

2008 AE Competencies and **RCE Body of Knowledge**

A Guide for the successful REALTOR® Association Executive

The desired skills, attributes, and knowledge base of a successful REALTOR® association executive (AE) vary from association to association, depending on the association's size, organizational structure, and demographics, as well as the diverse needs of its members.

This document identifies five competencies in which an AE shall be proficient to successfully serve the evolving REALTOR® association. Within each competency there are three levels of knowledge. Each of the five competencies is attached to topics that lead to proficiency at the three defined levels. This document can be integrated into different formats for the following uses:

- Tool/checklist for association executives to assess their own strengths and needs for further education.
- Reference tool for NAR's Association Executive Committee (AEC) in planning professional development programming and identifying external sources of education and information.

EDUCATION/TRAINING OPPORTUNITIES

Education and training opportunities for AEs seeking greater proficiency in the Competencies can be found internally within the REALTOR® association and through external sources and entities as well. For topic areas marked "I", training opportunities should be available internally within the REALTOR® organization. For topic areas marked "E", external training sources should be utilized.

RCE BODY OF KNOWLEDGE

The RCE Body of Knowledge is comprised of the highlighted areas within the AE Competencies. These highlighted sections are the specific areas that will be tested on the RCE certification exam.

ADMINISTRATIVE LEVEL	MANAGEMENT LEVEL	LEADERSHIP LEVEL
A. MANAGE THE ASSOCIATION AND ITS BUSINESS OPERATIONS		
The ability to prioritize and allocate time, finances, materials, space, and human resources; the ability to plan and coordinate processes and functions that will produce desired results in a professional environment of trust and respect; to optimize association resources to ensure effectiveness of association decisions and provide knowledge for members.		
Possess general knowledge of business and financial operations; establish good working relationships with service providers and staff; efficiently administer association business.	Develop and manage staff around an organizational plan with clear responsibilities; ensure that strategic planning and business planning processes are in place.	Seek out new and innovative programs, products and services; develop creative management solutions; cultivate a highly evolved and trained staff team; be a respected and motivating influence for staff and leaders.
		Alternative Association Structures (I & E)
		<ul style="list-style-type: none"> • Describe the shared services concept and the advantages it offers over mergers • List the advantages/disadvantages of mergers and describe how they are accomplished • Describe the concept of satellite offices and how they are used and managed

ADMINISTRATIVE LEVEL	MANAGEMENT LEVEL	LEADERSHIP LEVEL
<p>Association Technology (I)</p> <ul style="list-style-type: none"> • Discuss database management, including NRDS, and list and be able to demonstrate the skills necessary to be a POE • Demonstrate competency using Website resources including REALTOR.org, REALTOR.com, your state association website and others 	<p>Association Technology (I & E)</p> <ul style="list-style-type: none"> • Assess computer hardware, software, and integrated office needs • Identify systems security issues (i.e. virus protection, firewalls, backup systems, hacking,) • List and analyze technology solutions for members and the association (i.e. electronic key systems, hardware, software, ISPs, PDAs, wireless service) 	<p>Association Technology (I & E)</p> <ul style="list-style-type: none"> • Analyze association technology solutions and market trends • Identify e-commerce options (i.e. NAR and others) • Identify the principles of association website design, development, and maintenance
<p>Budget and Financial Management (E)</p> <ul style="list-style-type: none"> • Identify applicable IRS regulations governing for-profit and not-for-profit corporations; corporate and tax laws and state reporting requirements • Manage the finances of the association: apply financial controls, schedule audits, implement and uphold policies and procedures • Identify accounting principles, functions and applications including program-based budgeting • Explain the basics of payroll management 	<p>Budget and Financial Management (E)</p> <ul style="list-style-type: none"> • Identify components needed to develop, monitor, and administer annual budgets and prepare financial statements • Identify and plan for capital expenditures • Determine pricing parameters for benefits and services • Define non-dues income and unrelated business income and understand impact of such on association's tax status • Discuss NAR's e-commerce components 	<p>Budget and Financial Management (E)</p> <ul style="list-style-type: none"> • Define subsidiary corporations and identify their role in REALTOR® association management • Explain foundation operations
<p>Facilities and Equipment (E)</p> <ul style="list-style-type: none"> • List the provisions of the ADA (Americans with Disabilities Act) having to do with facilities and equipment • Identify and implement appropriate risk reduction/ insurance activities 	<p>Facilities and Equipment (E)</p> <ul style="list-style-type: none"> • Plan for building, grounds, and equipment maintenance • List the components of a needs assessment • Define and develop an RFP • Identify the components of a disaster prevention/ recovery plan • Explain the differences and benefits of maintenance, lease, and purchase agreements • Understand principles of property management • Discuss the principles of vendor selection and ongoing supplier relationships 	<p>Facilities and Equipment (E)</p> <ul style="list-style-type: none"> • Understand the basics of building design • Conduct a cost/benefit analysis

