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# North Carolina Home Inspector Licensure Board: *Encouraging Performance*

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# Home Inspector Licensure Act Mission Statement

## **NC General Statute § 143-151.44. Purpose.**

This Article safeguards the public health, safety, and welfare and protects the public from being harmed by unqualified persons by regulating the use of the title "Licensed Home Inspector" and by providing for the licensure and regulation of those who perform home inspections for compensation .



# The Basics (1)



- Board established 1994 – 18 years
- Home Inspection Fee - \$ 300 +/-
- 2 per day, 5 days per week, 50 weeks per year
  - 500 inspections @ \$300 each = \$150,000
  - 250 inspections @ \$300 each = \$ 75,000
- Visual examination (2- 4 hrs)
- Written report (1 – 2 hrs)
- Confidential results unless release authorized by client



# The Basics (2)



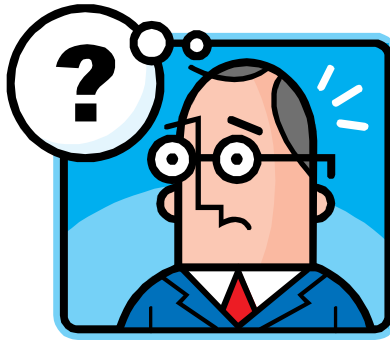
- License application / qualification / issuance
- Licensee Continuing Education (CE) Req'ts
  - 16 hours / license period (Oct. 1 – Sep. 30)
  - 4 hrs Board-developed Update / 12 hrs Elective
- CE Sponsor/Instructor/Course qualification
- Complaint Investigations
- Board Meetings
- Disciplinary Action / Hearings



# Initial Board Direction (10/2009)

- “Pay to Play” – inspector / broker relationships
- Online renewals / photo IDs
- Unlicensed Inspectors?
  - Property Condition Reports
  - HUD REO (Real Estate Owned)
- Clear backlog of (45) complaints, 2-4 years old
- Complaint processing time (6 months)





What to do first?

Catch the alligators?

or

Drain the swamp?





# Results Based Management

- Strategic Planning – *The long view.....*
  - Processes & Products
- Performance Management Systems
  - Organizational Structure
  - Process Improvements
  - Rewards
  - Contracts
  - Budgeting
- Outcome Indicators
- Program Evaluation



# Logic Model

INPUTS	PROCESSES	OUTPUTS & EARLY OUTCOMES	INTERMEDIATE OUTCOMES	LATE OUTCOMES
 Applicants  Licensees CE Courses  Complaints Staff Revenues Board	License issuance License renewals CE Credit Investigations Communications Budget Discipline	Online Online/Photo Online Backlog..... LISTSERVE Awareness	Reduced costs, man hours. Accountability	Satisfied Consumers Licensees Other Professionals Integrity
	2009	2010	2011	<u>2012</u>
	2010	2011	<u>2012</u>	2013
	2011	<u>2012</u>	2013	2014
	<u>2012</u>	2013	2014	2015
	2013	2014	2015	2016

