on the Internet, include on each page of the site on which the firm's advertisement or information

appears the following data:

- a. the firm's name as registered with the Commission, (abbreviations not permitted);
- b. the city, state/province, and country in which the firm's main office is located;
- and
- c. the regulatory jurisdiction(s) in which the firm holds a real estate brokerage license.

2. When an affiliated licensee is advertising or marketing on a site on the Internet, include on each page of the site on which the licensee's advertisement or information appears the following data:

- a. the affiliated licensee's name;
- b. the name of the firm with which the licensee is affiliated as that firm name is registered with the Commission, (abbreviations are not permitted);
- c. the city, state/province, and country in which the affiliated licensee's office is located; and
- d. the regulatory jurisdiction(s) in which the affiliated licensee holds a real estate broker or salesperson license.

3. When a real estate firm is using any Internet electronic communication for advertising or marketing, including but not limited to e-mail, e-mail discussion groups, and bulletin boards, include on the first or last page of all communications the following data:

- a. the firm's name as registered with the Commission, (abbreviations are not permitted);
- b. the city, state/province, and country in which the firm's main office is located; and
- c. the regulatory jurisdiction(s) in which the firm holds a real estate brokerage license.

4. When an affiliated licensee is using any Internet electronic communication for advertising or marketing, including but not limited to e-mail, e-mail discussion groups, and bulletin boards, include on the first or last page of all communica-

tion the following data:

- a. the affiliated licensee's name;
- b. the name of the firm with which the licensee is affiliated as that firm name is registered with the Commission, (abbreviations are not permitted);
- c. the city, state/province, and country in which the affiliated licensee's office is located; and
- d. the regulatory jurisdiction(s) in which the affiliated licensee holds a real estate broker or salesperson license.

299 NAC 2-003 concludes with the following: “Advertising which is contrary to Sections 003 to 006 of these regulations shall constitute misleading or inaccurate advertising under Section 81-885.24(2) of the Nebraska Real Estate License Act.”

Brokers and affiliated licensees may want to review statutory and rule and regulation requirements regarding advertising in general, which include Sections 81-885.24(2), (11), (12), and (17) of the Nebraska Real Estate License Act, as well as Title 299 Chapter 2, Sections 003 through 006, Section 012, and Chapter 5, Section 003.04.

Should you have any questions, please feel free to contact our office.



Home Inspections

(Editor's Note: This article is reprinted, here, with permission of the Council of Better Business Bureaus. Although the article is written for consumers, real estate licensees will also benefit in knowing what to expect from Inspectors and how the Inspectors interact with buyers and sellers. The web site address for the Council is www.bbb.org and is recommended to anyone who has a question or interest in consumer protection and business practices.)

What is a Home Inspection

Buying a home can be one of the most important investments you'll ever make. A Home Inspection is one of the smartest ways to educate yourself about the physical condition of a property you want to buy.

An inspection is an objective visual examination of the structure and systems of a home, condominium, mobile home or commercial building.

The best time to seek a home inspector is immediately after you've made an offer on your new building. As a general rule, real estate contracts allow a grace period for building inspection. Make sure your professional agent includes an inspection clause in your contract offer for a home or building. Your willingness to complete a property purchase should be contingent upon the findings of a professional inspection.

What to Expect

A typical home inspection involves the visual examination of a property's structure and components.

Those components should include:

- General Structure
- Basement or Lower Level
- Central Cooling
- Central Heating
- Plumbing
- Bathroom and Laundry
- Electrical
- Common Safety Devices
- Fireplaces and wood stoves
- Kitchen and its appliances

- General Interior
- Attic
- Insulation
- Ventilation
- Roof
- Exterior
- Grounds
- Parking

During an inspection,



it is highly recommended that you be present. The majority of inspectors will allow you to tour the home with them and ask questions during or after the inspection. Most inspectors will also point out to you areas that are potential problems. This fact is important, because you will be able to see firsthand the extent of problems that are sometimes hard for an inspector to convey in a written report. Inspectors can show you how heating and cooling systems work. They can also provide maintenance tips on how to keep the home in good condition and working order.

The home inspection report is very important. An inspector may give verbal comments during the inspection, but he or she will also prepare a written report detailing any findings. The buyer should use this

report when negotiating with the broker [*should negotiate with the seller*]. The report is not the main negotiating tool in the sale; only an element of negotiation. It is important to understand and agree on the format of the report prior to the inspection.

