

Shared Services

A REALTOR[®] Association Partnership Assessment Guide

November 2015



NATIONAL
ASSOCIATION *of*
REALTORS[®]

Shared Services

A REALTOR® Association Partnership Assessment Guide

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Shared Services

A REALTOR® Association Partnership

Introduction

“The first generation of time management does not even recognize the concept of priority. It gives us notes and “to do” lists that we can cross off, and we feel a temporary sense of accomplishment every time we check something off, but no priority is attached to items on the list. In addition, there is no correlation between what’s on the list and our ultimate values and purposes in life. We simply respond to whatever penetrates our awareness and apparently needs to be done.”

Stephen R. Covey
The Seven Habits of Highly Effective People

Challenges

These days it seems a lack of time is a problem everyone shares. It permeates our personal lives, our professional lives and even our “free time”. REALTORS® are hardly an exception. The day is never long enough for all the meetings, property showings, paperwork, etc., etc. necessary to be successful in our chosen field. And, the pace of the local REALTOR® association is seldom any different.

Resources are also an issue, whether your local association is composed solely of volunteers or has a full-time chief staff executive with a staff, too often there are more things to do than time and people to do them. So, many of us have a vision of what great things our association could accomplish, “if only” we had all the resources necessary to make them a reality.

And, there is a lot of emphasis put upon associations today to become “lean” and to align all of their programs and services with their core purpose, focusing on their strengths and discarding or perhaps, outsourcing, those things they’re not so good at but are necessary to provide to members.

Associations that want to be sure their members receive quality resources, regardless of where they live, or how large or small their association is, need to ask some hard questions, such as:

- What services *should* we be providing, but lack the resources?
- What activities have a *low value* to the member?
- Are there activities we can/should *stop doing*?
- What activities are best done by *someone else*?
- What services that have a high value to the member *would* we offer if the resources were available?

Solutions

A lack of financial and human resources is just as common in the corporate world as it is with associations. A number of major U.S. corporations have recognized the problems of insufficient time and resources. These companies have responded in a number of creative ways. Two solutions that have become popular are *outsourcing* and *strategic alliances or partnerships*. Some REALTOR® associations already have begun to leverage one or more of these to maximize services to their members.

Outsourcing is used to address functions of an association that may be more economically done by an outside provider. These necessary functions can range from membership recordkeeping and

accounting, to continuing education courses. By contracting with outside sources that specialize in these activities, the association has more time and energy to focus on its primary objective –optimizing services to its REALTORS®.

Similarly, *strategic partnerships* help associations to pool resources and create synergies where one plus one truly equals three. For instance, strategic partnerships allow an association with expertise in newsletter writing to team with another association having expertise in technology. The result is a win-win situation for both. It's a matter of recognizing who's best at what, and of not expending resources by trying to reinvent in one's own backyard a capability that already exists elsewhere.

Shared Services – A REALTOR® Association Partnership Program

Shared services help REALTOR[®] associations strengthen services and streamline management through strategic partnerships. Shared services is not about mergers – it's about collaborations, partnerships, and other mutually beneficial relationships among REALTOR[®] associations that enhance the level of service to all members and increase the association's efficiency and productivity.

What are Shared Services?

Shared services can take a variety of forms depending on each association's relationship, resources, size, and needs. Associations can contract with each other to provide services such as member record-keeping; they can mutually sponsor programs such as leadership training; or they can co-develop products such as technology solutions or education materials and delivery. Sharing services is a voluntary initiative that can be self-administered or facilitated with expert facilitators. The facilitator can guide association executives and volunteer leadership through the process of uncovering the best partnership opportunities for their association.

Who can Share Services?

Shared services can help local REALTOR[®] associations of all sizes make critical decisions about essential association activities. It offers strategies and examples for outsourcing and partnering when it comes to deciding how to handle the activities that someone else might do.

Association Benefits

Shared services can save associations the time and cost of duplicating services that other associations have already developed. By pooling resources to develop programs, association executives' workloads are lessened, staff responsibilities are reduced, and potential new revenue streams are created. Associations in mutually beneficial partnerships make the REALTOR[®] organization as a whole stronger, more efficient, and more effective.

The Impact of Shared Services

Shared services can create an environment of collaboration among associations, so that no one association feels overwhelmed by today's pace of change and the ever-increasing expectations and demands of REALTOR[®] association management. Collaboration will help associations keep pace with the growing demands of their membership for technology and information services, among other creative programs to keep REALTORS[®] as the first point of contact in the real estate transaction.

Value to the Real Estate Practitioner

Through shared services, practitioners will have access to more relevant member services, more updated opportunities, and more resources than are available through their local association alone.

Common Fears and Misconceptions

Every successful association, just like many successful businesses, experiences growing pains. To continue to grow successfully, the business manager as well as the association manager must know when to delegate things he or she previously managed personally. But... this isn't always easy for the manager to accept. These fears can be exaggerated when it comes to outsourcing and partnering issues. Will "they" do it as well as we did? Will we "lose control"?

These are common misconceptions. However, neither outsourcing nor partnering are new management "gimmicks"; they've been around for a number of years. There has been a wealth of experience and procedures developed for organizations of *all* sizes to make these methods viable – and even desirable.

Even more compelling is the knowledge that, with outsourcing and strategic partnering, each participating association *retains its autonomy and unique identity while at the same time increasing services to its REALTORS®*.

Applications to Local REALTOR® Associations

The objective of outsourcing and strategic partnering is to *leverage the resources of others for mutual advantage*. Some basic, long-accepted examples are the local associations that outsource their accounting function to a CPA or contract with a local law firm for legal counsel.

But how might these concepts work to even greater advantage in a local REALTOR® association? Before it can begin to think about outsourcing or strategic partnerships, a local association needs to do three things:

1. Clearly identify what its "core business" really is. *What is our association's primary reason for being in the first place?*
2. Clearly identify the functions and activities it knows cannot be duplicated by any outsource or any potential partner. *What activities does our association do better than any other party possibly could?*
3. Clearly identify the functions and activities that definitely need to be done, but can be done as easily or better by someone else. *How can our association gain time and resources through outsourcing or partnering and redirect energy to our "core business" and its related strengths.*

Clearly identify the functions and activities that have high priority and/or high member value that could be added if resources were available. *What new member services that build upon current strengths could be offered if resources were leveraged or made available as a result of shared services?*

I. The REALTOR® Association's Core Business

Each local REALTOR® association is unique, and this makes it impossible to prescribe a single, one-size-fits-all solution for everyone. However, we all face a common challenge.