ADMINISTRATIVE LEVEL	MANAGEMENT LEVEL	LEADERSHIP LEVEL
Human Resource Management (I & E)	Human Resource Management (I & E)	Human Resource Management (I & E)
<ul style="list-style-type: none"> • Develop job descriptions for each association staff position • Develop a personnel policy manual; implement policies • Define worker's compensation insurance • Describe wrongful dismissal; list steps to avoid claims of wrongful dismissal • Identify questions that may/may not be asked in job interviews • List the classes protected by federal and state law • Develop a checklist for new staff orientation 	<ul style="list-style-type: none"> • Understand appropriate federal and state employment and labor law, including unemployment compensation • Develop an employee retention, compensation and benefit program for staff and be able to list the benefits of such a plan to association leadership • Develop and utilize appropriate performance evaluations for each association staff position • Describe and use proper reviewing, hiring, and interview techniques 	<ul style="list-style-type: none"> • List and describe various management styles • Motivate, guide, coach, mentor, and develop staff
Legal and Regulatory Activities (I & E)	Legal and Regulatory Activities (I & E)	
<ul style="list-style-type: none"> • Name principles of contract law applicable to leases, purchases, meetings, maintenance, sales, and employment • Assess association insurance policies • Identify components of the Americans with Disabilities Act (ADA) • Cite aspects of antitrust law and related policies and procedures • Identify copyright laws • List components of a document retention policy • Identify liability concerns for the association, officers, directors, committees, and staff • Identify trademark policies applicable to the REALTOR® trademark 	<ul style="list-style-type: none"> • Discuss and implement contract law applicable to leases, sales, purchases, maintenance, employment and meetings • Discuss the role of legal counsel • List the requirements for music licensing (legal compliance) • Explain conflict of interest/indemnification 	
Meeting Management (E)	Meeting Management (E)	Meeting Management (E)
<ul style="list-style-type: none"> • Develop program agendas • Discuss committee and agenda preparation, and what should/should not be recorded in meeting minutes • Discuss meeting planning and preparation, including room set-up, AV use, and food/beverage • Identify basic rules of parliamentary procedure 	<ul style="list-style-type: none"> • Plan conferences, trade shows, and other association events • Identify elements of meeting-related contract negotiation 	<ul style="list-style-type: none"> • Analyze alternative meeting vehicles (listservs, chat rooms, video conferencing, etc.)

ADMINISTRATIVE LEVEL	MANAGEMENT LEVEL	LEADERSHIP LEVEL
	Membership Development (I & E)	
	<ul style="list-style-type: none"> Develop a member benefits program Identify the components of a successful membership recruitment/retention program 	
Planning and Visioning (E) <ul style="list-style-type: none"> Know how to survey association members, what survey options are available, what questions should be asked and how to interpret the results Produce and utilize resource management tools in implementation plans Define business plans, strategic plans, and annual work plans 	Planning and Visioning (E) <ul style="list-style-type: none"> Know where the association has been/where it is headed Develop, implement, and evaluate annual work plans Explain budget integration with business plan Define and implement structural and internal audits 	Planning and Visioning (E) <ul style="list-style-type: none"> Develop planning models Analyze and critique strategic planning process (i.e. goals, objectives, and strategies with quantifiable results) List needs assessment/research methodology components Identify components of strategic planning and thinking (i.e. environmental scanning, trend analysis, external factors)
Product/Program Development (I)	Product/Program Development (E)	Product/Program Development (E)
<ul style="list-style-type: none"> Provide information services 	<ul style="list-style-type: none"> Compile fee-for-service programming and costing Define core vs. optional services Plan a product/program needs assessment, implementation, delivery, and evaluation 	<ul style="list-style-type: none"> Analyze member services costs and benefits Develop member benefits/business opportunities including: service centers, strategic alliances, online business and non-proprietary brokerage opportunities Identify the components and benefits of the following member benefits/business opportunities: legal services, affinity agreements, group purchasing, insurance programs, lockboxes/lockbox administration, non-residential services and programs, real estate information services, real estate office automation
	Professional Services (E)	
	<ul style="list-style-type: none"> Identify and develop criteria for procurement, management, evaluation and termination of professional service relationships (legal counsel, financial consultants and auditors, technical/computer consultants, management consultants, etc.) 	