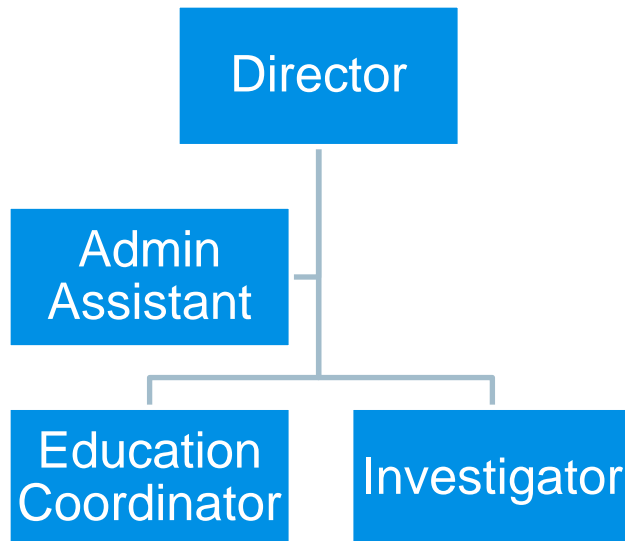
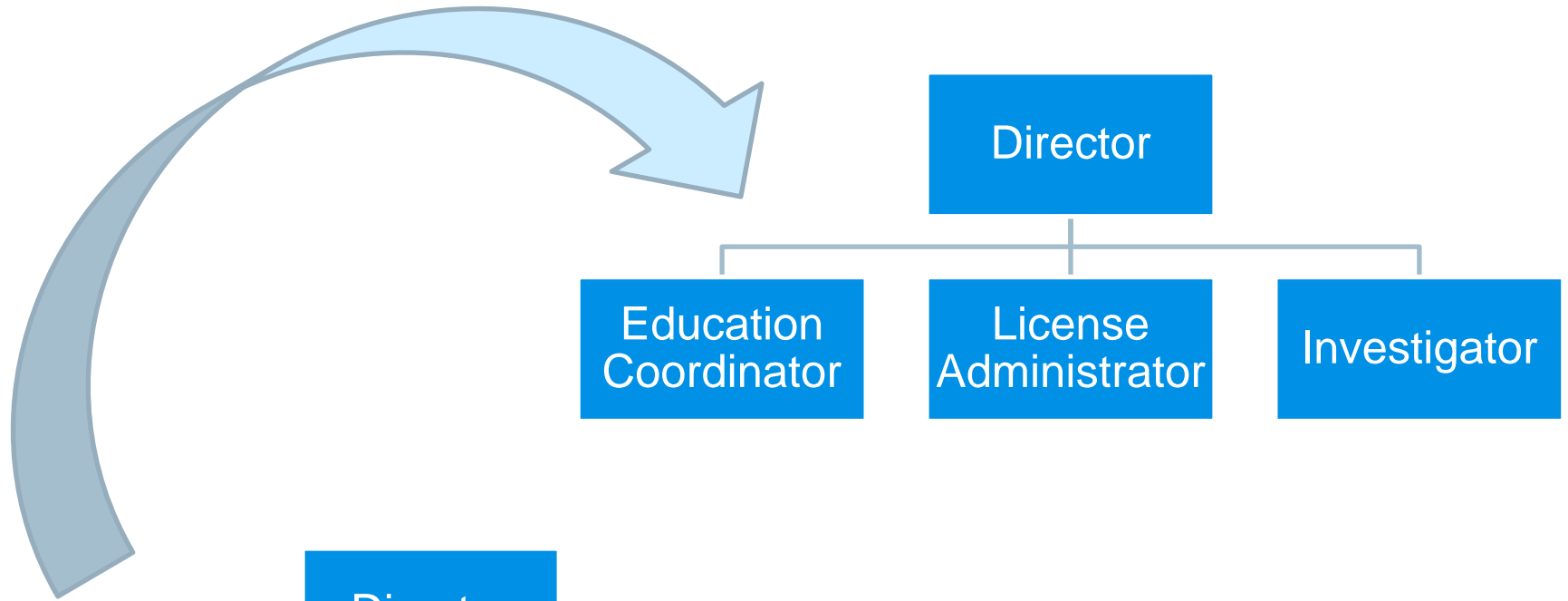


# Early Victories?

- Capacities
  - Organizational Structure
  - Process Improvements
    - Licensee Database  
MS ACCESS®



# Organizational Structure



# Process Improvements

- License Renewal – 2 page form to online
- License Application – 5 page form to online
- CE Rosters – handwritten at course to online
- Complaint Processing – Investigation Reports
- Communications – email vs. standard mail
- Board and Committee meetings –
  - Even months (6/yr) to Quarterly (4/yr)



# *Encouragement*

- Incentives

- Rewards (Individual & Group )
- Contracts
- Performance Budgeting



# Rewards

- Job description / responsibilities
- Performance Evaluations
  - Performance & Behavior combination
  - Quantity / Quality
- Work plans / expectations
- Working hours / time sheets
- Recognition – Board meetings/newsletters