Helping the member become more profitable and successful.

Today, helping the member become more profitable and successful is undoubtedly a core business objective of every REALTOR® association. Successfully achieving this objective requires discipline, focus and effort. As a core purpose it requires that REALTOR® associations provide access to services, activities, information, and skill development that support member success and profitability.

II. The REALTOR® Association’s Essential Functions and Activities

Each REALTOR® association’s market is different, as are the social, geographic (urban, suburban, rural, resort or any combination of these) and economic factors driving that market. Consequently, each association will have different strengths that derive from serving the needs of their market, such as government affairs, technology services (MLS, training, etc.), delivery of education, membership records, or professional standards administration.

Ten service areas deemed “essential” are listed here:

1. Administrative Services
2. Communications
3. Education
4. Planning and Financial Management
5. Governance and Leadership Development
6. Government Advocacy, Political and Community Involvement
7. MLS and Real Estate Productivity Tools
8. Professional Standards, Legal, and Member Policies
9. REALTOR® Organization, Industry Relationships, and Networking
10. Technology

These ten services tie into several of NAR’s Organizational Alignment Core Standards, as well. It’s these strengths that, simply speaking, make the REALTOR® association worth belonging to. Each local REALTOR® association must know exactly what its strengths – its essential functions and activities – are, so it can focus on these, at the same time it identifies new opportunities for enhancing these strengths to increase member value.

III. The REALTOR® Association’s “Other” Activities

This last category can be difficult to identify. It consists of activities that every association needs to do, although they might just as easily be done by someone else. For instance, we would probably all agree that conducting timely new member orientations are a necessity in each local association. So are good relations with the press and other media. But while these and other activities are a necessary part of any REALTOR® association’s existence, we all know there are just so many volunteers available and just so many hours in the day. And, we all wish that when it comes to these situations, we’d prefer to just “let someone else do it who has more time and expertise” – if only we had another “someone else” around.

The secret to any good management team lies in knowing how to focus effectively on the core objectives, and knowing what can be done by other sources. This is where the potential benefits of outsourcing and strategic partnering come into play. The REALTOR® association’s management team should sit down and *jointly determine* what its essential strengths are, and what activities might be *even better done* by another entity and how it can best support member success and profitability. Only then will the team be in a position to make the choices and decisions that ultimately will make their REALTOR® association a more effective organization.

One Step at a Time

The materials to follow have been designed to take a local REALTOR® association through the steps necessary for identifying the essential functions it wants to continue managing on a “hands on” basis vs. the activities which could become candidates for outsourcing or strategic partnering. The steps can be done at one sitting, for example as part of a daylong management retreat; or they can be done over several meetings if this is more convenient.

Make It a Joint Effort

Whether you do it in one day or over a period of two or three weeks, it's important that *all* of your local association's management team is involved in the process. The "management team" consists of the *key people in your REALTOR® association who make things happen* – president, board members, active volunteers, plus the chief staff executive and other key staff, if your association has either of these. If your association contracts with another association for executive or managerial services, for the purpose of meeting NAR's *Organizational Alignment Core Standards*, these "contract staff" should be involved in the process too. The management team of some local associations will consist entirely of volunteers. In that case, all actively involved volunteers who "make things happen" in your local association should be part of the process.

Let's Get Started!

These materials are designed to be self-explanatory and self-administered. The instructions will guide you and your management team through the process, allowing you to make decisions that best fit *your* REALTOR® association.

IV. Assessment Exercise

Ten Essential Services

1. Administrative Services – Involves all aspects of internal administrative activities and support, including all personnel issues, building management, contracting with vendors, and daily member interaction.
2. Communications – Involves communications with external and internal audiences, including members, leadership, staff, the media, and the community.
3. Education – All aspects of member education and professional development including needs assessments, course development and delivery, evaluation, and course administration.
4. Governance and Leadership Development – all aspects of association governance, including board and committee meeting preparation and support; volunteer leadership recruitment, orientation, training, and development.
5. Government Advocacy, Political and Community Involvement – Involves all advocacy and grassroots involvement, including interaction with elected officials, fundraising, and coordination of community service programs.
6. MLS and Real Estate Productivity Tools – All association resources designed to increase member business activities, including basic MLS services, functions and training, and research and implementation of new member services/programs options that assist with productivity.
7. Planning and Financial Management - All association planning and budgeting, including strategic and business planning, budget development and financial reporting.
8. Professional Standards, Legal, and Member Policies – Involves all member policy activities, including policy development, administration, and enforcement.
9. REALTOR[®] Organization, Industry Relationships, and Networking – Involves all aspects of external relationships (except government), including NAR and state association, local business or professional groups, and real estate coalitions.
10. Technology – All aspects of technology – hardware, software, training, etc. -- including website maintenance, data protection, member support, mobile and social media tools, and research and recommendation of new technologies.

Resources Allocation. There is also a question of each essential service for your association to answer as best as it can. The question asks you to approximate what percentage of your direct and indirect (staff) resources allocated to developing, delivering, and supporting each of your association's ten essential services. This will help you to determine if your resources are allocated proportionately among these categories.

Enter your best estimate of the percentage of time spent with the total of the ten equaling 100. There is no right or wrong answer in answering this question and answers will vary among associations as a result of many factors, such as association size.

Shared Services

A REALTOR® Association Partnership
Essential Services Assessment Exercise SAMPLE

INSTRUCTIONS: Use this assessment exercise to determine if your association is a candidate for shared services in one of the ten essential service areas.

1 Read the text that describes each of the essential services. The text presents scenarios, through examples, of services that meet expectations, could be improved, or could be enhanced or shared with other associations.

Essential Service Area

This scenario describes a service situation that needs improvement in order to meet expectations. If this description most closely resembles your association, check off "Needs improvement" below.

