

NAR Strategic Plan

2009 - 2011



Approved November 2008



NATIONAL ASSOCIATION OF REALTORS®

The Voice For Real Estate®

2008 NAR Strategic Planning Committee

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Strategic Planning Environment

Rapidly unfolding events in financial markets—and the economy more generally—have markedly altered, and perhaps permanently transformed, the environment in which REALTORS® do business. Turmoil in global financial markets has heightened concerns about the stability of capital markets resulting in anxiety about the availability of financing for residential and commercial real estate transactions. Furthermore, diminished availability of affordable mortgage financing, a retreat from the exceptional pace of home price growth earlier in the decade, a significant pace of foreclosure activity, and a hazy economic outlook have diminished consumers' willingness to buy, sell or lease real estate in the current environment.

It is in this environment of heightened uncertainty that the NATIONAL ASSOCIATION OF REALTORS® and the members it represents must evaluate the longer term strategic goals that will guide the Association as it leverages opportunities and confronts challenges in the social, demographic, economic, technological, legislative and regulatory areas.

The NATIONAL ASSOCIATION OF REALTORS® Strategic Plan consists of seven strategic objectives focusing on the challenges and opportunities confronting the Association and its members. These objectives will guide the Association toward a future that brings about a stronger relationship between REALTORS® and consumers so that consumers recognize REALTORS® as a professional, competent and trusted source of information and services. Key to this relationship and to sustaining and promoting consumers' confidence in ownership of real estate will be the dissemination of comprehensive and reliable information to help REALTORS® more effectively fulfill changing consumer expectations and address challenges in the evolving business environment.

In addition to information, alternative methods of communication between REALTORS® and with consumers are a growing imperative in a world where consumers have myriad online and web-based resources to communicate and interact in their personal and professional lives. With the strength of the REALTOR® organization as a foundation, the Association will continue to support public policies that advance private property

rights by addressing the challenges facing the economy and the real estate industry, including sweeping changes in the financial markets generally and the secondary mortgage markets specifically, abusive lending practices, consumer education and counseling, environmental issues and many others which affect the legal and regulatory environment in which real estate transactions occur.

The NAR Strategic Plan is a visionary guide for the Association as it develops new programs and services for members while also adhering to its vision as an effective business and public policy advocate for its members and the consumers they serve.



Strategic Planning Principles

The NAR Leadership Team, Strategic Planning Committee (SPC), CEO and senior staff have agreed on a set of core principles. These principles form the basis for the strategic objectives to follow, and include:

- The strategic plan should be a living document and the process continuous – reviewed and updated regularly from its current version rather than being re-built each year.
- The plan should directly influence operational decisions and be a lens through which those decisions are considered, thus having some influence over budgeting and operations of NAR. However, the plan should focus on defining strategic objectives, rather than dictating operational details and initiatives, which is the role of the senior staff and Leadership Team.
- The strategic planning process is a partnership among the SPC, the Leadership Team, all other committees and NAR staff.
- Careful monitoring and measurement of progress against the strategy are essential to the process, but should be set up and conducted by the staff and reported regularly to the Leadership Team. Metrics should be designed to measure the viability of the plan’s objectives and overall progress towards them as an organization (leadership, committees and staff).
- The process should encourage long-term thinking, creativity and careful consideration of “over the horizon” issues.



NAR Strategic Plan at a Glance

Vision

NAR is the trusted voice for real estate and an effective business and public policy advocate for its members and the consumers they serve.

The Strategic Initiatives

1. Focus resources and services to ensure a continued and strong flow of capital into the real estate financing marketplace
2. Strengthen the relationship between REALTORS® and consumers
3. Be the most comprehensive, reliable, and accessible source of real estate information for REALTORS®
4. Strive to ensure the competency and professionalism of REALTORS®
5. Create THE leading interactive real estate site for REALTORS® and consumers
6. Strengthen the relationships between the REALTOR® Organization and REALTORS®
7. Promote and support public policies that advance the real estate industry, private property rights and real property ownership for all





STRATEGIC OBJECTIVE #1

Focus resources and services to ensure a continued and strong flow of capital into the real estate financing marketplace

Information

- Through NAR communication and education, members understand how to work in an environment of financial and economic uncertainty
- REALTORS® are valued as a resource to assist the real estate consumer in a market where values fluctuate