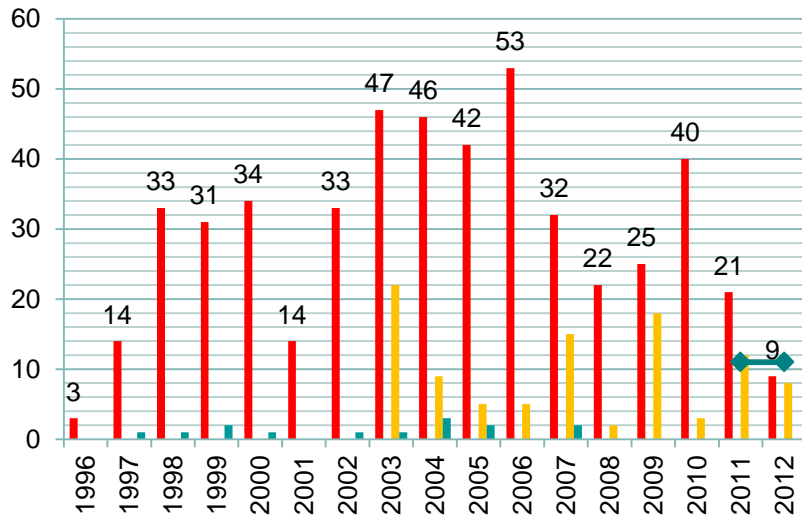


# Contracts

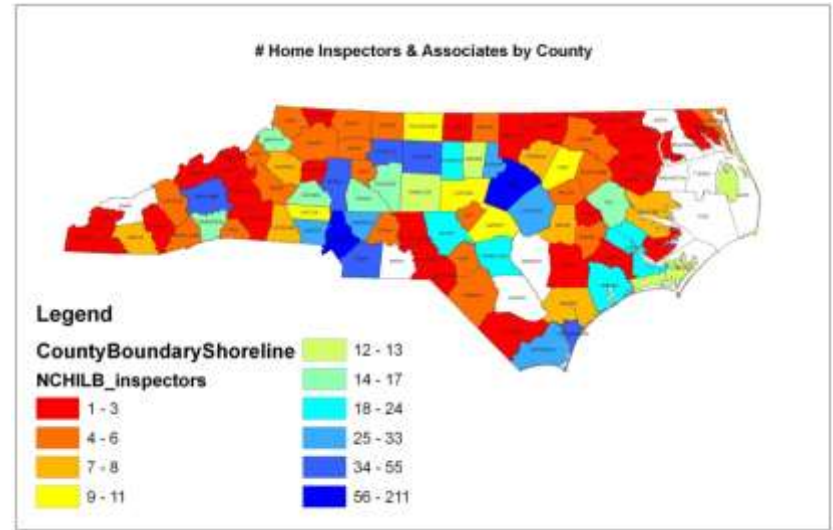
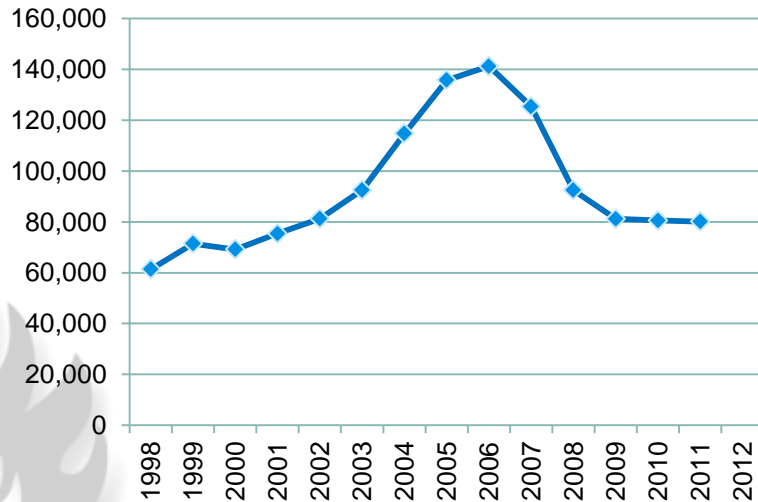
- Information Technology
  - web application interface for online renewals / CE
- Contract Inspectors
  - Used for site visits and report reviews to reduce backlog and improve customer response.
  - Benchmark for staff
    - Charlotte (2)
    - Concord (1)
    - Cary (1)



