



## **Residential Agency Professional Group**

### **BUSINESS PLAN 2014 – 2015**

#### **1. VISION**

To make the Chartered Surveyor synonymous with high standards, and the Residential Agency professional group the publically-recognised “go-to” profession for expertise in the Irish housing market. To educate the public stakeholders and members of the Society of the professional skills of the Residential Agency professional group through enhanced and proactive use of communications. To ensure the continued relevance of the profession to all stakeholders, and to promote new membership into the Professional Group.

#### **2. MARKET**

This is a primarily public facing profession, especially during the process of buying and selling and letting residential property. In addition, given the wide range of professional services offered by the Professional Group, members also deal closely on a business-to-business basis with receivers, financial institutions and banks, NAMA, and fellow members of the Society through referrals. Members dealing with development land, would have a further range of contacts within the business community.

#### **3. WHERE ARE WE NOW?**

##### **3.1 GENERAL DESCRIPTION OF THE PROFESSION**

The profession of auctioneering and estate agency is the recognised advisor in the process of buying and selling, and letting houses. It is known for acquiring property, and advising the purchaser and vendor. The profession has a wide, yet mostly un-recognised range of services beyond the traditional scope of their work, which may include providing advice to the public who are in negative equity, have other financial difficulty etc. The profession is also involved in valuing, rental, management of property.

##### **3.2 SWOT ANALYSIS**

###### **Strengths**

The auctioneering and estate agency profession is already perceived amongst the general public as the go-to profession for (residential) property advice. It is one of the largest professional groups within the Society of Chartered Surveyors Ireland. Members are recognised as being more qualified and educated through membership of the Society of Chartered Surveyors Ireland. There is a good scale and wide breadth of expertise to be tapped into, by both the public and other professions.

## **Weakness**

The wide scale of professional services creates a lack of awareness about what the profession can offer the general public. There may be confusion about what the Chartered Surveyor title means in the context of residential property. External stakeholders and the public need to be educated about what a Chartered Surveyor does, in order to overcome confusion. The removal of word “auctioneer” from the title of the Professional Body may undermine the ability of the profession to describe their role properly. There is a general negative public opinion of estate agents/auctioneers.

## **Opportunities**

The rollout of the Red Book (Real Estate Agency and Brokerage Standards) will enhance professional standards of the chartered surveyor, and create a differentiation from other professions working the field. The merger of the SCS and IAVI gives an opportunity to promote the profession, and get message to the public that Chartered Surveyors are professionals, who provide high quality professional services in residential property. There is an opportunity to overcome the negative public opinion of Estate Agents. Work has been commenced in changing public opinion, but there is more to do, especially in re-building public opinion and confidence. Access by the Society to expertise/information on the housing market through members, gives the Society an opportunity to make informed appropriate commentary on the state of the market.

## **Threats**

The main threat to the Professional Group and to the profession is public opinion, and the perception of the profession. Members of other institutes which work in the same field are direct competition, and work of members may compete with members of other professions (eg. Accountants, solicitors). New business models (eg. Online agency) by-passing agencies can undermine the work of the Professional Group. External threats include government policy [Property Service Regulatory Authority (PSRA)], as well as the volume of unnecessary regulation and administration. On a macro-economic basis, finance and the banking sector pose challenges to customers.

### **3.3 MARKET POSITION**

Number one position in the market (by volume of sales rather than public recognition). This strong market position to be enhanced through branding.

Still declining market – and the Professional Group should not be afraid to say it.

### **3.4 COMPETITION**

[See Threats above]

## **3.5 PRODUCTS AND SERVICES**

### **3.5.1 Practice Standards and Guidance Notes**

The Professional Group will set up a Working Group which will produce an audit of what publications and outputs from the former IAVI remains useful, and should be continued. Information notes, produced by the Professional Group and communicated by the Society. A review of the relevant RICS Guidance Notes will also be undertaken.

### **3.5.2 Policy and Public Affairs**

Quarterly and annual residential property survey of members' activity; guidance notes and practice standards (especially for Red Book and agency and brokerage standards). Revised directory of members.

The Professional Group will explore the concept of a survey of prices/sale agreed historically (assess top of the market, ie 2006), depending on response rates, methodology etc.

