

Risk Management

Minimizing Broker Risk

&

Protecting the Public

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Minimizing Risk- CASE

Control
Anticipation
Shifting
Education

Control

Establish Written Policies

Policies and Procedures Manual

Independent Contractor Agreement

Real Estate Assistants

Agency

Antitrust

Fair Housing

Control

Train ALL Agents and Staff

- Train your agents and staff on how to identify and handle risk areas
- Establish reporting procedures in your company

Control Anticipation

Anticipate problems and take
measures to stop them
before they happen!

Risk Shifting Insure it !

Comprehensive Liability

Covers claims made by individuals who suffer bodily injuries or property damage

Errors & Omissions Insurance

Covers damages for professional services rendered on a day to day basis

Risk Shifting Insure it !

Directors & Officers Liability Insurance

Covers alleged wrongful acts of the company's executives in their duties to the company

Property Insurance

Covers losses due to physical damage to property

Also Consider

coverage for loss of revenue
temporary relocating of business

Risk Shifting Insure it !

Auto Insurance

Make sure your agents add the company on as an additional insured

Fidelity Insurance

Covers employer for money or property loss due to dishonest acts of employees

Risk Shifting Disclose it !

Agency

Controlled Business Arrangement

Property Disclosure Form

Lead Paint

Other Environmental Hazards

Education

Education and continual training for all of your agents and staff is vital.

Many insurance companies offer discounts or require risk management training in order to be insured.

Required Disclosures

Agency

Controlled Business
Arrangement

Property Condition Disclosure

Lead Paint Disclosure

Other Disclosures

Types of Misrepresentation Fraud

Active Fraud

Intentional Misrepresentation
Knowingly making false statements

Passive Fraud

Intentional Concealment
Intentionally failing to disclose a defect

Types of Misrepresentation

Negligence

Negligent Misrepresentation

Relying of statements from others that are false where the broker through reasonable care should have known that they were false.

Nondisclosure

Failure to take reasonable care in discovering defects and disclosing them

Types of Misrepresentation

Statutory Liability

State established laws that
protect the public from
unfair or deceptive practices

Complaint Procedures

Internal Procedures

Have a policy in place on how to handle complaints from consumers

Designate a person in the firm that will be the contact person for consumers who have a complaint

Complaint Procedures

Mediation

Is a process where all the parties voluntarily agree to meet to reach a mutually agreeable settlement.

Complaint Procedures

Arbitration

An informal hearing in front of a neutral third party who through testimony and documents discovers the facts and renders a final solution.

Binding

Non-Binding

Complaint Procedures

Litigation

Get a Lawyer !

Break Time !!

Resources for this section

Risk Management – Robert de Heer
Don't Risk it! – A Brokers guide to risk
management – National Association of
Realtors

Creating A Positive Office Environment

Bring Your Goals to Life

Company Planning

Planning your Direction

What direction do you want to take your company?

What areas do you specialize in?

Vacation

Land

Residential

Short Sales

Commercial

Niche Market

Leasing

Investment

Company Planning Planning your Goals

Be SMART!

Specific
Measurable
Attainable
Relevant
Timed

Company Planning Implementation

Who's steering the ship !?!

How would you roll out your
plans to your company?

Three Keys to Success

Communication

Excitement

Involvement

Associates and the Work Force

Sales Associates Role

Staff and Employee
Involvement

Synergy

Creating excitement creates synergy and projects in all things we do.

The perception of success or failure lies with how our agents and staff speak and conduct themselves with others.

Results !!!!

Success

Achievement

Profit

SUCCESSFUL VISION AND GOALS FLOW CHART

VENDORS

AFFILIATES

OTHERS

Perception

Conclusion

Synergy
passed on to

ACHIEVEMENT

SUCCESS

Vision/Perception/Results

PROFIT

ASSOCIATES
WORK FORCE
STAFF

^

Communication
Excitement
Involvement

^

COMPANY PLANNING
DIRECTION
GOALS

Vision

FAILURE

Easy Path to Failure

- Lack of Direction
- No goals
- No/Poor Communication
- No Excitement
- Lack of Involvement

FAILED VISION AND GOALS FLOW CHART

VENDORS

AFFILIATES

OTHERS



Conclusion
passed on to

Perception
Negative/Pre-Conceived Ideas

ACHIEVEMENT
SUCCESS
PROFIT

ASSOCIATES
WORK FORCE
STAFF
^

No/Poor Communication
Lack of Excitement
Lack of Involvement
^

Vision

Pre-Conceived Ideas
Perception/Results

COMPANY PLANNING
DIRECTION
GOALS

Conclusions
Results

FAILURE

Wow – Another Break !!

Creating a Positive Office Environment
Make Your Office Smile!

Setting the Stage

- Physical Office
- Cost considerations
- Layout
- Work areas
- Resources
- Decorating

Break Out Session!!

Discuss and lists ways to dress up
an office

Be Creative !!!

We will share our ideas with the
rest of the class after the breakout
session.

Recognition

- Agent Production
- Special Recognition
- Awards
- Agent Incentives
- Public Recognition
- Other Areas

Company/Office Events

Planning your event considerations

Cost

For Agents

For Public

When

How Often

Company/Office Events

What events could we hold for our team/office/company?

Thank you for your
participation and making
this a great class!!!