

ONLINE EXCLUSIVES

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ONLINE EXCLUSIVE THE BUZZ

6 clever closing gifts

REALTORS® spend more than \$510 million each year on business or closing gifts for their clients, according to the latest REALTOR® Magazine Reader Profile Study (MRI Custom Division), conducted in 2005. But although you're long on generosity, it's tough to come up with new ideas all the time. Top gifts from practitioners are gift cards (59.5 percent), flowers or plants (37.2 percent), or gift baskets (36.7 percent). Set yourself apart and build referrals with these clever closing gifts:

1. A night out. Who wouldn't love a dinner out at a favorite restaurant? But make it memorable by not only picking up the tab but also going all out. Make the reservation for your clients, arrange a limo or a sitter, and then have the restaurant send over a personal thank-you note from you.

2. A proud shareholder. For a whimsical but practical gift that your clients will proudly display in their new home, consider giving a single share of stock in a public company that would appeal to your clients' unique sense of taste. A San Francisco-based company called OneShare (www.one-share.com) allows you to send a framed stock certificate for an actual share of stock from any one of 130 public companies. Among the most popular are Disney, DreamWorks Animation SKG, Harley-Davidson, Wal-Mart, General Motors, Tiffany & Co., and Microsoft. Especially popular among real estate practitioners are stocks from Home Depot, Lowe's, and Starbucks. The cost is \$39, plus the price of the stock as listed on the stock exchange on the date of purchase. The stock certificate comes in a complimentary hard-matte paper frame, or you can upgrade to wood or brushed metal frames for \$34 to \$64. The frame also has a space for an optional custom message from you for a small extra charge.

3. A new address. Help your clients get used to their new address by providing a customized address stamp after the closing. Arroyo Grande, Calif.-based VRS Marking (www.perfectclosinggift.com) allows you to customize the self-inking address stamps with your photo, name, and contact information on the side. Every time your clients use the address stamp, they'll think of you. Prepay for the stamps and order them with each client's information as you need them. Pricing ranges from \$22.95 per stamp for a package of five different addresses to \$13.90 per stamp for orders of 100 or more. Additional charges apply, including shipping and, for orders of fewer than 50, a one-time artwork fee to set up your custom logo. Once you create your account with the company, you can order individual address stamps for each closing, and the company will send them in a complimentary gift box directly to your clients. Or you can deliver them personally.

4. A new experience. What do you get for the clients who have everything? How about an experience they'll be talking about for years to come? Boulder, Colo.-based Cloud 9 Living (www.cloud9living.com) allows you to choose from the truly adventurous—a fly-fishing trip, a bull-riding school, a summer surf camp, indoor skydiving, or driving a race car—to the more cerebral (private guitar lessons, a romantic dinner for two cooked in clients' home by an executive chef, or a private Pilates class). There are 1,200 experiences to choose from, which are offered primarily in 15 major metropolitan cities, but the company expects to double the number of destinations in 2007.

Not sure which experience to give as a gift? The company allows you to choose from nine color-coded gift cards at different price levels, and your clients can choose their own experience. The company will send your clients a gift pack that includes an "experience certificate" personalized with your own special message, as well as a DVD and brochure with all the details about the experiences they can redeem within a year of receipt. Prices start as low as \$70, but many are several hundred dollars or more.

5. A sweet something. Mrs. Fields (www.mrsfields.com) offers more than a dozen different "housewarming/REALTOR®" gifts for practitioners to give clients. The "New House Gift" is worth adding to your closing gifts repertoire because the cookies, brownies, and other baked treats come in a box shaped like a house. Customize the front door of the house with your clients' names or your company logo. House boxes are priced at either \$29.99 or \$75.99.

6. A card that gives back. Lowe's (www.LoweRealtorBenefits.com), a REALTOR BenefitsSM Program partner, provides free "New Homeowner" cards that you can personalize with your photo and contact information. The card, which comes with a personalized letter, offers your clients a 10 percent savings coupon from Lowe's, an exclusive rebate offer, and tips for moving into a new home.