Cost of a Typical Home Inspection

Inspection fees vary based on the area of the country and the type of home or building, the size of the home and the features of the home. Most inspectors will charge extra for services such as radon testing, termite inspections, and/or well and septic inspections. A typical inspection fee for a 2,000 square foot home will vary from \$190 to \$500. The cost of the inspection should not be the main consideration for hiring an inspector. A good inspection that

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Home Inspections (Cont'd)

informs you of all the potential problems in a home is the goal. Once you buy the home, it can be costly to repair problems that were omitted because of a poor inspection report.

Hiring a Home Inspector

Often, house hunters will hire professional home inspectors, residential architects, structural engineers, or building contractors to visually assess the condition of the structure and installed systems of a home or building property before closing a deal. Home inspectors are not regulated by any federal government agencies, and, in most states, do not require licensing. Structural engineers are required to have a license. It is up to the buyer to ask prospective inspectors questions about their experience and knowledge to make a wise choice on who to hire. The following are some general guidelines when looking for a home inspector:

- **Where to Look:** Get recommendations from family, friends, and/or associates who have hired a home inspector. Check the telephone directory Yellow Pages and/or the Internet under the heading "Home Inspection Services" for residential buildings and/or "Building Inspection Services" for commercial properties.
- **Background:** Ask prospective home inspectors questions about their professional training, relevant experience and/or length of time in business. Ask them if they are members of a professional association with a serious code of ethics. Membership in professional associations may offer added assurance of an inspector's qualifications and training. (A listing of such associations is provided on the back panel of this brochure.)
- **Warranties/Guarantees:** Although not a standard practice

for the industry, for an additional fee, some inspectors may offer a warranty on their service. Others might carry "errors and omissions" insurance coverage. Most inspectors, like any professional, carry general liability insurance. However, a home inspector is not required to guarantee any installed systems which have been inspected.

- **Inspection and Final Report:** Ask how long the inspection will take. Between two to five hours is the norm—a shorter amount of time may not permit a thorough inspection. Other questions should relate to the home inspector's final, written report. Ask how soon after the inspection you will get a copy of

the home inspection report and what its format will be. Make sure the home inspector releases the report only to you personally.

- **Code of Conduct:** Look for home inspectors who are committed to avoiding conflicts of interest, who refuse to be involved in any real estate transaction or to deliberately obtain work in another field that could benefit them financially as a result of their inspection work, and who hold the safety, health and welfare of the public paramount in the performance of their professional inspection duties.

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Outside Links

To learn more about home inspection, contact the following:

YOUR LOCAL BETTER BUSINESS BUREAU
Web site: www.bbb.org/bureaus

FEDERAL TRADE COMMISSION
at 877.FTC.HELP (877.382.4357),
Web site: www.ftc.gov

AMERICAN SOCIETY OF HOME INSPECTORS
at 800.743.2744
Web site: www.ashi.org

HOME INSPECTION INSTITUTE OF AMERICA, INC.
Web site: www.inspecthomes.org

NATIONAL ACADEMY OF BUILDING INSPECTION ENGINEERS
Web site: www.nabie.org

NATIONAL ASSOCIATION OF HOME INSPECTORS, INC.
at 800.448.3942
Web site: www.nahi.org

* If you find any of the web sites listed above to be inactive, please contact the respective organization. Also, be aware that the above phone numbers may be subject to change without notice.

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Customer Services (Cont'd)

psyche or physiology of the service provider may be a determining influence in what is done, how it is done or if something is done at all. Sadly, such a service delivery system could be described as *biorhythmic* i.e. the biorhythms of the service professional define the service. Consumers experience a service that is process-less ... and outcomes that are closer to random events than managed processes with predictable results.

Consumers increasingly recognize this absence of a standard of practice. They are becoming adept at accessing housing information in the 24 X 7 dimension (24 hours a day, 7 days a week). This awareness is improving judgment in the selection of service providers, which raises the level of competition and service accountability. Service providers who simply choose to ignore this shift are increasingly at business risk.

When asked about the perceived value of real estate brokerage services relative to the price paid, homebuyers and homesellers almost universally offer that the price is too high. Is that so bad? In the history of the American free market economy, serious or long-term dissatisfaction with what consumers have paid for the goods or services versus what they have received, has always been the precursor to change, destruction or invention.