Needs Improvement

Meets Expectation

This scenario describes a service situation that meets expectations. If this description most closely resembles your association, check off "Meets expectations" below.

Look for opportunities to share

This scenario describes a service situation that exceeds expectations. Services could be enhanced through sharing, or services could be offered to other associations. If this description most closely resembles your association, check off "Meets expectations but could benefit from shared services" or "Could offer shared services to other associations" below.

How well does your association perform this function?

- Needs improvement and could benefit from shared services
- Meets expectations
- Meets expectations but could benefit from shared services
- Could offer shared services to other associations

Approximately what percentage of your direct and indirect (staff) resources is allocated to this service area? ____

Ideas for Shared Services: (What, and how, could services be shared in this area? Which associations or organizations might be able to provide, or benefit, from shared services?) Write yours in this space

Shared Services Solutions: *Examples of solutions will be provided in this area.*

2 Evaluate your association's services.

How well does your association perform this function?

Check off the appropriate response based on the scenario that most closely resembles your association.

- Needs improvement and could benefit from shared services
- Meets expectations
- Meets expectations but could benefit from shared services
- Could offer shared services to other associations

3 Agree upon what percentage of the association's resources (direct and indirect) are allocated to this service area. This will assist in determining if their resources are being allocated according to their properties.

Ideas for Shared Services:

Note your ideas for shared services solutions.

4 Review and compare responses

After completing the "check-off" rating for each essential service area (page 7) review your responses and, if working with a planning team, compare responses with those of other team members..

5 Categorize and integrate into planning

A. Based on the collective exercise responses, categorize service areas into one of four categories:

Needs improvement and could benefit from shared services

Meets expectations

Meets expectations but could benefit from shared services

Could offer shared services to other associations

B. Integrate the categorized service areas into the association's planning. For example, if a service "needs some improvement", plan action steps to achieve a level of service that "meets expectations." If a service area could be shared with other associations, plan action steps to communicate with other associations about your association's shared service capabilities.

Administrative Services

<p>There is not a permanent “home” for association records. Association phone number is a voice mailbox; response time to voice mail and email is inconsistent; association lacks a website. Staff provides limited administrative support, e.g. bookkeeping and records management. Volunteer leadership often contributes administrative support.</p>	<div style="border: 1px solid black; padding: 5px; width: 80px; margin: auto;"> <p style="margin: 0;">Needs Improvement</p> </div>	<p style="text-align: center;">Meets Expectation</p> <p>Association has an identifiable permanent location. Association records are stored in a permanent location and backed up regularly. When the member calls the office a person answers and responds to the call. The office is equipped with up-to-date communications equipment that enables the member to communicate in his preferred means – phone, fax, email, Internet. Staff possess the following competencies: office management skills, bookkeeping, record keeping, membership records proficiency, office systems proficiency, comprehensive knowledge of member policy issues, fundraising reporting, knowledge of information resources available, responsiveness to member questions and concerns, knowledge and communication of regulatory environment.</p>	<div style="border: 1px solid black; padding: 5px; width: 80px; margin: auto;"> <p style="margin: 0;">Look for opportunities to share</p> </div>	<p>Office location and appearance provides a high level of public exposure for the REALTOR® association. Members are invited into the office at regular intervals and take pride in the facility. Chief staff executive is a leader and spokesperson for the association; is visionary, identifies and articulates trends and their impact on business and industry, recommends actions. Chief staff executive and senior management have increased responsibility to carry out the board’s strategic direction with clear accountability measures.</p>
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How well does your association perform this function?

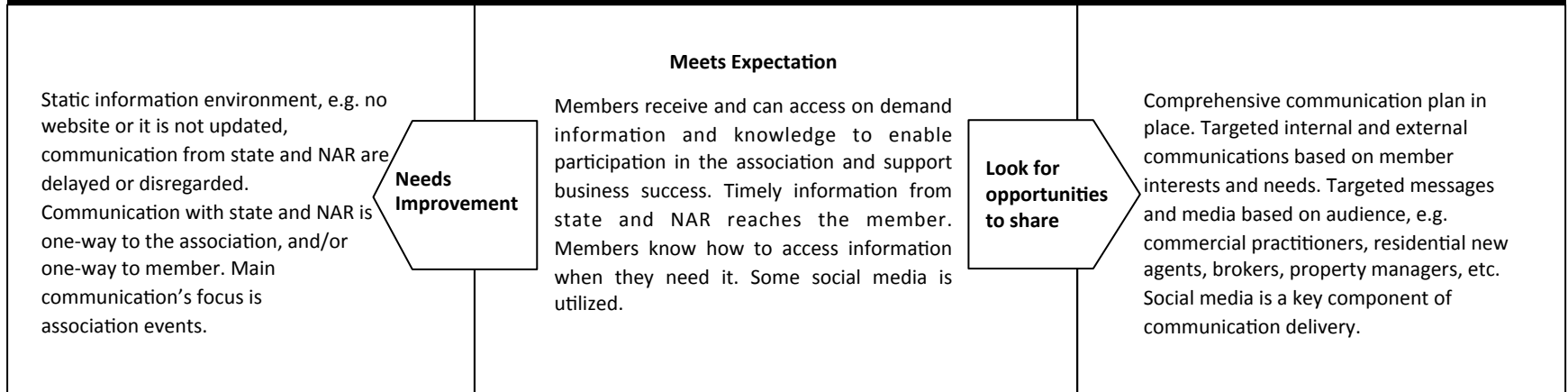
- Needs improvement and could benefit from shared services
- Meets expectations
- Meets expectations but could benefit from shared services
- Could offer shared services to other associations

Approximately what percentage of your direct and indirect (staff) resources is allocated to association’s administrative support? ____

Ideas for Shared Services: (What, and how, could services be shared in the area of office facilities and locations? Which associations or organizations might be able to provide, or benefit, from shared services?) _____

Shared Services Solutions: A state or larger neighboring association may be able to provide a public “front” for a smaller association, e.g. phone hookup, email re-direct, provide permanent housing for records, respond to member calls. Administrative and/or management services are provided by a larger association or a state association, or through a “shared” association executive.

