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## National Association of REALTORS – 2003 Graduate REALTOR® Institute Study

### ***Summary of Results – October 2003***

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The National Association of REALTORS® (NAR) commissioned The Olinger Group to conduct this research with the objective of better understanding perceptions and opinions about the Graduate REALTOR® Institute (GRI) real estate designation among GRI designees and non-designees. In order to meet this objective, 30 in-depth interviews were completed with real estate brokers and agents. The interview population comprised ten (10) non-designated agents, five (5) designated agents, ten (10) non-designated brokers, and five (5) designated brokers.

*Note that this research, as with all qualitative research, was not designed to quantify the population's perceptions about particular issues, but rather was designed to achieve an in-depth, qualitative perspective and understanding about these issues.*

### **Results Summary**

A summary of findings from the research interviews is presented below. The sections provide descriptions of the opinions and responses given by those participating in the interviews.

### **Overview of Findings**

- Most real estate professionals are aware of the GRI designation.
- The general public does not appear to have a strong understanding or awareness of GRI.
- Most see the GRI as a foundation of knowledge for new agents, and it may serve as a good basic educational credential for real estate professionals who seek additional designations.
- The GRI designation has the greatest value to individuals who have received it. Designated brokers indicate that it creates better-educated and more capable REALTORS®, and designated agents express that it has enhanced their professionalism and productivity.
- Designated REALTORS® are very likely to recommend pursuing a GRI to others.
- Those without GRI designations typically do not value it or other designations and feel as though they are unnecessary for them to be successful REALTORS®.
- Offering GRI courses in a local classroom is the most appealing way to deliver the courses. Some express that offering classes at conferences and online would be appealing, but local classes are the preferred way to participate in GRI training.
- Having high quality instructors is essential to successful GRI training.
- The best way to market GRI is through expressing the specific value of receiving the designation. The most appealing aspect of GRI is increased profitability. Other appealing aspects of GRI are increased knowledge, professionalism, and productivity.
- Suggested marketing channels for GRI are continued emphasis of the importance of the designation through newsletter and publications with a consistent message from local and state sponsoring associations.

## Perceptions of GRI

Respondents have very high awareness of the Graduate REALTOR® Institute (GRI) designation. Most of those who do not have a GRI designation have heard of it. Perceptions of the GRI vary greatly, especially among non-designees whose perception range from only being aware that the designation is available to feeling that the designation is unnecessary. The following points describe impressions that respondents have of the GRI designation.

- Among designated brokers, most have a positive impression of GRI. They see it as valuable training and a worthwhile designation to pursue. Several express that they are uncertain of perceptions of those who are not well familiarized with the designation.
- Designated agents consider the certification to be an indication of seriousness about the real estate profession. GRI makes them, especially new agents, better prepared for their careers as REALTORS®.
- Non-designated brokers are mostly unaware of how other brokers perceive GRI, and they express that agents are largely unaware of the designation.
- Most non-designated agents do not have a great deal of awareness about GRI. They state that they have heard some good things about it but do not have a strong impression of GRI. Most agents who have not earned a GRI designation feel as though it is unnecessary for them to have one.
- A few respondents across all types of study participants do not value GRI. The primary negative perception about GRI is that it is too easy to obtain and that its greatest value is the appearance of distinction for earning the designation.
- Most do not think that the public has any awareness of GRI. Very few think that public considers it a positive distinction, and one respondent says that consumers may be impressed by the designation but do not understand what it means.

In addition to describing how they feel others perceive the GRI designation, respondents provide some insights into how they feel GRI compares and contributes to other real estate designations.

- The general perception of GRI among designated brokers and agents is that it is a more broad or general designation that provides an overview of real estate topics. This general course content is seen as a positive quality of the GRI designation and is the reason that many regard it as a good designation to help new real estate agents develop a foundation of knowledge to help them in their careers.
- Other designations are described as being more specific and help to train real estate professionals in specialized areas.
- Many designated agents see the GRI as a good starting point in real estate education that may lead to other real estate designations. The Certified Residential Specialist® designation is the most logical next designation after receiving GRI.
- Designated brokers do not see GRI as a direct stepping stone to other specific designations, but they do appreciate that it serves as a strong base of knowledge for real estate professionals who may seek additional education and training.
- Non-designated brokers do not know how GRI compares to other designations. Overall, this group of respondents does not seem to have evaluated different real estate designations.

## Value of the GRI Designation

Brokers encouragement of education, the gains that agents and brokers attribute to designations, motivations for pursuing GRI, and whether or not GRI is recommended to other real estate professionals all provide insight into the value of GRI and other designations.

The following points describe the real estate education requirements and recommendations of brokers.

- None of the brokers participating in research discussions require their agents to receive any designations.
- Among non-designated brokers, only one (1) encourages agents to receive GRI, and none of the others encourage agents to pursue any designations. Non-designated brokers participating in this research work in offices where none of the agents or brokers have GRI designations.
- Most designated brokers encourage agents to pursue GRI. Designated brokers feel that more education translates into better agents, and GRI is excellent training for new agents. Half or more of agents and brokers in these respondents' organizations have a GRI designation. Other real estate designations that are recommended by designated brokers include Accredited Buyer Representative and Certified Residential Specialist®.

