



EXPERIENCE takes more than just time

Calvin Coolidge, the 30th President of the United States of America, once said: “Knowledge comes, but wisdom lingers.” These words uttered in the 1920s ring true today, as the real estate industry works toward the goal of achieving professional recognition.

Espousing the importance of experience, President Coolidge went on to say that “it may not be difficult to store up in the mind a vast quantity of facts within a comparatively short time, but the ability to form judgements requires the severe discipline of hard work and the tempering heat of experience and maturity”.

Experience counts. We can never lose sight of that.

Education and experience must come together if agents are to be recognised as professionals. There needs to be a marriage between theoretical learning and the experience an agent gains on the job.

Learning is not the product of education alone. It’s also the product of activities completed by the learner. If an agent doesn’t have the benefit of theory, then they will do what they have been shown but will not understand why they’re doing it. Equally, if there’s an absence of practical experience, they’ll understand what needs to be done but won’t know how to do it.

Practice makes perfect – or, more to the point, experience makes perfect.

The Professional Standards Councils, with its agency the Professional Standards Authority, is the independent statutory body responsible for promoting professional standards. They use the 5 Es to define the elements that are necessary to qualify as a profession.

Experience is the third E and to be recognised as a profession, and we must demonstrate that agents have the capability to practice at a professional level.



Education is not experience

Being competent and being capable are two different things. Yes, to be recognised as a professional you need to prove that, through your education, you are competent to perform the duties of an agent. But you also need to prove that you have the capability to perform those duties – and this capability comes through experience.

The training reform package announced in November 2016 includes a number of “experience requirements”. This was “something quite different to the experience that will be required to be proven for professional recognition”. Under the training reform package, to obtain a Real Estate Licence, agents will be required to complete a Certificate IV qualification and complete at least 12 months’ experience to be assessed as competent. And if an agent wants to become a Licensee-in-charge, they will need to complete at least two years’ experience within a licensed business, in addition to completing a Diploma level qualification, to be deemed competent.

Yes, the experience gained to achieve these educational qualifications will be extremely valuable. It will prove that agents are competent to carry out various aspects of their role. But the experience component of professional recognition will call for agents to prove capability at another level.

Whereas education requires proof of competency at a particular point in time (being the time of assessment), professionalism requires proof of ongoing capability gained via the ongoing performance of duties, demonstrated skills, client feedback and more.

Over the coming months, REINSW will be working with agents across the industry to define what the appropriate experience standards should be. These standards will then need to be approved by the Professional Standards Authority.

Price isn’t everything

The real estate industry is currently suffering from the effects of the NSW Government’s focus on pleasing “the god of competition”.

There’s no doubt that competition is an essential market force. But that competition must be competent and capable. Those serving the community must have the experience to deliver the expected level of service to property consumers. For years, the government has been progressively lowering the barriers of entry to our industry in their dogged pursuit of exclusively serving the interests of competition.



The end result? An industry full of under-educated, under-experienced, price-focused agents.

Consumers are receiving a sub-standard level of service and, as a result, expect to pay lower fees – feeding a fee discounting culture.

Price isn't everything.

As agents, we're providing a service-focused offering. But, because of ever-declining standards of education and experience, what we do has evolved into a price-focused offering.

It's opened the doors to low levels of skill and even lower levels of performance purely based on process, rather than service and consumer outcomes.

Improving the education requirements for entry into the industry is a great first step. But we also need to improve the experience levels of all agents – so they are both competent and capable, can effectively demonstrate their value to consumers and deliver a professional service.

When you have a low-price offering and provide a low level of service, you'll inevitably end up with poor consumer outcomes.

Our ideal as an industry is to consistently provide a high-value service offering for a fee that fairly represents the value of the service performed.

Experience is a key component in making this ideal a reality.

John Cunningham

Chair, REIA Professionalism Committee and REIA Project Leader of the Pathway to Professionalism



Experience counts

CEO of the Professional Standards Authority, Dr Deen Sanders OAM, explains how experience is defined in the context of the professionalism equation.

Experience is not just about time spent. In the context of professionalism, experience is also about practical proof. It's about proving that you have the appropriate level of knowledge and understanding about the obligations and rules of practice, and that you've demonstrated that you know how to act independently as a professional.

By way of analogy, Dr Sanders provided the example of obtaining a drivers' licence.

Not only do you have to pass a written test to prove you have the requisite level of knowledge, you also have to fill in a log book showing that you have driven a certain number of hours under supervision in a variety of conditions. This acts as practical proof. It supports the conclusion that you are ready to drive independently and qualify for the designation as a licensed driver.

After all, if we're going to trust people to drive around our streets, we want to know that they have the experience to do it independently without someone sitting beside them ready to pull the handbrake if something goes wrong.

We want to know that every driver has not only passed the written test to prove their knowledge, but has also proven they have the experience to drive independently.

Drawing on this example, Dr Sanders explained it's no different when it comes to the experience component of professionalism.

A professional must be able to prove that they not only have the knowledge, but can also operate at the required level, independently and consistently.

Competence and experience are different

Dr Sanders explained that there is a difference between experience and competence.



Competence is a term we use in the context of vocational education. To be deemed competent, you need to show that you can do something at the time of assessment. Your competency is assessed at a moment in time. Two days later, when everything you crammed into your head for the assessment is forgotten, you might no longer be competent.

Professionalism requires evidence of competence – and that’s where experience comes in. A professional is competent and experienced. And the experience component proves that you’re able to perform the required functions independently and consistently, without supervision.

Proving experience

In many professions, evidence of experience is captured through supervision and mentoring. Some professions have formal supervision standards that must be met. Others require a supervisor or mentor to sign off on experience.

To be recognised as a profession, the Professional Standards Authority looks at how experience standards are codified, monitored and signed off. What does it take for the profession to agree that someone meets the requisite experience standard to practise consistently and independently?

Dr Sanders said one of the reasons experience is such an important component of professionalism is because it “brings out the whole person”.

This is critical. Many professions, including real estate, put a great deal of emphasis on interpersonal skills and other non-academic behaviours. Someone might excel in the more academic and technical aspects of their chosen career, but fall short when it comes to the practical application of capabilities in the real world.

Dr Sanders recalled an earlier time in his career when he was training to be a psychologist.

To become an independent practising psychologist, I had to undergo two years of mandatory supervision. That supervision didn’t mean I had someone watching over my shoulder every minute of the day. But it did mean there was someone there who I could talk to, ask questions of or discuss any issues or patients I was struggling with.



And over the course of my internship, I realised that becoming a client practitioner psychologist wasn't the professional role for me. It wasn't what I wanted for my career.

So experience is an important way of developing, and also testing, a person's real world capabilities – and it's these real-world capabilities that we're looking for in the context of professional experience.

The experience component of professionalism provides an opportunity for personal discovery. It's as much a time to develop skills and capabilities as it is a time to make an informed decision about whether to commit to a career in the profession.