Communications



Needs Improvement

Look for opportunities to share

How well does your association perform this function?

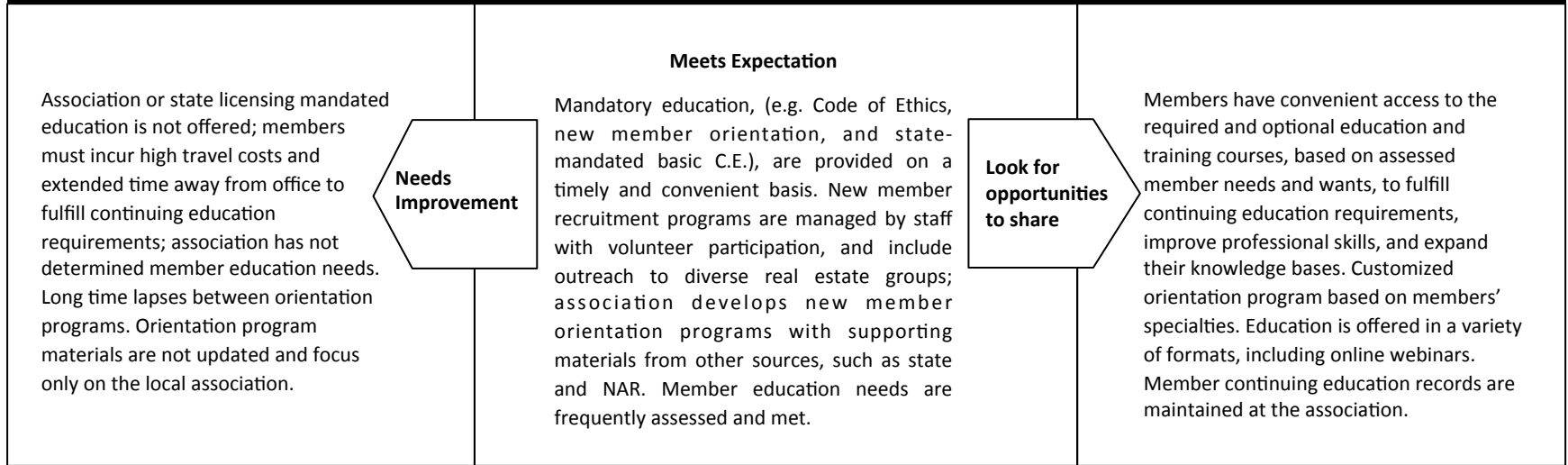
- Needs improvement and could benefit from shared services
- Meets expectations
- Meets expectations but could benefit from shared services
- Could offer shared services to other associations

Approximately what percentage of your direct and indirect (staff) resources is allocated to developing, delivering and supporting your association's communication efforts? ____

Ideas for Shared Services: (What, and how, could services be shared in the area of communications? Which associations or organizations might be able to provide, or benefit, from shared services?) _____

Shared Services Solutions: Partner with neighboring associations to buy print services, co-produce print or online newsletters. Work or contract with a larger association's professional staff to act as communication "intermediary" to interpret and put local spin on state and national messages. Partner with a "cyber-neighbor" to share the cost of website development and maintenance. Seek out resources for website content.

Education



How well does your association perform this function?

- Needs improvement and could benefit from shared services
- Meets expectations
- Meets expectations but could benefit from shared services
- Could offer shared services to other associations

Approximately what percentage of your direct and indirect (staff) resources is allocated to developing, delivering and supporting your association's education programs? ____

Ideas for Shared Services: (What, and how, could services be shared in the area of education? Which associations or organizations might be able to provide, or benefit, from shared services?) _____

Shared Services Solutions: Offer courses in conjunction with local junior colleges. Partner with neighboring local associations or state association to co-sponsor programs and share the cost and revenue. Explore proprietary school partnerships to develop and update courses; fulfill continuing education requirements and record keeping. Use orientation materials prepared by the state and NAR. Arrange with a neighboring association to conduct orientation or other courses based on a "per head" fee.

Governance and Leadership Development

<p>Minimal staff resources are available for board and committee support, meeting preparation, and follow up. Committees are loosely formed with minimal direction. No organized volunteer recruitment or leadership training in place.</p>	<div style="border: 1px solid black; padding: 5px; width: 60px; margin: auto;">Needs Improvement</div>	<p style="text-align: center;">Meets Expectation</p> <p>The board of directors and committees receive good staff support in meeting preparation and follow up. Minutes are prepared promptly and follow up assignments are implemented on a timely basis. Committee purposes are well-defined and relevant. Meetings are held only when necessary. Nominating committee appoints director nominees; leadership training held periodically; board of directors and committee orientation held annually.</p>	<div style="border: 1px solid black; padding: 5px; width: 60px; margin: auto;">Look for opportunities to share</div>	<p>The Board of Directors is elected based on their competencies and is strategic in its focus. The association is structured for quick action with few standing committees, but operates with work groups/task forces. Board meeting agendas are focused upon ensuring that the association is following its strategic objectives. Committees and other groups are given clear direction and empowered to complete their assignments. Leadership recruitment plan in place; leadership academy or similar program formed; annual board and committee orientation is thorough.</p>
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How well does your association perform this function?

- Needs improvement and could benefit from shared services
- Meets expectations
- Meets expectations but could benefit from shared services
- Could offer shared services to other associations

Approximately what percentage of your direct and indirect (staff) resources is allocated to developing, delivering and supporting your association's efforts to govern? ____

Ideas for Shared Services: (What, and how, could services be shared in the area of governance? Which associations or organizations might be able to provide, or benefit, from shared services?) _____

Shared Services Solutions: Share administrative services with other staff who could assist in supporting board of directors and committee functions; hold joint leadership training and/or academies with other associations; hire same trainer to share travel costs (while holding individual training).

