

Better Dispute Resolution

New ombudsman services at local associations can keep disagreements from escalating into more severe problems.

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REALTORS® distinguish themselves by their professionalism, which is rooted in our Code of Ethics. Over the past year, the Professional Standards Committee has been focused on raising the professional bar in our industry, enhancing the tools used by our state and local associations for resolving misunderstandings and disputes—those that occur between REALTORS® and those that happen between REALTORS® and their clients and customers.

Minor professional disagreements, such as who has responsibility for trash removal from a home before buyers move in, have sometimes escalated into bigger problems because an association lacked a system for dealing with such grievances.

The available options have long varied among REALTOR® associations, but the trend is clear: A wider array of tools can help increase professionalism by ensuring that disputes and disagreements are resolved quickly and fairly. Our long-held ethics enforcement, mediation, and arbitration procedures for handling monetary disputes and other ethics complaints have also undergone a thorough review.

It's an ongoing process, but we made great strides last year. For example, as of Jan. 1, 2016, all associations are required to offer ombudsman services to their members, clients, and customers either directly or through an agreement with other associations. The program offers an opportunity for informal resolution of an issue related to a communication breakdown. Already some associations are using the program to great effect, so broadening access to REALTORS® at all associations is a step that will help make dispute resolution more effective for everyone.

Here are some of the other changes the committee enacted in 2015:

- Mandatory processes to ensure timely payment of arbitration awards
- Streamlined grievance committee review of ethics complaints and arbitration requests
- Steps to prevent costly, unnecessary continuances
- Expedited administrative processing time frames for arbitration
- Enhancements to the National Association of REALTORS® Model Citation Policy and Ombudsman Policy
- Simplification of disclosure requirements in print and online advertising
- Enhancements to encourage informal dispute resolution and settlement
- Strengthened procedures to ensure penalties for noncompliance with discipline
- New effective dates of policies adopted by the NAR Board of Directors to ensure timely implementation of new initiatives

When you add these changes together, you see a coordinated effort to make our processes more helpful. We'll be looking at additional changes this year.

Commitment to Excellence

Finally, the committee has been working on the Commitment to Excellence initiative, which the NAR Board of Directors passed last year to increase professionalism all across the REALTOR® community. Our Commitment to Excellence Advisory Board, which is a standing subgroup of the Professional Standards Committee, is hard at work designing the Commitment to Excellence Program, which will use brand-new methods and cutting-edge research to help REALTORS® thrive while exemplifying the highest ideals of our profession. I encourage you to visit realtor.org to read about the Commitment to Excellence and learn more about the work we're doing.

As the Professional Standards Committee ushers in a new era of professionalism, we are focused on new programs, policies, and initiatives that address your feedback and promise fair yet streamlined enforcement of professional standards policies. We want to ensure the Code of Ethics remains timely and relevant in its second century, and give you the tools you need to distinguish yourself as a REALTOR®.

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