ONLINE EXCLUSIVE

THE BUZZ

Beware: common identity scams

U.S. citizens lost \$680 million to identity theft scams in 2005, according to the Federal Trade Commission's Consumer Sentinel database.

- **Tax audit scare.** With an audit hanging over your head, would you say no to the Internal Revenue Service? That's what scammers are counting on when they call and ask you to verify information on your tax return or complete a questionnaire requesting personal info. **Lesson:** Never give out critical info, such as your Social Security number, over the phone. If you do get a call, call back to verify the request, then ask for any inquiry in writing. The IRS generally notifies taxpayers by mail, not phone or e-mail.
- **The cost of civic duty.** One of the new identity theft scams reported by the FBI involves a call from a "court employee" informing you that you've been called for jury duty and asking you to call a certain number and verify your Social Security number. According to the FBI, those who refuse are threatened with a fine. **Lesson:** If you do get a request for personal info, never call back to a number provided. It could be a front. Instead, look up the appropriate number—in this case your local court clerk—then call and ask whether such a request has been made.
- **Yet another bank merger.** A favorite phishing scam is an e-mail informing you that your account has been transferred to a new branch of your actual bank, and that the bank needs you to complete a little paperwork on a click-through form. **Lesson:** With a little programming knowledge, a scammer can create a Web site that looks and feels like your bank's. Call your bank to verify. And it's best to go in person to fill out any confidential forms.
- **Someone stole my credit card.** Be suspicious if you get a call from a customer service person questioning unusual spending on your card and asking to verify your account number. Although credit card companies do provide this service, they should have your card number. **Lesson:** In scams like this, you must guard not only your account number but also the security code number on the back of your card. That number, which is intended as a preventive against fraudulent chargers by phone, will give scammers access to your credit.
- **Charity begins at home.** Many legitimate nonprofit organizations solicit donations over the phone, and many prefer to get a credit card number so that donors don't back out on pledges. **Lesson:** Giving out your credit card number gives hackers instant access to your account and may be a leverage for getting other critical information. Make donations by check. That will give you an easy record for tax purposes.
- **I'm just trying to pay and get out of here.** In a retail store, a scam artist using a cell phone will often call a store employee while your sale is being completed and, pretending to be store security, ask the clerk to read your credit card or driver's license number over the phone. **Lesson:** Ask to get your ID and credit card back immediately and call store security.
- **Getting too chatty on MySpace.** As you're talking to a contact on a social networking site, a seemingly casual question could come up about such personal information as your birthday, your mother's maiden name, or your pet's name. **Lesson:** Asking what astrological sign you are is one thing, but asking about dates or names that too often are used as computer passwords should be a red flag.
- **Free credit report.** An e-mail encourages you to take advantage of your legal rights to receive a free credit report annually. You do have such rights, but initiate the request yourself through one of the three major credit bureaus—Equifax, Experian, or Transunion. **Lesson:** Many of the free offers on the Web are scams of one type or another. As grandma said, "If it seems too good to be true, it probably is."

Source: Identity Theft Research Center (www.idtheftcenter.org/alerts.shtml)

ONLINE EXCLUSIVE

THE BUZZ

5 facts about today's sellers

- 1. Smaller isn't better.** Half of sellers traded up to a larger home; those 55 and older were more likely to buy smaller homes, however.
- 2. They still love you.** Eighty-four percent of sellers used a real estate salesperson, and FSBO sales declined by 6 percent during the last decade.
- 3. Time means business.** Sellers who had little urgency in selling a home were 2 percent more likely to sell the home themselves.
- 4. It's a repeat business.** Eighty-seven percent of sellers had owned at least two other homes; average tenure in a home for today's sellers was six years.
- 5. Home turf is still home turf.** Sellers moved a median of 17 miles after selling a home.

5 facts about today's buyers

- 1. They can afford those higher prices.** More than 25 percent reported a household income of at least \$100,000; median income was \$71,800.
- 2. Friends help friends.** Almost half of first-time buyers found their salesperson through a referral.
- 3. Children aren't the only impetus.** Fewer than one in five buyers had children under 18 residing at home.
- 4. The nesting instinct is gender related.** Twenty-two percent of 2006 buyers were single women, but only 9 percent were single men.
- 5. Being U.S. born is no requirement.** Eleven percent of buyers were foreign born.