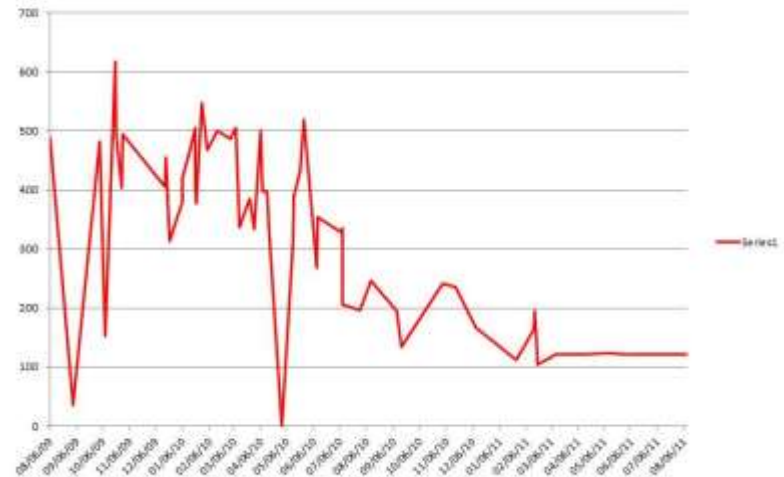
# Complaints



## NC Home Sales

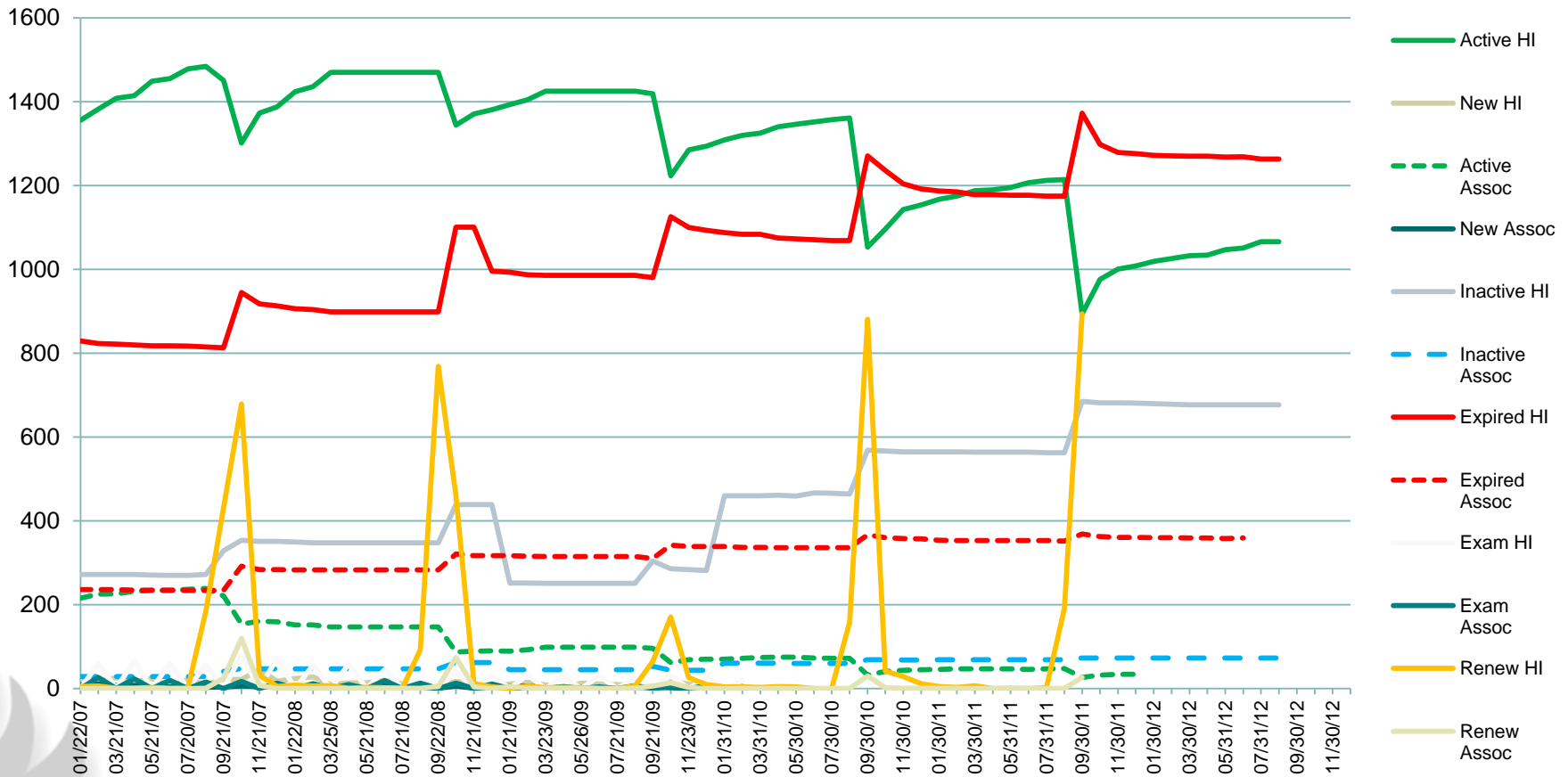


## Number of days from Complaint Rec'd to Investigation Report Issued



# Budget

- Line item / account codes
- Fund balance
- Policy





# Outcome Indicators Program Evaluation

## ■ NC General Assembly Session 2011 / House Bill 1030

### A BILL TO BE ENTITLED

AN ACT TO REQUIRE STATE AGENCIES AND CERTAIN NON-STATE ENTITIES TO DEVELOP, IMPLEMENT, AND MAINTAIN INFORMATION SYSTEMS THAT PROVIDE UNIFORM, PROGRAM-LEVEL ACCOUNTABILITY INFORMATION REGARDING THE PROGRAMS OPERATED BY THOSE AGENCIES, AS RECOMMENDED BY THE LRC COMMITTEE ON EFFICIENCIES IN STATE GOVERNMENT.

Performance measures for each program sufficient for a citizen to determine all of the following:

- a. Outcome. – The verifiable quantitative effects or results attributable to the program compared to a performance standard.
- b. Output. – The verifiable number of units of services or activities provided by the program.
- c. Efficiency. – The verifiable total direct and indirect cost per output and per outcome.
- d. Performance standards. – The metrics based upon best practices, generally recognized standards, or comparisons with relevant peer entities in other states or regions for gauging achievement of efficiency, output, and outcomes.
- e. Benchmarks. – A broad societal indicator used for gauging ultimate outcomes of programs, such as U.S. Census data. Multiple programs among several agencies may be benchmarked to the same indicator.