Advocacy

- NAR is viewed as a valued partner and resource in creating regulatory solutions for addressing financial uncertainties in the economic marketplace that impact real estate
- NAR proactively identifies and promotes solutions to real estate, financial and taxation challenges
- NAR encourages sound lending and financial practices while taking a leadership role in insuring the viability of a strong secondary market for mortgage financing and continued federal support for home financing and mortgage capital under all market conditions

STRATEGIC OBJECTIVE #2

Strengthen the relationship between REALTORS® and consumers



Relationships

- The REALTOR® is the first point of contact for the consumer and central to the real estate transaction
- Consumers select REALTORS® as their trusted advisors for complete transaction services
- NAR's national advertising campaign generates compelling messages that encourage consumers to hire REALTORS® to buy, sell and lease real estate
- NAR promotes technology that supports the agent-consumer relationship
- NAR partners with consumers to promote grassroots advocacy on mutually beneficial issues

Business Practices

- The consumer recognizes that REALTORS® adhere to a strict Code of Ethics and Professional Standards
- REALTOR® associations, MLSs and NAR members protect consumer privacy and ensure the security of consumer and proprietary information
- REALTOR®-owned and controlled Web sites are the trusted source of accurate information for consumers and account for the majority of online real estate traffic and leads

Information

- NAR promotes real property ownership by providing accurate and reliable information on the value of ownership and its impact on families, community and society
- NAR continues to promote consumer confidence in the long-term value of homeownership
- REALTOR®-owned Web sites recognize the need to communicate in a variety of languages



STRATEGIC OBJECTIVE #3

Be the most comprehensive, reliable, and accessible source of real estate information for REALTORS®

Relationships

- NAR enjoys collaborative relationships with organizations representing diverse groups of members
- REALTOR® communications reflect and accommodate a variety of languages, cultures and generations

Business Practices

- NAR educates its members and communicates best practices for ensuring information security and consumer privacy
- NAR develops tools to assist associations, MLSs and REALTORS® in securing their electronic assets
- NAR promotes products and services, including the best, most cost-effective technologies, designed to help REALTORS® increase profitability
- Members recognize NAR as a valuable resource for real estate transaction services

Information

- NAR produces and disseminates information on all aspects of the real estate industry – including, but not limited to, residential, commercial, industrial and property management
- NAR uses effective methods for communicating its value to its members

STRATEGIC OBJECTIVE #4

Strive to ensure the competency and professionalism of REALTORS®



Relationships

- Members and consumers recognize that being a REALTOR® means commitment to the highest level of competence, adherence to the Code of Ethics, and engaging in professional courtesy
- NAR's membership criteria is recognized by real estate associations around the world as a model for ensuring the highest level of professionalism among its members

Business Practices

- The standards for REALTORS® to obtain and maintain membership in NAR are higher than those required by state licensing laws to obtain and maintain a real estate license
- NAR explores mandatory educational requirements by actively promoting the creation of advanced degree programs, as well as other types of educational training



STRATEGIC OBJECTIVE #5

Create THE leading interactive real estate site for REALTORS[®] and consumers

Relationships

- NAR builds and partners with online communities to enable REALTOR[®]-to-REALTOR[®] and REALTOR[®]-to-consumer dialogue

Business Practices

- NAR supports REALTOR[®]-centric transaction management platforms for its membership

Information

- NAR offers the most accurate online portal for consumers in their initial search for real estate information
- NAR makes real-time analytic property information available to all REALTORS[®], without regard to geographic boundaries
- REALTORS[®] have timely, cost-effective access to uniform real property information
- NAR commits to finding the best methods for disseminating member listing information to consumers

STRATEGIC OBJECTIVE #6

Strengthen the relationships between the REALTOR® Organization and REALTORS®



Relationships

- NAR encourages and benefits from a diverse membership and leadership
- NAR facilitates and enhances the collaborative role between NAR and local and state associations and affiliated institutes, societies, and councils
- The REALTOR® organization facilitates a supportive community among its membership
- NAR allows for involvement, flexibility and efficiency in the decision making process
- NAR partners with state and local associations to promote a common agenda

Business Practices

- The REALTOR® organization continually evaluates and innovates to facilitate business opportunities for its members
- The REALTOR® organization leads the effort to promote a global marketplace that ensures safe, fair and orderly real estate transactions, regardless of geographic boundaries
- Members recognize NAR as a valuable provider of services for market leaders

Information

- Members and Association Executives develop policies and adopt database technologies which lead to more comprehensive and reliable member information at all levels of the organization



STRATEGIC OBJECTIVE #7

Promote and support public policies that advance the real estate industry, private property rights and real property ownership for all