With any product or service, value is the relationship between quality or the qualities of that product or service and the price. Consumers will always seek to maximize value and in an industry like ours where differentiation is unclear, that

pursuit is increasingly focusing on price.

Many of the service policies, practices and procedures that are common within the industry reflect the needs and interests of the real estate service provider – the salesperson or broker rather than those of the consumer. There are numerous examples. Let's look at one illustration:

The phone rings at a typical real estate office. A prospective customer is calling in to obtain additional information about a home that has been advertised in the media. Because the salesperson "who has the listing" is not available, no information is available to the consumer and the consumer's name, phone number and address are captured so that the "listing agent" can return the call as convenient. Convenient for whom ... certainly not the consumer. Whose interests and needs are primary in this rather common service practice? Only one person can be first in line... whose interests and needs are to be served first? Will it be those of the company, the service provider/salesperson or the consumer? It's a business decision and it has consequences. Any system or practice that places anyone "in line", ahead of the consumer is vulnerable ... vulnerable to every competitor or service that puts the customer first. As a consumer, where would you chose to do business?

Changes in consumer habits and expectations define and create great new opportunities for those organizations that are truly consumer driven. The consumer-driven organization approaches service from the outside in. It determines what consumers want and need and then organizes its internal business resources, systems, practices, policies, processes and people to serve the customer. In contrast, the real estate industry and many of the firms within it tend to view the world from the inside out. They offer

the outside world services and practices reflective of the needs of the organization and the members within. Newer, more nimble organizations with less vested in past practices and less invested in old systems have responded more effectively. And so the question: *Is the current pain and cost associated with change greater or less than the ultimate cost and pain of clinging to systems and practices of past success?*

Defining Professional Service.

While technology will have an enormous impact in the real estate industry, it is the underlying service process and the fundamentals of consumer-centered practices that will be the key to success and survival. Superior service and especially superior professional service has four key elements impacting quality and value: accountability, consistency, reliability and responsiveness. The physician, the lawyer, the accountant, the engineer, the entertainer, the commercial airline pilot, the service professional who offers the highest quality and most valued professional services do so through high levels of accountability, consistency, reliability and responsiveness. And the glue that holds all this together is *process*. Consistency and reliability of product or service are not the result of random acts or ongoing improvisation but rather from predetermined steps performed in a considered and disciplined manner i.e. surgical procedure, accounting practices, a musical score, takeoff/landings. Highly predictable results and outcomes can only be achieved through consistent input and processes. Most real estate professionals work hard. Hard work is not the issue. Under the mantle of being an "independent contractor" salespeople have enjoyed the freedom of improv service – making it up along the way. Service is not about independence and the service provider, it's about serving the consumer.

Philip Kotler, distinguished marketing professor at Northwestern University's Kellogg Graduate School of Management, in his book Marketing

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Customer Services (Cont'd)

Management Analysis, Planning, Implementation & Control identifies five key variables in the marketing mix for service: people, price, promotion, place (distribution) and process. Each of these variables except *process* has been and is being given a considerable amount of attention in the delivery of real estate service. And while technology offers the promise of eventual valuable impact, it is in the relationship between customer and service provider where the greater potential for service value lies. It is the human application of consumer-focused systems, principles and technology AND the human interaction with prospects, customers and clients that offers the highest potential for greater service value and greater customer satisfaction.

Implementing an Effective Quality Service Strategy. Service is serious business and requires the development and implementation of serious principles, practices, systems, solutions and resources. And all of it must be customer-centered and customer focused. A true commitment to *placing the needs and interests of the consumer first* – in all that is done, every time, is the essential foundation. Then take the following steps:

- Identify consumer needs – ongoing research
- Define a service process
- Establish service standards
- Implement systems for follow through
- Measure performance – customer feedback
- Learn, improve, and raise the bar
- Recognize, award, and reward

service performance

Each of these steps has critical elements and an interdependence with one another which means while each part must work, they must also all work together. Delivering truly superior service is both simple and complex. The more we understand about our customers and the more we focus on satisfying their needs first, the simpler service becomes. But great service just doesn't happen ... it is a considered and managed process.