Source (for both): *The 2006 NATIONAL ASSOCIATION OF REALTORS® Profile of Home Buyers and Sellers*

ONLINE EXCLUSIVE PROSPECTING

Best places to raise a family

Where are the best places in the United States for kids and adults? Author Bert Sperling (founder of www.bestplaces.net) and researcher Peter Sander teamed up in 2006 to answer that question. They analyzed an array of data, including cost of living, health and safety, and education, to come up with a list of the top 100. On the basis of their research, they also categorized some of the 100 cities by lifestyle. (Cities are listed alphabetically.)

BEST FOR NATURE LOVERS

Bellingham, Wash. Located between Seattle and Vancouver, this small city boasts scenic views, a large harbor, miles of hiking trails, and nearby ski areas.

Eugene, Ore. Tree-lined downtown streets, waterfront parks, and plentiful bike trails make this college town an ideal spot to enjoy the great outdoors.

Farragut, Tenn. A short drive from hilly Knoxville, residents of this suburb enjoy Fort Loudon Lake, the Tennessee River, and scenic mountains.

Gainesville, Fla. Southern pine forests, state parks, and nature preserves draw outdoor enthusiasts to this college town in north central Florida.

Mount Vernon, Wash. Like to fish, hike, ski, camp, and boat? If yes, you may want to move to this small town north of Seattle, near calm Puget Sound.

Norwood, N.J. Woods, lakes, and open spaces are accessible in this suburban town just about 20 miles northwest of midtown Manhattan.

Olympia, Wash. Mild summers and winters give residents of Washington's capital city favorable weather in which to enjoy the more than 50 city, state, and national parks located within an hour's drive.

Vancouver-Camas, Wash. National forests stretch across the area north of Camas, and to the east you get spectacular views of the Cascade Mountains.

Waukesha, Wis. Thanks in part to the many nearby lakes, it's easy to stay busy with outdoor activities and water sports in this suburb about 20 miles west of Milwaukee.

BEST FOR HISTORY BUFFS

Arden-Brandywine, Del. History lovers settle here to enjoy the assortment of museums and historic sites that dot the community, including a renovated 1871 theater in nearby Wilmington.

Charlottesville, Va. Thomas Jefferson chose this town for his famous home—Monticello—and the University of Virginia, which he founded in 1825.

Chelmsford, Mass. Head to the town square for dining and shopping, or take a short drive to the nearby towns of Lowell and Lexington for historical parks and museums.

Franklin, Tenn. A well-preserved Civil War battlefield and old plantation sites are sources of pride for this city, which is 20 miles south of downtown Nashville.

Hixson, Tenn. This quiet, middle-class suburb on the Tennessee River is 8 miles north of Chattanooga, surrounded by Civil War history. Wooded mountains and bluffs set the scene.

Oak Park, Ill. Frank Lloyd Wright masterpieces—including his own home and studio—and the birthplace home of Ernest Hemingway give this Chicago suburb historical credentials.

Richmond-Tuckahoe, Va. The quiet capital city has many important sites to see, from the Governor's Mansion to the Museum of the Confederacy.

St. Charles, Mo. It's the second-oldest city west of the Mississippi, with a historical downtown brimming with pre-1850 buildings.

Winchester, Va. On the north end of the Shenandoah Valley, this town could be the setting of any Civil War or 19th-century period film. Brick and stone streets, old buildings, and period homes abound.

York, Pa. Parts of this small city look as they did 200 years ago. A revitalized downtown includes some new buildings but retains a strong historical character.

Source: *Best Places to Raise Your Family: The Top 100 Affordable Communities in the U.S.*, by Bert Sperling and Peter Sander (Wiley, 2006).

ONLINE EXCLUSIVE PROSPECTING

5 sources for prospects

Gain referrals and clients by being a joiner. Get involved with:

1. Business organizations. Join your local chamber of commerce or a business association to tap into the business community in your area. Many practitioners sign up for chambers of commerce, which offer opportunities to network at a countywide level, but you might also look on the smaller scale, such as economic alliance groups or business associations, which also allow you to meet frequently with business owners.