Relationships

- NAR is recognized as THE advocate for legislative, regulatory and legal policies that benefit the industry
- REALTORS® and others sympathetic to NAR's interests are elected to public office
- NAR expands the use of traditional and nontraditional relationships, coalitions, and advocacy groups to strengthen public policy positions

Business Practices

- NAR utilizes targeted media channels and technology to promote its agenda

Information

- NAR evaluates and communicates the success of its advocacy programs
- NAR raises awareness and keeps members up to date about public policy issues and their impact on members and consumers

Advocacy

- NAR continues to strengthen its involvement in legislative and regulatory advocacy at the national, state and local levels
- Conservation and protection of our energy resources plays a vital role in the communication and education programs of the REALTOR® organization and its advocacy efforts
- NAR promotes "green" technologies and educates its members on the changing demographic and consumer preferences for energy efficient residential and commercial real estate
- NAR enhances housing affordability and availability for people of all backgrounds and income levels
- NAR takes an active stand on transportation, land use, growth, development, and environmental issues as they impact real estate and REALTORS®

The Strategic Planning Process

The NATIONAL ASSOCIATION OF REALTORS® Strategic Planning process consists of an annual review and update of the NAR Strategic Plan. This process allows the plan to be sufficiently flexible to respond to a changing environment while also looking ahead over a three to five year planning horizon.

The Committee has developed a planning process that takes full advantage of input from a number of sources including REALTOR® members, NAR Committee leadership, state and local REALTOR® association leadership, industry leaders, outside experts, and innovators in the real estate business. The objective is to gather information and intelligence from those inside and outside the REALTOR® organization who influence the industry.

Environmental Scan

The strategic planning process begins with a comprehensive and broad-based environmental scan, the purpose of which is to provide the Strategic Planning Committee with an update on current trends and issues. Rather than develop a comprehensive written document

that covers a large number of topics, the Committee invites industry leaders and experts to address the Committee and engage in a discussion about a range of relevant issues.

In 2008, the Strategic Planning Committee invited the founder of “Competitive Futures” to address the Committee about the unique challenges facing REALTORS® in the marketplace and offer insights into how other organizations have successfully adapted their business models to respond to similar threats and opportunities. A panel of experts from The George Washington University, Harvard University’s Joint Center for Housing Studies, and Fannie Mae engaged the Committee in a discussion about the burgeoning mortgage lending and foreclosure crisis and the long term implications for REALTORS®. A second panel from Harris Interactive, Ansbach Communications, and the National Association of Hispanic Real Estate Professionals (NAHREP) spoke about generational dynamics and diversity and suggested ways that REALTORS® can best develop the skills needed to reach the growing multicultural market and



The Strategic Planning Process

younger generation of prospective homeowners.

Member Needs Assessment

Results from an annual member needs assessment are incorporated into the information gathering phase of the strategic planning process. This survey collects information about the views of REALTOR® on the value of NAR, anticipated challenges REALTORS® will face, ways NAR can assist members in meeting these challenges and views of REALTORS® on ways that NAR can further improve its relationship with members.

Research

Results from NAR surveys and research reports also are provided to the Committee. These reports and analyses describe changes in the business practices of members and changes in the characteristics and expectations of real estate consumers. Committee members are kept apprised of relevant news and analysis through a periodic distribution of news articles.

NAR Committee Input

The Strategic Planning Committee invites Committee Liaisons and

Chairs to offer feedback on the current strategic plan. Comments and suggestions from NAR Committee leadership highlight those areas where further deliberation would be beneficial. Based on this input, additional discussions with Committee chairs and Liaisons may be initiated.

Committee Deliberations

Information gathered from industry leaders, the member needs assessment, research, along with input from NAR Committee leadership, informs the Strategic Planning Committee's review and deliberations about changes and revisions to the strategic plan. Within the process of reviewing the current plan, revising strategic objectives and formulating new objectives both large group discussion and focused small group sessions are used to facilitate the process of developing a draft strategic plan.

Plan Approval

Upon completion, the strategic plan is approved by the Strategic Planning Committee and forwarded to the NAR Board of Directors for their approval.

Disseminating the Plan

Following the approval of the Plan by the NAR Board of Directors, the new Strategic Plan is made available online at REALTOR®.org and in various hardcopy formats. The strategic plan is sent to all NAR Committees, State and Local REALTOR® Association Leadership and NAR staff. Throughout the year, the Plan is made available to state and local REALTOR® associations to facilitate their strategic planning process.



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