Larry D. Romito is founder and CEO of Quality Service Certification, Inc. He holds an undergraduate degree from the University of Illinois (Urbana) and an MBA from the University of Chicago, Graduate School of Business. His thirty years of business experience in sales, marketing, service and general management include a remarkable progression of responsibilities and experiences with large and small organizations, as well as independent companies and national franchise organizations. He can be contacted at www.QualityCertified.org or Larry@QualityCertified.org.

Submit Continuing Education Now!!!

While each individual licensee remains responsible for submitting these documents and not duplicating subject matter, he/she may now submit the certificates as they are earned rather than waiting until he/she has completed the full 12-hour requirement and submitting all certificates together.

You Can Have Access to Your Continuing Education History

We strongly encourage you to submit your continuing education certificates as you earn them. You can then reference Licensee Information on the Real Estate Commission's web site (www.nrec.state.ne.us) or call the Commission and access your continuing education records as they are recorded with the Real Estate Commission.

Continuing education history information appearing on the web site is password-protected. Password-protected information is only available by entering unique and individual information, and cannot be accessed by anyone without this specific information. The orange pass-

word sheet which was attached to your pocket card or enclosed in your inactive status confirmation letter contained this individual information.

If you did not receive the orange password sheet or have misplaced it, please contact Monica in our office. Please do not have anyone else seek this information for you. We will only release it to the licensee in question. Please note: when entering your password information, if your orange sheet refers to an id# in the bottom left-hand corner, substitute this number where it asks for "user name" on the screen. Password sheets printed since the 2001 renewal have corrected this by referring to this number as the "user name".

Additional Continuing Education Reminders

Our new mailing labels, as appearing on this newsletter, can also help you keep track of how many continuing education hours you have submitted in your current continuing education period. The label indicates a numerical code on the right-hand side. The first number indicates the number of hours of continuing education you

have submitted. The number behind the slash mark indicates the total number of hours required. If this is followed with an asterisk (*) then you have not yet submitted the required 3 hours of designated subject matter (the R course). Therefore, the following notation would indicate that our records show you have completed your current continuing education requirement: 12/12.

Remember, you will need to submit your continuing education certificates to our office yourself (providers do NOT do this for you), and you will also need to be aware of your continuing education period. **The benefit to regularly submitting your certificates is that you will have up-to-date education history "at your fingertips" to assist you in avoiding duplication of subject matter, and reminders to help you avoid education deficiencies that threaten timely renewals.**

It is our hope that this flexibility in our recordkeeping will prove beneficial to you. If you have any questions, please feel free to contact Julie in our office.

Beware of Giving Early Possession

(Editor's Note: Because of a few recent inquiries regarding pre-occupancy/early possession practices, the following article is being updated and reprinted from a previous article published in "Commission Comment".)

Early possession should be avoided whenever possible since all too frequently such early possession causes trouble. The situation many times starts out with a request being made to the real estate licensee, who has sold a property, for permission to put a few things in the garage or basement of the house even though closing will not be taking place for several days or weeks. Actually permitting a buyer to move his family into a property before the possession date compounds the problems even more. When an early possession request is received, the licensee should realize that the buyer is requesting to alter the terms of the Purchase Agreement and should

view the request in the same manner he or she would if the buyer was requesting that the purchase price be reduced, or if the purchaser wanted to change any other provision of the Purchase Agreement. With this in mind, licensees should be very explicit in letting the buyer understand that he or she as a real estate licensee, has no authority to grant the request and that only the owner could agree to giving early possession. The licensee also should be aware of the possible serious consequences of granting pre-closing possession.

It is easy to rationalize that letting a buyer put a load of furniture in the garage or park a camper in the driveway is no big deal; however, it is contrary to the provision of the Purchase Agreement if the Agreement provides for possession at the time of closing. If a buyer finds that early possession is necessary, then an

amendment to the Purchase Agreement should be negotiated between the buyer and seller. Whatever agreement is worked out should be reduced to writing and incorporated into the original offer to purchase through an addendum to that offer. A licensee should never, under any circumstances, take it upon his or her own authority to grant a buyer possession.

When pre-occupancy is granted to an individual, removing that individual if the transaction does not close may result in further legal action. Thus, proper documentation is a must if pre-closing possession is granted to the buyer. The licensee should be aware that if something happens to delay or abort the real estate transaction, industry experience shows that the seller is usually at a disadvantage in seeking a resolution to the problem.

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