2. Community clubs or organizations. Depending on your hobby and interests, join a community group, such as a bicycle or car club, a bowling or softball league, or a religious congregation.

3. Service clubs or charities. Service-oriented groups—such as Rotary, Kiwanis, or Lions clubs—get you involved in your community by working on projects side by side with local residents. Or volunteer directly with charities. Read about the contributions REALTOR® Magazine's Good Neighbor Award (REALTOR.org/realtormag) winners are making in their communities around the country.

4. Neighborhood councils. These government or nongovernmental bodies are in charge of handling neighborhood problems as they arise, and they may find it helpful to have someone with expertise in real estate join the group.

5. Real estate groups. Sign up for industry organizations—the Asian Real Estate Association of America (www.areaa.org), the National Association of Real Estate Brokers (www.nareb.com), the National Association of Hispanic Real Estate Professionals (www.nahrep.org)—or referral groups—such as BNI—to swap ideas and leads. BNI (www.bni.com) offers opportunities for business professionals, including real estate practitioners, to meet and expand their network of referrals.

Source: Wendy Furth, ABR®, CIPS, RE/MAX Olson & Associates, Northridge, Calif., and Howard Brinton, CEO of Star Power Systems (www.gostarpower.com)

ONLINE EXCLUSIVE LAW

6 ways to ensure you're sued for misrepresentation

Want to put your foot in it and end up with a big legal bill? Here's how:

- Tell the seller that since the buyer probably won't notice a problem, it's OK not to mention it.
Hint: Always tell the purchaser about all material defects.
- Repeat "something you heard"—about a possible hazardous waste dump in the neighborhood—while standing in line at the grocery store.
Hint: Don't make statements you can't verify. Make some effort to confirm the accuracy of what you've heard. If you can't confirm that it's false, make the buyers aware of the information and let them investigate it themselves.
- Take the sellers' word that they've never had water damage, despite those suspicious lines on the foundation.
Hint: Caution the clients about the need to be candid in their disclosures. If they insist on saying there hasn't been any damage, you can withdraw from the representation or make sure all buyers are aware of the foundation markings so that they can conduct their own investigation.
- Assume you'll remember exactly what you told the buyers about the property, even six months later when they dispute what you said.
Hint: Document all information you share with the buyers.
- Pooh-pooh the buyers' idea of getting a home inspection before closing, since the house is obviously in great shape.
Hint: Always encourage buyers to get any inspections they want.
- Don't worry too much if you don't know anything about real estate construction or planned new developments in your local market; after all, your job is sales.
Hint: Be informed on current matters in your market, including red flags indicating property defects.

Adapted from *Real Estate Brokerage Essentials: Managing Legal and Business Issues*, 3rd edition (item #126-358 at REALTOR.org/Store)

Mortgage fraud in real life

In a free market, anything can happen. But if something seems too good to be true, it may be fraud. Not recognizing the signs of fraud can kill a sale and embroil you and your client in legal action if a fraudulent sale closes.

- **The surface:** Buyer Joe Pass offers your seller the full list price for a home that's been on the market for four months. It seems weird in a slowing market where comps have been going down, but you congratulate yourself on your good luck. Shortly after the sale, Joe asks you and the sellers to write a second purchase agreement with a sales price \$15,000 higher than the list price and change the MLS. At closing, Joe wants to receive a decorating credit of \$15,000.
The real facts: Joe is probably also arranging a false appraisal and using this inflated price to increase the perceived value of the property to the lender so that he can receive a loan far in excess of the property's value and pocket the difference at closing.
- **The surface:** Gertrude Smith is a single, retired schoolteacher living on a small pension and some savings, but she's just made an offer on an upscale, six-bedroom condo you've listed. It seems odd, but after all, it's her life, and you stand to get a big commission on an easy sale.
The real facts: Gertrude is acting as a straw man. The actual buyer is using Gertrude's good credit and respectability to get a loan. Then Gertrude gets a kickback for signing the property immediately over to another buyer, who will live in or rent the property without making any payments to the bank until foreclosure takes place.
- **The surface.** After a year of trying to find a buyer for a home, you convince the sellers to take back a second mortgage for your buyer, who doesn't have the money to make a down payment and couldn't otherwise purchase the house. You don't mention the second loan in the purchase agreement, and the buyer sort of "forgets" to tell the lender about the second mortgage, which also somehow doesn't get recorded.
The real facts: The lender made a loan without a true picture of the buyer's financial obligations, which creates fraud. It also increases the possibility of the seller's losing money if the buyer can't make all the payments.

