How Can Implicit Bias Training in the Real Estate Industry Achieve Enhanced Effectiveness?

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In recent years, the nation has made efforts to raise awareness of implicit bias in employment and across industry groups. The real estate industry has seen states, such as <u>California</u> and <u>New York</u>, requiring real estate professionals to complete implicit or unconscious bias training courses as part of their pre-licensing or continuing education requirements.

Much of this training has routinely been offered by third party educational institutions. One association of real estate professionals, for example, created an online implicit bias training video in 2020 and introduced a new implicit bias certificate course in May 2022. Industry leaders are establishing training courses that explore how the real estate industry is affected by implicit bias biases. An appraisal trade group has stated they will begin requiring appraisers to take a seven-hour course based on fair housing laws and bias. The first half of the course will discuss how the Uniform Standards of Professional Appraisal Practice addresses issues related to fair housing violations and focuses on how to avoid bias and the perception of bias. The second half of the course includes test exercises. Through other providers such as McKissock Learning, real estate professionals can access implicit bias training courses that can be taken as an elective or as part of a state-mandated requirement.

A <u>study by Harvard Business Review</u> showed training courses are most effective when they teach attendees to manage biases, change behavior, and track progress. Real estate companies and employers can aim to maximize the effectiveness of implicit bias training by establishing supplemental training requirements that will raise awareness and promote accountability in addressing individual implicit biases.

Real estate professionals and employers should consider implementing the following learning topics and strategies:

- Types of Implicit Biases: Real estate professionals and employers may consider
 including training on the many different forms that implicit biases take, including
 racial/ethnic, gender, age, beauty, geographic, and affinity biases to include a
 broader spectrum of potential basis in the real estate industry.
- Measurements: Real estate employees and professionals should be informed on how
 implicit bias is measured and use that information to monitor progression. Employers
 and professionals can consider utilizing Harvard's Implicit Association Test to
 measure and monitor implicit bias.
- Implicit Bias in the Real Estate Industry: Historically, covenants, conditions, and
 restrictions mandated discriminatory practices. While legislation has sought to
 address these practices, residual negative effects may be experienced through
 illegal practices such as racial steering and redlining. Real estate professionals can

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Real Estate Workplace Training draw attention to the mechanisms through which implicit bias can manifest itself in the real estate industry, such as through appraisals and valuation, through the buying and selling processes, through steering clients to certain neighborhoods (or away from others), and through disparate treatment of renters or applicants based on vouchers, subsidies, or other sources of income.

Implementation: Training courses may work best when paired with strategies urging
real estate professionals to recognize and unlearn potential biases. Real estate
professionals and employers can consider implementing these strategies by
conducting spontaneous implicit bias assessments and conducting simulations to
assess and monitor implicit bias within their companies.

While the real estate industry is under heightened scrutiny, including by federal, state, and local enforcement agencies investigating potentially discriminatory real estate practices, there is not yet a uniform standard for satisfying the requirements of mandatory training. Employers and real estate professionals, however, can take steps to avoid potential liability, including by remaining attentive to whether potential basis exists in the workplace and instituting implicit bias training. Employers and real estate professionals can benefit from monitoring implicit bias internally to prevent potential fair housing violations.

Finally, employers and real estate professionals should be mindful if they operate in jurisdictions potentially banning anti-bias training. Some states, such as Florida, have passed laws that prohibit anti-bias training by private employers. (The Florida law has been <u>block by a court</u> on constitutional grounds.) Other states have passed or are considering legislation banning anti-bias training or training on divisive issues; these laws largely address public education and employment at present.

If you have any questions on the requirements or on resources for implicit bias or other fair housing training related to the real estate industry, please contact a Jackson Lewis attorney to discuss.

(Summer Associate Jennifer Quarters-Styles contributed to this article.)

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