ADMINISTRATIVE LEVEL	MANAGEMENT LEVEL	LEADERSHIP LEVEL
<p>B. UNDERSTAND THE STRUCTURE OF THE REALTOR® ORGANIZATION WITHIN THE CONTEXT OF THE EVOLVING REAL ESTATE INDUSTRY</p>		
<p>Demonstrate the ability to analyze, interpret, and apply REALTOR® association governance, policies, and procedures; to understand and work with the governance and structure of the REALTOR® association.</p>		
<p>Possess working knowledge of the REALTOR® organization and of governing documents; ensure that association governing documents are in compliance with NAR.</p>	<p>Acquire a more proficient and detailed understanding of NAR policy and procedures, as well as those of your local and state associations; take a more active role in the REALTOR® organization.</p>	<p>Make a difference – contribute to policy formulation and the direction of the REALTOR® organization.</p>
<p>Board/Association of Choice/Organizational Standards for Boards and Associations (I)</p>	<p>Board/Association of Choice/Organizational Standards for Boards and Associations (I)</p>	
<ul style="list-style-type: none"> • Identify the antitrust implications of board/association of choice • List organizational standards and know how they are reported and enforced 	<ul style="list-style-type: none"> • Explain corporate structure (i.e. foundations, subsidiary, etc.) • Work with outside contractors 	
<p>Governing Documents and Policy (I) Identify the components of and be able to apply the following:</p>		
<ul style="list-style-type: none"> • Association code of conduct and enforcement • Bylaws; Constitution; and Articles of Incorporation • Enforcement of dues formula • Function and purpose of governing documents, policies, and procedures • Three Way Agreement • Maintain governing documents compliance with NAR policy (policy rationale and process) 		
<p>Institutes, Societies, Councils and Sections (I)</p>	<p>Institutes, Societies, Councils and Sections (I)</p>	<p>Institutes, Societies, Councils and Sections (I)</p>
<ul style="list-style-type: none"> • Identify the various Institutes, Societies and Councils and list their respective designations • Describe the Institute Affiliate dues program 	<ul style="list-style-type: none"> • Administer specialty education certification programs • Describe partnership opportunities that are available when offering designation courses • Describe the Commercial Alliance 	<ul style="list-style-type: none"> • Prepare a plan for recruiting Institute Affiliates to the association • Manage the local chapters of Institutes, Societies and Councils • Develop and/or manage a Commercial Overlay Board