More: Click **Current Links** at REALTOR.org/realtomag to view the new brochure *Mortgage Fraud: Recognizing the Signs* from NAR's Legal department.

ONLINE EXCLUSIVE LAW

4 steps in dealing with stigmatized property

The possibility of environmental problems or other stigmas relating to a property can stop a transaction cold. Try these strategies to reduce the threat of liabilities from stigmas.

1. Consider the source. Investigate the accuracy and source of information you receive about a stigma. Sometimes rumors and unsubstantiated information gradually become accepted as fact. Check with law enforcement agencies, newspaper accounts, and even neighbors to try to determine the truth.

2. Find out your disclosure responsibilities. Many states have laws that address the requirements for brokers and salespeople to reveal particular stigmas, such as homicides or occupants with the AIDS virus. Laws protecting the privacy of individuals are another factor that should influence your decision.

3. Determine whether the stigma is material to a buyer's decision. In the absence of a specific law, consider whether the stigma is a material fact that would probably influence reasonable buyers' decision to purchase the property or the amount of money they'd be willing to pay for it. For example, the fact that the house belonged to a government official imprisoned for fraud may be sensational, but it probably won't affect how valuable the property is to another buyer.

4. Talk to sellers about the need to disclose. It's critical to explain to sellers the possible benefit of disclosing a stigma rather than having buyers find out about it on their own. Also, explain to them that they needn't disclose the stigma to every casual looker. Disclosure is necessary when a looker is interested enough to make, or to consider making, an offer. Sellers should make the disclosure as early in the process as state or local law requires, allowing serious buyers sufficient time to consider the stigma.

Adapted from *Real Estate Brokerage Essentials: Managing Legal and Business Issues*, 3rd edition (item #126-358 at REALTOR.org/store)

4 steps for a risk-free referral

Customers look to you for expert advice, but play it smart and give advice that doesn't create liabilities for you.

1. Make a list of all categories of experts whom buyers or sellers might want to consult, including home inspectors, termite inspectors, structural engineers, environmental specialists, lenders, and attorneys.

2. List at least three experts under each category. You can make your choice on the basis of past experience or recommendations from others. Don't forget to disclose any experts on the list who are affiliated with your company.

3. Give the same list to every seller or buyer you work with. That way, you make clients aware of their options and the need to use specialized experts if they have concerns in a particular area. And by doing so, you ensure that every buyer or seller consistently gets the same list of names.

4. Don't ask for or accept any referral fee or other compensation from any individuals or companies on your list.

Adapted from *Real Estate Brokerage Essentials: Managing Legal and Business Issues*, 3rd edition (item #126-358 at REALTOR.org/store)

ONLINE EXCLUSIVE TECHNOLOGY

5 ways to engage prospects in your Web site

Enhance your Web presence so that when prospects visit your Web site, they'll have reason to keep coming back. Try the following strategies:

- 1. Make your site unique.** Target a niche so that you can tailor your site to fit the needs of one particular audience. You'll have an easier chance of standing out among the competition if you concentrate on serving a smaller group than a broad audience. Your target audience will then be more likely to do business with you, since your site talks directly to their specific situation.
- 2. Give them reason to explore your site.** Provide a compelling offer on your Web site along with an attention-grabbing headline that speaks to your target market. For example, you might offer first-time home buyers such articles as "Three negotiating tips you must know before making your first offer" or "How to beat everyone else to the best listings." Have the special offer delivered via e-mail or snail mail so that you can gather contact information, too.
- 3. Let them hear or see you.** To build rapport, add multimedia content to your site, such as online videos or podcasts, which consumers can launch from their computer or download and play from an MP3 or other audio and video players. Topics can be instructional—what to expect during an inspection or what to keep in mind about purchase agreements—or you can present a brief introduction about yourself and what you can do for prospects.
- 4. Keep it current.** Don't let information get out-of-date, or visitors will have no reason to return. Continually update your site with new information and compelling offers.
- 5. Interact.** Invite visitors to submit questions or feedback to your site about home buying and selling. If you've followed the advice in No. 3, you could even prepare a weekly podcast that responds to consumer questions. By letting visitors pose questions, you encourage them to see you as their consultant.