The points below demonstrate the value that respondents see in real estate designations (GRI and others in general).

- Overall, non-designated agents do not see a great deal of value in GRI or other designations.
  - A few non-designated agents think that some information provided through designation courses is useful but in general designations have no real value.
- Designated brokers see a direct relationship between designations and improved agents.
- Most non-designated brokers generally feel that GRI does not have a meaningful impact on a real estate professional's career.
  - They express that public does not have awareness of designations and that designations do not improve a person's standings in the industry.
  - Some feel as though the GRI designation is a way for the trainers to profit from offering classes, without having a positive impact on careers of designees.
- Non-designated brokers see value in GRI and designations. To these respondents, designations give the public more confidence in a REALTOR® and the professional as a whole benefits from more educated agents. In many cases, time and money are the issue.

Designated agents and brokers would all recommend the GRI designation to other REALTORS®. The reasons for recommending GRI and the primary benefits of earning the designation are presented in the following points.

- Several designated agents express that the GRI makes them more knowledgeable and builds their confidence. This enhanced professionalism makes them better and more profitable REALTORS®.

- Designated brokers see agents with the GRI designation as more professional and more committed to their real estate careers. Several express that it has a direct impact on productivity.

Motivations for agents (both designated and non-designated) to receive GRI training are presented in the following points. Additionally, there is a description of how well the GRI training met the needs of designated agents.

- Designated agents took GRI courses in order to learn more about the real estate profession. Some took the training in pursuit of gaining respect, credibility, and distinction, but increasing knowledge of real estate is the main motivation for agents who received the GRI designation.
- Specific topics that designated agents hoped to learn more about include ethics, laws, and the general practicing of real estate.
- Most designated agents feel as though the courses met their expectations and express that the information is practical and useful.
- Non-designated agents state they would be motivated to pursue a GRI designation if it were less expensive and would directly lead to better pay. Others simply don't see the value in obtaining any designations.

## **GRI Course Preferences**

Evaluations about how to improve the offering of GRI courses include descriptions of where respondents would prefer to receive the training, the important components of GRI designation training, and interest in providing an extension to GRI.

The following points describe how respondents have taken GRI training and the manner in which they feel GRI training should be offered.

- Most designated agents took GRI classes locally in weekly modules.
- Designated agents think that other REALTORS® are most likely to take GRI courses in a classroom setting that is in close proximity to the REALTORS®' home. A few indicate that taking classes at a conference or convention as well as online would be a good way to offer GRI training.
- The main way that designated brokers feel that GRI training should be offered is through local REALTOR® boards in classroom settings.
- Non-designated agents would prefer to receive GRI training in a local classroom.

Respondents help to evaluate the important components of GRI training by describing the importance of the instructors and different topics to include.

- Designated agents and brokers both think that the quality of instructors is extremely important. Although instructors are not seen as influencing the content of the courses, good instructors provide a more enjoyable learning environment which leads to better understanding of the material. Good instructors make the classes more valuable and help students get more out of the training.
- Respondents state that the following topics should be included or expanded upon in the GRI curriculum: (Most of these recommendations are from all participating brokers)
  - Ethics
  - Pricing Homes and Contract negotiations
  - Environmental issues/Social environment
  - Marketing (personal and property)

- Non-designated brokers are asked whether or not they are aware that risk reduction is a component of GRI training. Many are unaware, however the risk reduction training does not increase the appeal or value of a GRI designation. Those who are aware of the risk reduction training often state that the training doesn't produce worthwhile outcomes.

All designated brokers and most designated agents would be interested in an extension to GRI. One reason for the interest in offering a follow-up GRI is that renewal hours are already required, and an extension would offer an opportunity to receive designation related credit for those hours. Others would like the opportunity to build upon their GRI training in order to function on a more advanced level.

### **Promoting GRI**

Designated agents and brokers describe the best ways to market GRI. As shown in the following points, providing examples of tangible outcomes is the most effective way to increase the appeal of GRI training.

- Designated agents would market GRI to their associates by explaining how much they learned, and, with new agents in particular, express how useful they found the information to be. Another recommended approach is to emphasize that pursuing GRI fulfills certain education requirements.
- Designated brokers encourage GRI training to their agents by explaining what they personally received from the training and emphasizing the professionalism and financial success that they have achieved from receiving a GRI designation.
- Using testimonials from people who have found the training to be helpful is a marketing technique suggested by some designated agents. Designated brokers recommend marketing messages explaining that GRI will make someone a more appealing and profitable REALTOR®.

Although the GRI designation is often marketed by associations and through REALTOR publications, respondents recommend the following as mediums to promote it:

- REALTOR® Magazines/state and local REALTOR® publications
- Web sites
- Literature provided by state and local associations
- Explain the importance of the GRI designation in television spots
- Newsletters
- Local listing services

Overall, respondents recommend consistent marketing messages from local, state and national that emphasize the profitability and benefit of achieving a GRI in order to most effectively market the designation.