ADMINISTRATIVE LEVEL	MANAGEMENT LEVEL	LEADERSHIP LEVEL
Member Policies and Procedures (I)		
<ul style="list-style-type: none"> • Identify, implement and enforce member policies and procedures, including: <ul style="list-style-type: none"> ○ membership qualification criteria ○ application process ○ membership requirements • Develop and conduct new member orientations 		
MLS Policies and Procedures (I)	MLS Policies and Procedures (I)	
<ul style="list-style-type: none"> • Define agency relationships • List key NAR MLS policies (formerly referred to as the 14 points) • Discuss NAR model rules and approved policies • Discuss on-line (Internet) listings • Understand your MLS delivery system and how the model should be applied • Define IDX and VOW and explain their differences 	<ul style="list-style-type: none"> • Understand lockbox security requirements • Discuss the different types of listings that may or may not be accepted by the MLS • Determine who should have access to data and what the level of access should be • Understand other joint data sharing and advertising programs • Define RETS and explain how it benefits REALTOR® data-sharing 	
Political and Governmental Affairs (I)	Political and Governmental Affairs (I)	Political and Governmental Affairs (I & E)
<ul style="list-style-type: none"> • Identify current regulations impacting real property • List NAR public policy programs and services • Identify current REALTOR® organization legislative priorities • Identify components of RPAC and soft dollar fundraising, administration and regulation • Identify federal, state, and local election law related to political action committees 	<ul style="list-style-type: none"> • Identify local/state/regional level government advocacy programs • Identify national level governmental advocacy programs • Describe the fundamentals of grassroots mobilization • Identify and communicate REALTOR® related issues • Define issues mobilization • Identify the basic components of lobbying laws and regulations 	<ul style="list-style-type: none"> • Identify legislative priorities at the local, state and national levels • Foster legislative and candidate relationships • Encourage political campaign involvement • Develop proactive legislative efforts to address member needs • Identify process to build successful coalitions

ADMINISTRATIVE LEVEL	MANAGEMENT LEVEL	LEADERSHIP LEVEL
<p>Professional Standards (policies and procedures) (I)</p> <ul style="list-style-type: none"> Identify components of the Code of Ethics and the <i>Code of Ethics and Arbitration Manual</i> Describe the general steps for processing an ethics complaint and for processing an arbitration request (including who is eligible to file and the differences between an ethics complaint and an arbitration request) Identify the role and function of both a grievance committee and a professional standards committee Identify the components of the NAR Code of Ethics training policies 	<p>Professional Standards (policies and procedures) (I)</p> <ul style="list-style-type: none"> Discuss the benefits of mediation with broker members Identify the benefits of creating and maintaining regional structures Identify the components and benefits of DRS – the dispute resolution system 	<p>Professional Standards (policies and procedures) (I)</p> <ul style="list-style-type: none"> Develop an environment where camaraderie among competitors is possible Promote the professional standards process as an equitable means of dispute resolution Streamline the process and encourage members to use the process to increase professionalism Initiate regionalization of Professional Standards Committees
<p>C. UNDERSTAND REAL ESTATE ISSUES AND TRENDS</p>		
<p>The ability to thoroughly understand the diverse elements and issues which foster a successful real estate operation; the ability to understand the changing forces that are shaping the industry and manage through these changes to ensure an environment that puts the REALTOR® at the center of every real estate transaction; to be able to understand, analyze, and affect the impact of issues and trends in the industry.</p>		
<p>Possess a basic understanding of the real estate industry – functions of an agent, broker, firm; understand members and their business in your market area.</p>	<p>Develop a working knowledge of real estate license laws and real estate firm operations; focus more on the industry and industry trends; develop working relationships with your organization's internal and external constituents.</p>	<p>Identify critical issues and trends before they impact the members; have trust and confidence in industry leaders.</p>
<p>Diversity (I & E)</p>	<p>Diversity (I & E)</p>	<p>Diversity (I & E)</p>
<ul style="list-style-type: none"> Promote diversity in association offices (staff) and real estate offices (both staff and agents) and communities Know where to find information on current industry trends Identify different types of diversity 	<ul style="list-style-type: none"> Identify market demographics Identify local options for NAR diversity and international programs 	<ul style="list-style-type: none"> Promote coalition building Identify and promote community outreach programs Identify and promote leadership development programs
<p>Fair Housing (I)</p>	<p>Fair Housing (I)</p>	<p>Fair Housing (I)</p>
<ul style="list-style-type: none"> Understand legal and ethical impact on the market place Identify federal fair housing laws applicable to real estate List classes protected by state and federal law Identify acceptable advertising practices 	<ul style="list-style-type: none"> Develop or provide fair housing education programs 	<ul style="list-style-type: none"> Work with advocacy groups