Source: Michael J. Russer (www.russer.com), a technology columnist for REALTOR® Magazine Online (REALTOR.org/realtormag)

4 computer terms you should know

Technology is contributing hundreds of words to the English language. Some are just for computer geeks. Others are worth knowing since technology drives so much of your business today.

- 1. Encryption:** This type of software scrambles your confidential information to keep it secure so that it can be accessed only by using a special code or password. Most computers contain built-in software, so you can encrypt data in just a few steps. Also, when you visit a Web site, look for a tiny lock in the lower right-hand corner or the prefix "https" rather than "http" in the URL to see whether the site is encrypted. If the site isn't encrypted, any information you transfer over the Internet is sent exactly the way you typed it and has the potential to be read by someone else.
- 2. Search engine optimization:** This process helps ensure that your Web site appears high in a list of results when a consumer conducts a search using keywords related to real estate in your area. Many vendors offer help in boosting rankings, emphasizing such practices as refreshing content often, using the same keywords in both your page content and HTML coding, and including a lot of links. More: Click **Current Links** at REALTOR.org/realtormag.
- 3. Two-factor authentication:** This extra layer of security requires you to prove your identity in two ways before accessing information or the Internet from your computer or other device. For example, unlocking a lockbox might require you to swipe a smart card and then key in a personal identification number. Or you might use a biometric fingerprint reader and password to access your laptop.
- 4. RETS:** Short for Real Estate Transaction Standard, RETS provides a common language so that computers can more easily transfer real estate information—such as MLS data—to other computer programs or Web sites. The NATIONAL ASSOCIATION OF REALTORS® and other industry groups launched RETS in 1999.

Source: Keith Garner, managing director, NAR's Center for REALTOR® Technology

ONLINE EXCLUSIVE SAVE TIME & MONEY

Do you have a disaster-preparedness plan for your finances?

This six-step plan will help keep your finances in order in case of a disaster.

- 1. Make a copy of everything in your wallet.** Store the copies on a memory stick or CD-ROM in a vault or with a trusted family member in another location.
- 2. Sign up for electronic payment of critical bills,** such as your health insurance and mortgage. Talk with your broker or office manager about direct deposit of your pay.
- 3. Sign up for online banking** and online access to your investment accounts, including IRAs, mutual funds, and CDs.
- 4. Make sure more than one family member has access** to all investment accounts and insurance policies.
- 5. Prepare a fireproof, waterproof to-go box** that you can grab quickly in case of an emergency. The box should contain family and friend contact information, recent account statements, a financial service providers contact list, mortgage and insurance statements, and a small supply of cash.
- 6. Get an ATM card,** even if you don't use it, so that you can access funds if you're displaced to another city.

Source: NACHA-The Electronic Payments Association (www.nacha.org), Herndon, Va.

ONLINE EXCLUSIVE FOR BROKERS

Training on a budget: 6 ideas

You know you have to offer your associates top-notch training to help them stay competitive in these challenging post-boom days, but how can you do that without breaking the bank? Here are a few ideas:

1. Form a training co-op. Team up with other companies to offer courses or to bring in a trainer for a day. Not only will you share the costs, but you'll also create a dynamic environment to inspire learning and generate new ideas.

2. Don't overlook homegrown talent. All the makings of a great company-wide training collaborative might already be sitting in your office. Look for associates who are technology experts, masters at converting FSBOs, marketing gurus, photographers, or videographers to share their knowledge.

3. Train one associate; train them all. If your budget allows for only one person to attend a special event or course, choose someone to send and then have that person share what was discussed.