Government Advocacy Community and Political Involvement

<p>Level of government advocacy involvement increases or decreases based on volunteer leadership's interest but is not consistent. Members learn about regulatory changes after enactment. RPAC goals are not met or monitored. Association is sometimes involved in community service projects.</p>	<div style="border: 1px solid black; padding: 5px; width: 80px; margin: auto;"> <p style="text-align: center;">Needs Improvement</p> </div>	<p style="text-align: center;">Meets Expectations</p> <p>Support of state and NAR advocacy efforts and some volunteer involvement in advocacy issues. REALTOR® Party participation is encouraged. Able to support efforts to impact legal and regulatory issues. RPAC goals are met. RPAC fundraising is an organized activity. Unless prohibited by state law and in recognition of state law differences, association includes a voluntary contribution for the PAC or the issues Political Advocacy Fund (PAF) in their dues billing to meet NAR RPAC fundraising goals. If not, the association pays NAR the full amount of any NAR established RPAC goal contributed by whatever legal means determined to be in the best interest of the association (i.e. a corporate contribution in the full amount of the NAR established goal). Local/state legislative and regulatory issues are regularly monitored and reported. Regular communication with NAR political field representatives and participation in local and state calls to action. Monitors local government activities for real estate related issues. Participation in advocacy community outreach programs as referenced in the Core Standards.</p>	<div style="border: 1px solid black; padding: 5px; width: 80px; margin: auto;"> <p style="text-align: center;">Look for opportunities to share</p> </div>	<p>Ability to analyze, address, and impact legal and regulatory issues and proactively frame the regulatory environment. Recognized leader in governmental advocacy. RPAC goals are exceeded. Political awareness and involvement is part of the association's culture. Grassroots advocacy is strong on local, state, and national issues. Association is recognized in the communities it serves as a positive influence in improving the quality of life in those communities.</p>
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How well does your association perform this function?

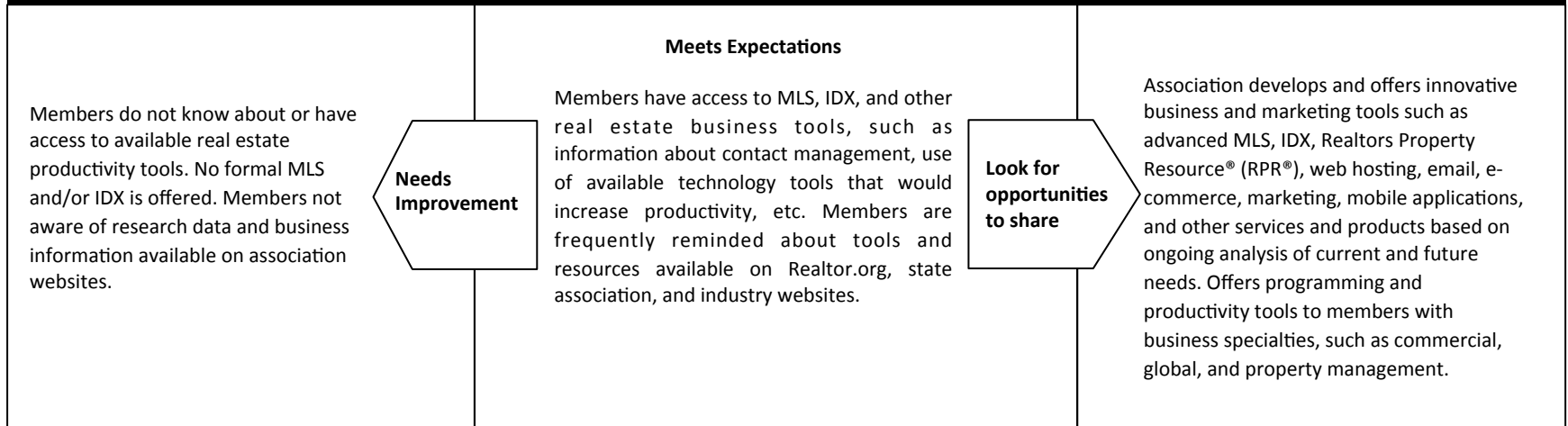
- Needs improvement and could benefit from shared services
- Meets expectations
- Meets expectations but could benefit from shared services
- Could offer shared services to other associations

Approximately what percentage of your direct and indirect (staff) resources is allocated to developing, delivering, and supporting your association's advocacy and political involvement (government and community) programs? ____

Ideas for Shared Services: (What, and how, could services be shared in the area of government advocacy and political involvement? Which associations or organizations might be able to provide, or benefit, from shared services?) _____

Shared Services Solutions: Participate in a shared government affairs director (GAD) program. Partner with local housing advocacy groups to hire a professional legislative/regulatory monitor. Partner with local organizations to share meeting space. Form coalitions with community and other trade groups to address common goals.

MLS and Other Real Estate Productivity Tools



How well does your association perform this function?

- Needs improvement and could benefit from shared services
- Meets expectations
- Meets expectations but could benefit from shared services
- Could offer shared services to other associations

Approximately what percentage of your direct and indirect (staff) resources is allocated to developing, delivering, and supporting your association's efforts to provide/strengthen MLS and other real estate productivity tools? ____

Ideas for Shared Services: (What, and how, could services be shared in the area of real estate tools? Which associations or organizations might be able to provide, or benefit, from shared services?) _____

Shared Services Solutions: Consider participating in or developing regional or market area MLS and related services. Neighboring associations work together to customize tools for shared market area. Share web-hosting and development costs with others.

Planning and Financial Management

<p>There is no strategic or other plan in place to guide budgeting and other decisions. Budget is not developed or monitored. Financial records are not kept in a permanent location or easily accessible. Directors do not use financial reports in making associations decisions. Reserves are not maintained or invested.</p>	<p>Meets Expectations</p> <p>There is a sufficient source of revenue for association operations. A viable strategic plan is in place. A comprehensive budget aligned with the strategic plan and financial policies developed by staff with volunteer input and approval. If revenue is \$50,000 or more, an annual audit or review is conducted. If revenue is less than \$50,000, a compilation report, prepared by a CPA, is acceptable, as required by the Core Standards. Basic level of association reserves are available to support association operations.</p>	<p>Both strategic and business plans are in place and closely monitored. The association is financially strong with reliable revenue and ongoing initiatives to generate alternative sources. Comprehensive budget based on strategic outcomes is developed by staff and approved by volunteer leadership. Program-based budgeting is used to determine actual program costs. Suitable funding is available to act quickly on opportunities and threats. Reserves are maintained and invested based on approved investment policy.</p>
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Needs Improvement

Look for opportunities to share

How well does your association perform this function?