ADMINISTRATIVE LEVEL	MANAGEMENT LEVEL	LEADERSHIP LEVEL
<p>General Real Estate Practices (I & E)</p> <ul style="list-style-type: none"> • Know basics of agency and contract law • Identify license law and regulations; agencies that regulate license law • List escrow/settlement procedures, terminology • Identify liabilities inherent in real estate activities • Define listing/sales procedures, terminology • List mortgage and finance programs, terminology • Understand required disclosure practices 	<p>General Real Estate Practices (I & E)</p> <ul style="list-style-type: none"> • Understand ancillary services (i.e. mortgage, title, etc.) • Understand broker/agent relationships • Understand the rules governing personal assistants • Understand privacy laws • Identify real estate office employment issues • Define independent contractor status • Identify emerging real estate issues and trends 	<p>General Real Estate Practices (I & E)</p> <ul style="list-style-type: none"> • Provide members with the information they need to make knowledge-based decisions • Be recognized as the preferred forum for the development of solutions to common industry challenges • Identify the impact of internal and external issues and trends on the business of broker/owners and agents
<p>MLS Services and Delivery (I & E)</p> <ul style="list-style-type: none"> • Understand data management, protection and ownership • Define limited public access • Define MLS purpose, structures and services 	<p>MLS Services and Delivery (I & E)</p> <ul style="list-style-type: none"> • Foster relationships with third party data aggregators • Participate in MLS vendor selections and foster relationships with them • Develop guidelines for data management, protection, ownership and copyright • Understand state Real Estate Commission rules and how they apply to VOWs • Describe regionalization/reciprocal agreements 	<p>MLS Services and Delivery (I & E)</p> <ul style="list-style-type: none"> • Understand the value of MLS data and how to protect it • Describe the pros and cons of MLS-owned property listing sites • Understand benefits of a regional MLS or a cooperative agreement between existing MLS' • Understand intellectual property and privacy issues related to MLS databases • Guide MLS vendor selection process • Know how to track stolen copyrighted data and how to prevent data theft
<p>Real Estate Issues and Trends (I & E)</p> <ul style="list-style-type: none"> • List the industry's major member/broker liability issues • Identify day-to-day operations of real estate practitioners • Identify types of government regulation impacting real estate brokerage 	<p>Real Estate Issues and Trends (I & E)</p> <ul style="list-style-type: none"> • Discuss the dynamics of competing interests in the brokerage business • Identify and outline the basic economics of today's prevailing real estate brokerage business models (e.g. traditional, 100%, limited service) • Describe transaction management software concepts • Compare the competition traditional brokerages and agents encounter from non-traditional and third-party entities 	<p>Real Estate Issues and Trends (I & E)</p> <ul style="list-style-type: none"> • Analyze the impact of changing consumer demands and demographics • Assess and forecast economy's impact on the real estate business • Assess and forecast the impact of emerging brokerage business models • Assess and forecast the impact of emerging brokerage marketing strategies • Assess and forecast the impact of the internet and technology on real estate industry • Provide programs to assist and educate practitioners engaged in international real estate

D. ACQUIRE AND COMMUNICATE VALUABLE INFORMATION

The ability to acquire, interpret, and communicate information that is valued and relevant; the ability to market the value of programs and services that meet member needs; the ability to integrate information, knowledge, communication skills, and technological tools to achieve desired end-results; the ability to relate information from outside sources and industry trends (i.e. the need to get involved with government agencies, etc.)

Identify appropriate communication channels and use them to gain and disseminate information.	Identify and analyze valuable information, and communicate its impact; manage comprehensive public relations and outreach programs; form an image in the community.	Become a trusted and sought-after source for valuable information for all publics; master communication methods to collect and disseminate "knowledge"; develop a comprehensive member communications system.
---	---	---

ADMINISTRATIVE LEVEL	MANAGEMENT LEVEL	LEADERSHIP LEVEL
-----------------------------	-------------------------	-------------------------

Communications and Publications (E)	Communications and Publications (E)	Communications and Publications (E)
--	--	--

