

## REALTOR® Association Models

The ultimate role of the REALTOR® organization is to help shape and influence a favorable business environment for its members. Each REALTOR® association has the responsibility to efficiently and effectively provide value to its members while ensuring compliance with the National Association of REALTORS® Core Standards. While the operating framework in which an association chooses to serve its members may vary depending on its organizational structure, demographics, size, available resources, and diversity of needs, there are many creative ways to deliver and optimize value, even with limited resources.

The three models below define services associations provide. These models should be viewed as just three points on a continuum, and not just in their pure sense. Associations should not expect to fit neatly into any one model; rather it is likely that many associations are operating in all modes, depending upon the function or service. For example, an association may fall predominantly into the Administrative Model, but its governance may be more closely aligned to the Management Model. Volunteer and staff leaders may use these models as a guideline to assess their current operations and determine where they aspire to be in delivering value. This document will also help them determine how they can partner with other associations to expand the menu of services they can offer their members.

Associations will benefit and prosper from this planning tool if their volunteer and staff leaders work together as partners to identify their model of choice based on their association's business philosophy and member needs and preferences.

Administration Model	Management Model	Leadership Model
<p><b>Operating philosophy:</b> An administrative association is member-focused, supports general organizational functions of REALTOR® constituencies and knows where to find information that is important to members in conducting their daily business activities. In such associations, staff will possess a general familiarity in legal, regulatory and business issues impacting the association and staff will efficiently administer association business. It relies on significant volunteer involvement both for virtually all association decisions and some logistical details, as well as working relationships with other service organizations.</p>	<p><b>Operating philosophy:</b> A management association is a source of information and is proficient in identifying and proactively communicating business practices and trends that impact the association's member constituencies. In such associations, the staff will possess a proficiency in managing and communicating legal, regulatory and business issues impacting the association and will effectively manage association business. It relies on volunteer involvement for much association decision making and participates in working relationships with other service organizations.</p>	<p><b>Operating philosophy:</b> A leadership association initiates policy formation and advocacy on all levels and seeks and implements innovative and creative programs, products and services that ultimately provide enhanced value for all REALTOR® association constituencies. This model presumes a high level of sophistication, innovation and proactivity. In such associations, the staff will possess expertise and provide leadership in legal, regulatory and business issues impacting the association and will transparently manage association business. It relies on volunteer input and strategic partnerships and initiates working relationships with other service organizations.</p>

**Governance, Planning, and Organizational Operations**

- A. ELECTED LEADERSHIP FOCUS  
Elected leadership determines the goals, manages all operational aspects of the organization and is involved in the implementation
- B. DECISION-MAKING AUTHORITY  
Decision-making authority for determining outcomes and procedures is vested in the board of directors
- C. COMMITTEE STRUCTURE/OPERATIONS  
Committee structure and operations are administered and supported predominantly by volunteers with some assistance from staff
- D. GOVERNING DOCUMENTS  
Governing documents and policies are based on NAR model bylaws and other documents with the purpose of protecting the association from liability, and ensure fiscal integrity of financial operations
- E. BUSINESS, STRATEGIC PLANNING, TRENDS, AND ANALYSIS  
Strategic plan that includes an advocacy component exists; budgeting is done annually and is based on industry standards and financial ability

**Governance, Planning, and Organizational Operations**

- A. ELECTED LEADERSHIP FOCUS  
Elected leadership determines strategic vision, directs staff in goal development, and monitors implementation
- B. DECISION-MAKING AUTHORITY  
Decision-making authority for determining strategic objectives is vested in the board of directors; authority for most operational decisions is delegated to staff, within defined parameters
- C. COMMITTEE STRUCTURE/OPERATIONS  
Committee structure doesn't change much from year to year and is based on established goals and objectives; staff administrative support is provided to committee operations
- D. GOVERNING DOCUMENTS  
Governing documents and policies are updated on a routine basis by staff to match the association's mission, to manage goals, and to protect the association from liability, and ensure fiscal integrity of financial operations
- E. BUSINESS, STRATEGIC PLANNING, TRENDS, AND ANALYSIS  
Strategic plan that includes an advocacy component exists and budget is based on standard accounting practices not necessarily tied to the strategic plan; support of the strategic plan and objectives is done based on the existing budget