- Needs improvement and could benefit from shared services
- Meets expectations
- Meets expectations but could benefit from shared services
- Could offer shared services to other associations

Approximately what percentage of your direct and indirect (staff) resources is allocated to developing, delivering, and supporting your association's planning processes, budgeting and financial management? ____

Ideas for Shared Services: (What, and how, could services be shared in the area of financial management and reserves? Which associations or organizations might be able to provide, or benefit, from shared services?) _____

Shared Services Solutions: Share expenses for planning facilitators with neighboring associations. Use the REALTOR® e-commerce network to invest association funds in interest-bearing accounts. Partner with a larger association to maintain and audit financial records. Borrow or "rent" the expertise of a full-time AE for help in developing a budget. Partner with others on board training for financial reporting and other related duties.

Professional Standards, Legal, and Member Policy

<p>Association does not meet NAR mandate to have an aggregate total of at least three hundred and fifty (350) primary REALTOR® and/or REALTOR-ASSOCIATE® members from which to compose hearing panels. Association does not offer mediation or have regular access to legal counsel. Bylaws and MLS Rules are inconsistently reviewed and many not be in compliance with NAR policy. Rules are not enforced consistently.</p>	<p style="text-align: center;">Meets Expectations</p> <p>Association has access to the process for handling professional standards complaints, and mediation, according to established policies and procedures, and complaints are handled in a professional and timely manner. Has access to a Certified Professional Standards administrator. Association keeps records on member required Code of Ethics course completions. Regular access to legal counsel. Risk recution procedures in place. Bylaws, MLS Rules, and professional standards policies are consistently reviewed and updated and are in compliance with NAR policy. Rules enforcement procedures are in place.</p>	<p>Alternative delivery systems for dispute resolution are offered. Association facilitates access to legal counsel for members, e.g. a legal hotline. Ombudsman and ethics mediation are offered or at least considered. Information regarding complaint procedures, are readily available to consumers. Bylaws, policies, and MLS Rules are clear and communicated effectively to members and staff. Enforcement procedures are streamlined and easy to understand and followed consistently. Information regarding complaint procedures is ready available to consumers.</p>
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Needs Improvement

Look for opportunities to share

How well does your association perform this function?

- Needs improvement and could benefit from shared services
- Meets expectations
- Meets expectations but could benefit from shared services
- Could offer shared services to other associations

Approximately what percentage of your direct and indirect (staff) resources is allocated to developing, delivering, and supporting your association's professional standards administration and legal support? ____

Ideas for Shared Services: (What, and how, could services be shared in the area of professional standards and legal? Which associations or organizations might be able to provide, or benefit, from shared services?) _____

Shared Services Solutions: Partner with a neighboring, regional, or state association that has a certified professional standards administrator and/or full resources for professional standards administration. Use online dispute resolution or mediation services. Shared legal hotline. Partner with required professional standards training for grievance and professionals standards committees.

REALTOR® Organization, Industry Relationships, and Networking

Relationships are internally focused. Association does not participate in state or local activities. Informal networking events are typical.

Needs Improvement

Meets Expectations

Collaborative relationships with local, state, and NAR, as well as firms and brokers. Planned networking and social events contribute to members' business successes and the association's influence in the community. Association has some active member networks (YPN, multicultural, global, etc.)

Look for opportunities to share

Actively participates in state and NAR meetings, with members serving on committees. Association leaders foster relationships with local government leaders, allied real estate groups, media, and community groups. Leading brokers view association leadership, chief staff executive and organization as valued resources. Association regularly conducts member outreach visits. Various member networks are strongly supported.

How well does your association perform this function?

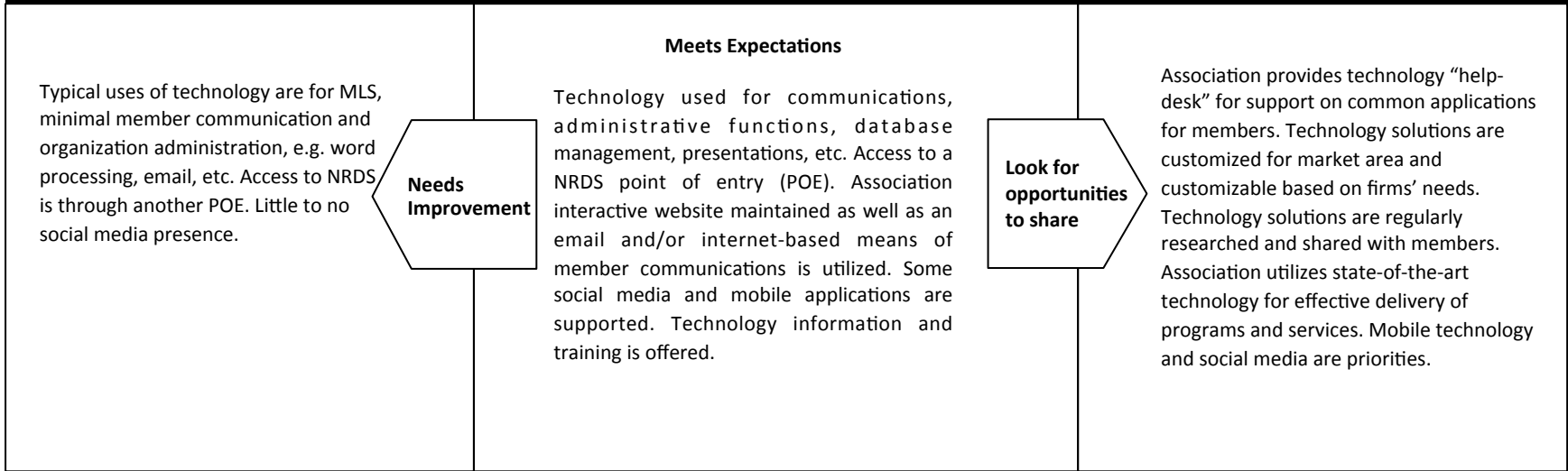
- Needs improvement and could benefit from shared services
- Meets expectations
- Meets expectations but could benefit from shared services
- Could offer shared services to other associations

Approximately what percentage of your direct and indirect (staff) resources is allocated to developing, delivering, and supporting your association's work with other associations? ____

Ideas for Shared Services: (What, and how, could services be shared in the area of REALTOR® organization, industry relationships, and networking? Which associations or organizations might be able to provide, or benefit, from shared services?) _____

Shared Services Solutions: Invite local civic and housing related groups to co-sponsor and participate in events. Plan structured events in conjunction with neighboring associations. Joint caucus at state conventions; co-sponsor events with organizations, local civic groups, vendors, or suppliers who have staff who can administer and manage the events. Participate in regional member groups (international/global, YPN, etc.)

