



From Ethics To Credibility— Reclaiming Public Trust

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Today's business climate is rife with examples of professional deceit and industry scandal. The scope of unscrupulous acts is as heinous as they are numerous. Almost every day a new unethical situation is revealed and with it comes another assault on the public trust. The public response calls for preventive legislation, stricter governmental oversight, and harsher punishment to deter perpetrators. Within this context, demands for a more ethical business environment seem passé. The type, size, or scheme of an unethical act may vary; however, the motivations and behaviors are predictable. Ethical behavior is a choice.

Fortunately, as a nation, we are paying increased attention to unethical behavior; in turn, implementing stronger deterrent systems to influence potential wrong doers to do no wrong. Disappointingly, the causal cycle of an unethical act, deterrent, and punishment is as routine as the need for it. Unethical behavior remains present in professional life.

We assert that this cycle must be broken in order to reclaim public trust. Business professionals in every industry must behave ethically. Behavior is a product of thought. Therefore, thinking ethically offers everyone a context for making ethical decisions and building professional practices based on ethical principles and action.

Architect of Trust

Trust is foundational to the real estate industry. The sales agent-client relationship is predicated on ethical interaction. Building a trust-based professional relationship with clients requires agents to think ethically, in turn translate thought into action enabling clients make informed investment decisions. Agents must perceive trust as a bulwark in building and maintaining professional relationships, as well as attribute high moral reasoning when counseling clients. Dorothy Somekh, Senior Vice President of Halstead Property, LLC shares, "Trust is at the heart of my practice. Building trust is a critical success factor in building my practice and is present in every decision I make while working with clients."

Trust is hard won and easily lost. As architects of trust, sales agents must ground their behavior in ethical thinking. Architects envision the completed structure. They too must render the architectural blueprints and choose the building materials. Similarly, as sales agents build relationships and execute transactions, they too must select ethical frameworks, behaviors, and consequences consistent with enabling clients to act.

Architect of Credibility

Ethics emerge from collective thought, behaviors, and practices of a people and societies over time. As a result, a myriad of ethical models exist. Five generally accepted ethical models for guiding personal

and professional action include:

1. The Utilitarian Approach: Emphasizing the most good or least harm for the most people.
2. The Rights Approach: Protecting and respecting the moral rights of people.
3. The Fairness or Justice Approach: All people are treated equally or fairly based on a defensible standard.
4. The Common Good Approach: Valuing relationships is good and contributes to the good of all.
5. Virtue Approach: A life lived virtuously enables everyone to work toward achieving their highest potential.

Which ethical model or models express your personal and professional ethical orientations? How do you apply them in daily client and colleague engagement? Share your thoughts and these models with a team member. Inquire about their ethical orientations and client engagement activities. Use these interactions with others to begin the dialogue and expand the discussion of ethics and credibility as drivers in initiating an industry-wide movement to reclaim the public trust—a movement stimulating ethical consciousness, as well as a call for an industry-wide commitment to evaluate agent professionalism through continuous ethics education.

Architect of Transformation

As Socrates reminds us, "The unexamined life is not worth living." The results of residential real estate professionals examining their ethical orientations and business practices can be informative and instructive—informative through revealing and reflecting on personal and professional ethical orientations and instructive by reaffirming or possibly developing new, integrated ethical models informed by the ethical models provided.

Ilan Bracha, Managing Director of Prudential Douglas Elliman and Chairman and Founder of the Bracha Group, offers, "Professional ethics must be embedded in every aspect of client interaction. I insist ethical behavior be central to my team's practice. We work to ensure daily client engagement reflects our commitment to ethical practices. Providing team-based ethics training is an effective way to keep everyone focused on building our business ethically and profitably."

Reclaiming the public trust is not a nicety but a necessity. Ethical thought and action are hallmarks of professional excellence. Therefore, ethics and excellence must become industry watchwords. Ethics and you...how will you proceed? ■

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