

HOW TO ATTRACT A

COMPLAINT

FROM THE DESK OF THE COUNSELLORS PROFESSIONAL PRACTICE

As interest rates start climbing and the real estate market becomes a little tighter, pressure increases and the potential rises for complaints against Members of the Appraisal Institute of Canada (AIC). This quick reference provides a list of five **ways an appraiser can increase the likelihood of attracting a complaint.**

1. GIVE THE CLIENT A LETTER OF OPINION.

Your Counsellors are collectively old enough to remember one-page (one-sided) appraisals, glued-on printed

photos from cameras with film, tape measures, and the days when someone would say “I just need a letter of opinion”; or equally scary “this is for internal purposes, no one will see the report.”

Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) section 2.53 Note 2: Report types may include form reports, short narrative reports, or comprehensive reports in complete or draft formats.

Letters of opinion are not acceptable report types.

But someone may say that a verbal report can be provided; and that person would be right. However, no matter how you deliver your report and value conclusion, it must be *CUSPAP* compliant.

CUSPAP section 2.53 Note 1: These Standards do not dictate the format or style of reports. **The substantive content of a report determines its compliance with CUSPAP.**

If someone tells you no one else will see your report, the one thing you should

count on is that someone else will see the report and will likely use it to decide on something involving money. When a client wants it cheap and fast, it is usually due to poor planning, which means their decision process is being pressured, which, in turn, means that your work could be compromised.

When things go wrong, it is highly unlikely that anyone who told you not to worry will be there to defend you. The person saying, "Don't worry" in this case, usually means "I'm not going to worry, it's your problem."

2. DO WHAT SOMEONE PRESSURES YOU INTO DOING AND NOT WHAT YOU SHOULD DO.

This follows up on No.1. How often have you heard the question: "Can you do it for less?" The answer, whether you say the words or not, is that you absolutely can do less work for less money. But should you? If you cannot do the necessary amount of work for the amount of money offered, maybe you should not do the work. And yes, it is easy to say, but not so easy to do because you must earn a living.

Consider being sued personally if your insurance coverage is denied and then ask yourself if that extra few hundred dollars is worth it? Why not do good work and get paid a fair price?

3. NEVER RETURN CALLS OR EMAILS WHEN AN UPSET CLIENT WANTS TO SPEAK TO YOU.

The AIC receives numerous complaints every year, many about value, which may have been resolved had the appraiser responded to a client's inquiries and cordially explained the process. We are surprised by how often we hear that an appraiser would not return a call or an email, which then triggers a consumer to file a complaint. It is never pleasant to be yelled at or criticized; however, facing up to a displeased consumer can often help to defuse a situation.

As appraisers, we get paid to provide our opinions, which is truly amazing when you think about it. As Voltaire is credited

with saying: "with great power comes great responsibility." For any given assignment, you may believe that your conclusion is correct; but someone may still challenge you on it.

Accepting the fact that opinions vary and remaining open to a discussion about your conclusion will allow a client to voice their opinion, and provide them with the rationale behind your conclusion that may, in turn, provide them with all they need to understand and accept your conclusion. If they bring valid points to the discussion, they may provide you with a valuable learning opportunity. Plus, chances are that, in either instance, a difficult situation could be resolved before it escalates to a complaint.

4. IGNORE THAT CUSPAP UPDATE YOU GET EVERY COUPLE OF YEARS.

CUSPAP is updated every two years. The Standards Sub-Committee is made up of dedicated volunteers who have the best interest of our profession at heart. They need to respond to an ever-changing business environment and help us find the right balance between reasonable rules, without affecting our ability to earn a living and remain competitive within our industry.

As AIC Members, we have a responsibility as well. We need to know what is going on with the rules. The Sub-Committee makes it easy by including an appendix at the back of *CUSPAP*, which gives us the ability to quickly look up changes. The *CUSPAP* electronic document is interactive, you can do word searches for easy reference, and it can be downloaded in seconds from the AIC web site. But, if you do not pay attention and something changes, it is like going from a 70 km/h zone into a 50 km/h zone that drops to 30 km/h on school days; ignorance of the rules does not give an exemption from them.

Also, the more Members are up to speed on standards and compliance, the healthier our insurance fund remains

because we cut down on claims. This means lower insurance premiums. Therefore, taking the time to be informed is better for you as a Member and better for us all as Members. This is certainly worth the effort!

5. DO NOT VALUE YOURSELF AS A PROFESSIONAL.

In our role as Counsellor, we see a full range of reactions from Members after being told that a complaint has been made against them. Most Members care, a few seem not to care, and others appear to be unaware of the requirements of membership in the AIC.

We have noticed that those who care are involved in their work and understand the importance of well supported appraisals; be it for mortgage lending, property assessment, or whatever reason a client is paying for their services. This is truly impressive. Sometimes these Members just need to demonstrate it better in their reports.

Those who seem not to care often use low fees, time pressure from clients, the fact the clients may not read the report, or the perception that clients only care about the number not the content of the report to justify their lack of enthusiasm about the profession. But trust us, people start to care when things go wrong, and by that time it is usually too late.

A former President of the AIC once said that *CUSPAP* is there to help Members do good work. Some people will always complain and there is nothing you can do about that. Your best strategy to avoid a consumer complaint is to know your stuff, do good and diligent work, communicate clearly, and treat people professionally.

If you do all these things and someone still files a complaint against you, the AIC's Complaint Resolution Process has the procedures in place to complete a fair investigation and provide you with advice and guidance, in the best interests of the profession, you, and the public. 📌