Technology



How well does your association perform this function?

- Needs improvement and could benefit from shared services
- Meets expectations
- Meets expectations but could benefit from shared services
- Could offer shared services to other associations

Approximately what percentage of your direct and indirect (staff) resources is allocated to developing, delivering, and supporting your association’s technology efforts? ____

Ideas for Shared Services: (What, and how, could services be shared in the area of technology? Which associations or organizations might be able to provide, or benefit, from shared services?) _____

Shared Services Solutions: Association share the services of a technical consultant for in-house “help-desk” functions. Partner with a “cyber-neighbor” to share the cost of website development and maintenance. Partner or contract with another association to develop or share mobile technology.

Based on your results from the Assessment Exercise, complete this checklist to assist your association in determining next steps toward sharing services to offer more member value.

Checklist: Activities We Do Best Ourselves vs. Those Done As Well or Better with a Partner

NOTE: If your collective response is “Look for opportunities to share,” you probably are doing it best yourselves but could share your expertise with others. If you have selected “Needs some improvement,” the service can probably be done better with a partner.” “Meets expectations” can go either way.

Service Area	Do best ourselves	Can be done better with a partner
Administrative Services		
Communications		
Education		
Governance and Leadership Development		
Government Advocacy, Political and Community Involvement		
MLS and Real Estate Productivity Tools		
Planning and Financial Management		
Professional Standards, Legal, and Member Policies		
REALTOR® Organization, Industry Relationships, and Networking		
Technology		

V. **NEXT STEPS.** Now that you know how you would like to make use of shared services, you should concisely package your plans.

Step 1: Review the example on pp. 23-25 where the ABC Association of REALTORS® (ABCAR) completed the assessment process to get a full picture of how it could work for you.

Step 2: Identify the services you need/want to outsource or partner and the rationale for doing so.

By now, *this* assessment tool will have helped you identify how you might make use of shared services. You should take some time to articulate your rationale for the services you've chosen and the resulting member value. Remember to keep the focus on *member value*.

Step 3: Concisely organize/package your plans.

Put yourself in the shoes of your local association leadership...what would you want to know about the plans?

- Keep your communication clear and concise. What would help you understand how this recommendation came about?
- Communicate the goals of the shared services project and the assessment process that was used. What would help you understand the resulting member value and benefit for the local association?
- Demonstrate how improved service levels and local resource utilization go hand-in-hand in this concept.

Step 4: Develop measurements for successful outsourcing/sharing and include a way to judge resulting increased value against any increase in dues or other costs.

How will you know if sharing services has worked for you?

Step 5: Present the rationale to association officers and directors to gain alignment and buy-in.

Hopefully some of your association's leadership was involved in the assessment process, but if not, you should present your case to the full board of directors for approval. Emphasize both the member value and the overall association benefit.

Step 6: Identify associations and other organizations with the competencies that fit your needs.

Which local or state associations or other compatible organizations have the complementary capabilities or needs you seek and are good potential partners? An already-existing relationship, like a member data Point of Entry (POE), may pave the way for more shared services.

Step 7: Develop/refine your proposal and process for approaching your shared services partner(s).

Put yourself in the shoes of the organization(s) you're going to approach with your shared services ideas. What would help you see the benefit to your members? What would make the concept concise and compelling? Who will make initial and follow up contact? Are there existing networking relationships between members or staff that can facilitate the contact?

Step 8: Negotiate fees and agreement terms for outsourcing/sharing.

Once the partners "agree to agree" you will need to work out the specific terms of the agreement, including costs, and concur on a process for formalizing the agreement. For

example, will appointed representatives for each partner draft an agreement for approval by each organization's board of directors? During negotiations, it is very important for each partner to stay attuned to each other's sensitive points and issues, like maintaining association identity and autonomy.

Step 9: Communicate the benefit to local association leadership and members.

Because members-at large may see a difference in the way services are provided, it is important to communicate to them: "What" (What is being done.); "When/How" (the specifics.); "Why" (the rationale for what you're doing, why specific services were chosen, and why specific partners were chosen.); and "WIFIM" (what's in it for me), (how they will directly benefit.) They should receive this information *prior* to implementation.

Step 10: Evaluate the shared services agreement and make improvements

Recognize that the shared services partnership is a process that should be continually monitored and evaluated by all stakeholders. Develop a plan to solicit regular feedback from all stakeholders on the services involved. Ask what's going well and what can be improved and then assess how best to incorporate their input.

Step 11: Be open to future shared services possibilities

As documented in the case studies, the relationship that develops as a result of sharing services can result in additional opportunities to partner in the future.

COMPLETION OF THE ASSESSMENT PROCESS EXAMPLE

ABC ASSOCIATION OF REALTORS®

The ABC Association of REALTORS® (ABCAR) was struggling to meet their members’ needs. The economy had been weak for quite some time and membership was down, dropping from 420 to 320 in three years, and their resources were very limited. Association leadership felt strongly that ABCAR should continue as its own entity but wanted to make sure it was offering members what they needed to be productive. ABCAR has two and one half staff members, including the chief staff executive (CSE), an MLS coordinator and a part-time assistant.