4. Explore local options. From community colleges to graduate programs, a wealth of educational opportunities already exists. Not to be overlooked: adult education courses.

5. Look to the industry. Take advantage of offerings from local and state REALTOR® associations. Some of the industry's hottest topics and potential liabilities are regularly addressed by your professional associations. Encourage your associates to participate.

Also, you can print out free sales meetings from REALTOR® Magazine Online (REALTOR.org/realformag) on such topics as fair housing, safety, and negotiation. Each prepackaged meeting includes an agenda, talking points, and handouts.

6. Take advantage of training offered by manufacturers of equipment and software you buy. Have training included in the purchase agreement. Lots of vendors offer free training to go along with purchases. For example, Microsoft offers an array of free training on office products and operating systems. Courses can be found on the vendors' Web sites.

Source: American Society for Training and Development (www.astd.org)

Fostering intergenerational esprit de corps

With the Millennial generation (born since 1980) now entering the workforce, it'll grow increasingly common in your brokerage for those young people to be selling side by side with Gen Xers (1964–80), boomers (1946–63), and veterans (before 1946). Play to the similarities and the differences of the generations so that they work together like a well-oiled machine.

Be a leader. Leadership is important to them all, but how you exercise that leadership determines its effectiveness, given generational differences. Neither boomers nor Gen Xers like to be micromanaged, so give them goals and let them choose their path. Veterans and Millennials are more comfortable with structure, so you can lead more by showing.

Be location agnostic. If Gen Xers and Millennials seem to spend more time in cafés than they do in the office, don't assume they're shirking work; they're comfortable melding work with a mobile lifestyle. Veterans and boomers are more used to working in offices, so expect them to be around more.

Be civic-minded. Affiliating with a brokerage that gives back to the community is important to them all. Evoking civic duty, and even patriotism, is OK with veterans and Millennials (for whom Sept. 11, 2001, is a defining event). But that sense of duty plays less well with Gen Xers and boomers; their civic motivation comes from a personal sense of right and wrong.

Be tactical in your praise. Millennials come into the workforce conditioned by their doting parents, who were quick to praise. So if they're doing a good job, you withhold praise at your peril. Gen Xers are more interested in receiving recognition for working smart, not hard. Just the opposite is true of boomers, whose self-image is of someone who loves to work. Veterans see themselves as duty bound, so they welcome praise for stepping up to the plate.

Sources: Peggy Morrow, Peggy Morrow & Assoc. (www.peggymorrow.com), Houston; Claire Raines, Claire Raines Associates (www.generationsatwork.com), Wichita Falls, Texas; Learning Information Service (www.alis.gov.ab.ca), Edmonton, Alberta, Canada

ONLINE EXCLUSIVE FOR BROKERS

Ways to assist employees and associates on military leave

You're subject to certain employment laws when employees—your administrative assistants, marketing people, tech support—are called up. Those employment laws don't apply to your independent contractors, but you still face hardship because you can't stand in the way of the person's military obligation.

FOR EMPLOYEES:

- **Follow USERRA.** The Uniformed Services Employment and Reemployment Rights Act of 1994 applies even if you have only one employee. So if any of your employees are members of the armed services, including the National Guard and Reserves, you must comply. That means, for example, that if those employees are scheduled for pay raises over a predetermined time, you must give them the raises even if they're serving their duty at that time.
- **Work it out.** Employee leave is guaranteed by law, and employees are required to inform you verbally or in writing that they've been called to duty. You can request that they use some of their vacation time, personal days, or sick leave during their service, but you can't require them to do so.

FOR INDEPENDENT CONTRACTORS:

- **Tap resources.** Look to your broker colleagues and your local association for ideas on coping with the associate's extended absence. You might offer a company-paid personal assistant to handle administrative tasks for the associate, for example, or get commitments from other associates in the office to manage unfinished deals. Work out a fee structure so that if the associate gets new business while away, other associates can handle the deals, but the absent associate retains a referral or other fee.

FOR ALL YOUR PEOPLE:

- **Provide your support.** Remember, your team members are performing a priceless service to the country. How you respond sets an example. Encourage companywide support and cooperation.

Source: SCORE (www.score.org); U.S. Department of Labor