<ul style="list-style-type: none"> • Know your membership • Create a communication plan, including how and when to send and receive messages, planning, process and delivery • Develop effective listening skills • Identify appropriate uses and application of e-mail • Identify communication vehicles and their best uses for your association 	<ul style="list-style-type: none"> • Develop and polish business writing skills – speeches, articles, and other written communications • Rely on information gathered to measure communication effectiveness • Seek out public speaking engagements and spokesperson training • Send consistent messages in association publications (newsletters, brochures, advertising vehicles) • Identify and promote the use of electronic communications (listservs, website, chat rooms) 	<ul style="list-style-type: none"> • Research and embrace emerging communication technologies • Create opportunities to mentor upcoming leaders (staff and volunteer) in writing/speaking
---	---	---

Education (E)	Education (E)	Education (E)
----------------------	----------------------	----------------------

<ul style="list-style-type: none"> • Develop and maintain effective education program record keeping and administration • Initiate contact with designation or certification agencies 	<ul style="list-style-type: none"> • Review proposals for new course offerings • Identify delivery systems and explore cost effective sources and venues • Conduct educational needs assessments • Identify and negotiate fees relating to education courses: instructor fees and expenses, room rental, etc. • Determine course fees 	<ul style="list-style-type: none"> • Identify alternative sources and venues (i.e. distance learning, online education, shared services, etc.) • Develop a comprehensive education strategy that meets the needs of members, staff, and the public • Develop instructional objectives/curriculum
---	--	---

Marketing (E)	Marketing (E)	Marketing (E)
----------------------	----------------------	----------------------

<ul style="list-style-type: none"> • Conduct need assessments • Outline the differences between marketing and selling • Describe marketing process, functions and applications 	<ul style="list-style-type: none"> • Evaluate effectiveness of marketing efforts • Apply knowledge of marketing tangible and intangible member services • Identify and develop marketing plans (i.e. targeting, timing, exit strategies, etc.) 	<ul style="list-style-type: none"> • Assess and critique effectiveness of overall organizational marketing efforts (i.e. compilation of all separate marketing efforts at the management level – timing, method, audience, overlapping strategies, etc.)
---	---	---

ADMINISTRATIVE LEVEL	MANAGEMENT LEVEL	LEADERSHIP LEVEL
	Public Relations Programs (I & E) <ul style="list-style-type: none"> • Enhance community relations • Develop and maintain a crisis management plan • List functions of public relations (public relations vs. publicity) • Identify components of a public relations program, including news releases and other media communications • Promote REALTOR® value 	Public Relations Programs (E) <ul style="list-style-type: none"> • Facilitate coalition building • Plan, implement, and evaluate a public relations program, including providing spokesperson training • Develop and maintain a media relations plan
E. FOSTER EFFECTIVE INTERPERSONAL RELATIONSHIPS The ability to accomplish objectives through effective relationships and partnerships with a variety of internal and external constituencies and coalitions; the ability to integrate social, organizational, and technological considerations to implement the most efficient structures and processes; to effectively manage and work with staff and volunteers and to develop effective coalitions.		
Create an internal and external network of information resources for yourself.	Participate in your association's coalition process; initiate planning as well as implementation processes; become an active participant and credible source for real estate issues in the community.	Take the lead in developing strategic alliance relationships – coordinate efforts, build coalitions, seek out a leadership role at NAR; shape and develop future leaders; serve as a mentor.
	Partnerships (I) <ul style="list-style-type: none"> • Identify local, state, regional, and national relationships 	Partnerships (I) <ul style="list-style-type: none"> • External business partnerships • Identify and work cooperatively with internal and external organizations (media, government agencies, local colleges and universities, private sector, civic and community groups)
Working with Volunteers (I & E) <ul style="list-style-type: none"> • Identify the role of volunteers and staff • List the components and develop a volunteer identification and recruiting program • Identify governance structures which will keep volunteer contributions maximized and consistent 	Working with Volunteers (I & E) <ul style="list-style-type: none"> • Understand how to address leadership micromanagement • List and implement programs to develop effective leadership, committees, and workgroups • Identify ways to recognize, reward, and retain volunteers 	Working with Volunteers (I & E) <ul style="list-style-type: none"> • Identify, develop, and train future leaders • Identify, understand, and accommodate different leadership styles • Understand group dynamics and use that knowledge to develop effective teams