ABCAR’s president and AE had attended a session at state meetings and heard about “sharing services” with other associations. They learned that this was a possible solution to offering members more without finding new resources – money or staff. They’d seen a sample of the “Assessment Guide” at the session and found out that it was on Realtor.org. After some discussion at a Board of Directors meeting, the Board decided to undertake the assessment process to see if sharing services would be viable for ABCAR.

A group of the Board and ABCAR staff were assigned to complete the assessment process and report to the entire Board at their next meeting.

The first step of the process was to complete the “Essential Services Assessment Exercise,” which described ten essential services for REALTOR® associations and asked for an analysis of each of the ten: “*How well does your association perform this function: needs some improvement, meets expectations, or looks for opportunities to share.*” Once completing that piece, suggestions for possible sharing opportunities were provided.

The ABCAR group first answered the questions to these ten scenarios individually, then reviewed and compared their responses – ultimately reaching a collective response for all ten. Their results, which would next be incorporated into their planning, were:

Essential Service Area	Allocated %	Assessment and Explanation
1. Administrative Services	15%	Meets expectations: <i>The group believed that their staff provided excellent member support and was vigilant in working with association vendors. The AE was a good supervisor and handled HR matters well.</i>
2. Communications	5%	Needs some improvement: <i>ABCAR’s website hadn’t been updated in several years and their newsletter needed to be in an online format.</i>
3. Education	11%	Meets expectations: <i>Although ABCAR was providing the basics, the group believed they should offer more education to members and improve the new member orientation.</i>
4. Governance and Leadership Development	12%	Meets expectations: <i>holds occasional leadership training for volunteers, and has an annual orientation for the board of directors, but no formal leadership development; the board of directors and volunteer committees received adequate staff support and minutes were updated on a consistent basis. Sometimes there wasn’t a staff person attending meetings because of conflicts (ABCAR has 24 committees.)</i>
5. Government Advocacy, Political and Community Involvement	2%	Needs some improvement: <i>RPAC goals were never met and monitoring local government was non-existent.</i>
6. MLS and Real Estate Productivity Tools	40%	Needs some improvement: <i>ABCAR had its own MLS but many of their member brokers belong to multiple MLSs in their large market area and were beginning to rebel. There was much talk about regionalizing MLS. Members received no information about what was new in the productivity tools world.</i>
7. Planning and Financial	3%	Needs some improvement: <i>ABCAR’s planning process was substandard – their strategic plan was dormant at best, and budgets were developed before</i>

Management		<i>any planning was done. The group also believed the reporting process could be improved.</i>
8. Professional Standards, Legal, and Member Policies	2%	Needs some improvement: <i>Bylaws and policies were consistent with NAR, but ABCAR lacked a certified PS administrator since the last AE left. Members rarely filed complaints as they were concerned that they knew everyone else in the association.</i>
9. REALTOR® Organization, Industry Relationships, and Networking	9%	Meets expectations: even with its smaller size, ABCAR was well-represented at state and even NAR meetings. One of ABCAR's past presidents was on the state's executive committee and kept ABCAR in the loop on current matters. A new YPN was in the process of being formed and a brokers' forum met quarterly.
10. Technology	1%	Needs some improvement: <i>The group believed ABCAR was way behind in the technology it had to deliver member offerings – the website used old technology and the association office still used a very old version of Windows and Microsoft Office.</i>

Service Area	Do best ourselves	Can be done better with a partner
Administrative Services	x	
Communications		x
Education		x
Governance and Leadership Development	x	
Government Advocacy, Political and Community Involvement		x
MLS and Real Estate Productivity Tools		x
Planning and Financial Management		x
Professional Standards, Legal, and Member Policies		x
REALTOR® Organization, Industry Relationships, and Networking	x	
Technology		x

Next Steps.

Once completing this exercise, the group reviewed the remainder of the “Next Steps” in the Assessment Guide and made related recommendations to the board of directors.

Their conclusions: they recommended that ABCAR begin exploring shared services opportunities in several areas (as illustrated in their completed checklist above). The report also recognized that there were areas where ABCAR was meeting expectations or could be improved upon without adding resources, so not everything needed to be addressed through sharing. Evaluating the percentage of time allocated to each area was also a bit of a wake-up call to the group in that it realized that some areas that ABCAR considered to be high priorities were getting little attention and things like governance and administrative services, and attending meetings were taking a lot of time. *Really looking hard at this self-evaluation gave the board some valuable insights that would be addressed in an energized planning process!*

Their report included a summary of what shared services really meant – and that it was not an effort to merge with another association but to offer more member value without adding more resources. Each of their recommendations included some measurements to help assess the anticipated progress after sharing a service, along with rationale for each recommendation.

The report was presented by ABCAR's president-elect, who chaired the group, to the entire board of directors, who approved the report unanimously and directed the group to undertake the necessary steps to continue the process: contacting the other associations and/or organizations referenced in the report as compatible partners for each service, developing the proposals for each, and if successful, negotiating any fees and agreements relating to the new partnership.

Recommended shared services were:

- Begin discussions with two neighboring associations about combining MLSs – as they were already using the same vendor.
- Share the cost for services of another association's certified professional standards administrator – who could offer services largely on a virtual basis. (This could also lead to regionalizing their professional standards process with two other associations.) In turn, ABCAR would provide some administrative and governance support for bylaws and policy review and committee reorganization.
- Combine efforts with the local Chamber of Commerce to combine volunteer committees to monitor the local city council for issues that could impact small business in the community.
- Consider jointly providing a leadership training program for current boards and committees and developing a leadership academy for future leaders

Once this was completed, new services now shared with others were communicated effectively with members – explaining what the new service was, how it would work, and why it was done... and especially, how they would benefit. In the examples above, members would get expertise in the professional standards and ethics arena, and ABCAR and the other association would safely meet NAR's organizational criteria again. The potential for a combined MLS would likely reduce multiple fees for member brokers, plus could lessen the MLS staff person's workload –freeing her up to support other services not being adequately supported. And sharing local government monitoring with the Chamber would help to ensure property rights issues were addressed more effectively – before doing harm to members' livelihoods.

Overall results:

- Associations meeting necessary standards and avoiding potential extinction or necessary (and unwanted) mergers.
- The bottom line? More member value that improved their core business: helping the member become more profitable and successful.