The Professional Group will make submissions to Government departments, State agencies, and other stakeholders on all aspects of the residential property market.

An immediate priority is marketing of the profession to banks, financial institutions, Financial Regulator and others re: the Red Book valuations to be undertaken in conjunction with the Valuation Surveying Professional Group.

### **3.5.3 Education and Training**

The Professional Group will produce a calendar of CPD and Training events, with focus on people working in the residential sector. Routes to Charter will be promoted amongst Associate members.

### **3.5.4 Communications and Marketing**

Internal communications will be a key output of the Professional Group, harnessing the residential part of the Society's website. The weekly Newsletter from the Society is useful. New e-zines for Professional Groups in Construction, Land and Property, will be developed to maintain its usefulness for members. The Professional Group will produce articles and technical briefings for the Surveyors Journal.

## **3.6 CUSTOMERS/CLIENTS**

[See Market above]

## **4. PEST TRENDS**

### **Political**

- Increased regulation, legislation and bureaucracy
- PSRA
- County and Regional Development Plans

- Zoning and de-zoning of land
- Prime agricultural land
- Household charge
- Landlord and tenant legislation.

### **Economic**

- IMF (Although this is also political)
- Financial institutions and liquidity
- Interest rates
- NAMA.

### **Social**

- Demographics
- Negative equity
- Dampening of the market
- Two-tier market (urban rural split)
- Employment (also economic)
- Emigration (also economic)
- Confidence (renting versus buying)
- Rental culture
- Ghost estates

### **Technological**

- Online agencies
- Property database
- Use of iPhone apps etc.
- Incorporating/welcoming or resisting technology
- Google maps
- iSold.

## **5. WHAT THE MARKET WANTS FROM THE PROFESSION NOW AND INTO THE FUTURE**

### **5.1 The Client**

Accurate information; honesty; transparency; high standards; independent regulation; education; security that they're dealing with reputable society; good service; efficiency; value for money; mobility; flexibility; functioning market; debt forgiveness (which is a potential CPD topic). Release from negative equity; a functioning banking sector; professionalism, responsibility.

### **5.2 The Profession**

CPD and training and education. Regulation and support for Professional Group initiatives. Regulated market place. High standards

## **6. STRATEGIC DEVELOPMENT OPTIONS AND KEY OBJECTIVES FOR THE PROFESSIONAL GROUP**

Promotion of the profession and the Professional Group through enhanced communication (internally to other Society members, and externally to the public, clients and other professional bodies and stakeholders). Recognition of the professional title.

CPD, Training

A series of Practice Standards including the Red Book and Real Estate Agency and Brokerage Standards

PR opportunities (including with banks)

Residential property surveys.

## **7. POSITIONING/COMPETITIVE ADVANTAGE**

The profession can obtain a good competitive advantage over potential rivals for work by maintaining a professional credibility. An aim of the Professional Group will be to enhance its education, training and public awareness, and maintain a professional advantage.

## **8. PRACTICAL REQUIREMENTS FOR IMPLEMENTATION OF THE STRATEGY**

Involvement in, and support of the following Society departments and committees:

- Department of Policy and Public Affairs
- Department of Education
- Department of Communications and Marketing
- Department of Regulation

- Surveyors Journal editorial board
- Education Standing Committee
- CPD and APC Committees
- Membership Committee
- Communications and Events Standing Committee

## **9. KEY LINKS/DEPENDENCIES INTERNALLY/EXTERNALLY**

### **9.1 Internal**

- Commercial Agency Professional Group
- Valuations Professional Group
- Property and Facilities Management Professional Group
- Rural Agency Professional Group
- Building Surveying Professional Group
- Planning and Development Professional Group

### **9.2 External**

- Professions and professional bodies – legal, financial (accountants, receivers)
- Irish Banking Federation (there is a need to re-engage with the IBF)
- Planning institutions
- Department of Environment and other Government Departments, including the Department of Justice
- NAMA
- Financial Regulator
- Irish mortgage brokers
- RICS Residential Agency Professional Group
- European groups: European Council of Real Estate Professions (CEPI), National Association of Realtors (NAR), ICREA