**Governance, Planning, and Organizational Operations**

- A. ELECTED LEADERSHIP FOCUS  
Staff assists elected leadership in determining strategic vision; staff develops goals and plans necessary to implement the vision
- B. DECISION-MAKING AUTHORITY  
Decision-making authority for determining organizational vision and strategic outcomes is a joint effort between staff leaders and the board of directors; operational procedures are determined and directed by the chief staff executive
- C. COMMITTEE STRUCTURE/OPERATIONS  
Committee structure changes from year to year and is based on strategic goals; staff develops specific objectives and time frames for recommending an implementation plan to the directors; staff liaisons participate on each committee
- D. GOVERNING DOCUMENTS  
Governing documents and policies are flexible enough to allow the association to creatively respond to changing market conditions, and ensure fiscal integrity of financial operations
- E. BUSINESS, STRATEGIC PLANNING, TRENDS, AND ANALYSIS  
Strategic plan that includes an advocacy component, business plan and budgeting is based on the organization's vision; strategic goals can be modified to accommodate changes in economic and member needs

<p>F. FACILITIES/ EQUIPMENT Office location with basic office equipment (telephone, fax, copier, scanner, computer with Internet access and e-mail capability); either no or a small classroom exists</p> <p>G. TECHNOLOGY Maintains an interactive website presence as specified by the Core Standards; association has access to and uses automated systems and proven technologies, e.g. computers, Internet access, electronic member communications program, and uses outside resources to help choose and implement technology</p> <p>H. BUDGETING Budget is developed by volunteer leaders with input from staff; adjustments to the budget are recommended by staff and/or leadership and are made by the volunteer leadership in conjunction with staff; unbudgeted new initiatives are not usually considered</p> <p>I. RESERVES Basic level of association reserves are available to support current association operations</p> <p>J. NONDUES REVENUE The association's services are supported predominantly by dues; non-dues revenue is minimal and may come from programs such as education and events; the source for generating non-dues revenue is your association's members</p>	<p>F. FACILITIES/ EQUIPMENT Dedicated office location with classroom/training facilities and meeting rooms, up to date office equipment which is analyzed and/or updated on an as needed basis</p> <p>G. TECHNOLOGY Maintains an interactive website as specified by the Core Standards; association monitors and adopts changing technologies;; plans and upgrades equipment and technology processes as they evolve; may employ IT staff and uses outside resources and vendors to assist with planning and implementing technology</p> <p>H. BUDGETING Budget is developed by staff with input and approval by volunteer leadership; adjustments to the budget are recommended and made by staff, as necessary, and approved by the leadership</p> <p>I. RESERVES Financial reserves are maintained and actively managed, with designated funds for certain programmatic functions determined annually; investment decisions are recommended and approved by leadership, with input from an outside investment firm</p> <p>J. NONDUES REVENUE The association has some reliance on non-dues revenue from services other than core programs; non-dues revenue is used to annually to fund operations, core services and additional programs for members; the source for generating non-dues income is not only your association's members, but includes non-dues revenue from neighboring associations' members</p>	<p>F. FACILITIES/EQUIPMENT Dedicated office location (and possible satellite offices) with state of the art training/education facilities and meeting rooms, retail store, and sophisticated office equipment and technological resources for trends and analysis/research, etc.</p> <p>G. TECHNOLOGY Maintains an interactive website as specified by the Core Standards; researches, develops and invest in technological equipment and services for both the association and its members; applies cutting edge technology and is an industry leader in providing products and services of the latest technology; employs IT staff and usually chooses and implements technology</p> <p>H. BUDGETING Budget is developed by staff based on strategic/business plan outcomes and is approved by volunteer leadership; staff is empowered to make adjustments within established guidelines and act quickly on opportunities, threats, or new initiatives</p> <p>I. RESERVES Financial reserves are maintained and investment policy is in place which outlines a reserve policy; funds are designated for programmatic functions, research and development; investment decisions are recommended by staff and outside investment firm and are approved by volunteer leadership</p> <p>J. NONDUES REVENUE The association has significant reliance on non-dues revenue which comes from programs and services, as well as sources such as separate corporations, business entities; non-dues revenue is used for reserves and allows the association to act quickly on opportunities, threats, or new initiatives; the source for generating non-dues revenue goes beyond the REALTOR® community</p>
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K. FINANCES  
 Dues and/or MLS fees are the major source of revenue and are used to administer the association at basic levels of service; finances are reviewed by outside audit firm regularly; staff has ability to do basic bookkeeping using programs; finances are managed according to standard accounting practices

L. DISASTER PLANNING  
 No written plan is in place for communicating in the case of a disaster, however, the association leadership and staff are able to respond to a disaster situation; basic back-up systems are in place to recover membership and financial records

**Staff Competencies**

A. STAFF STRUCTURE  
 The association employs an administrator has general office management skills; relies on volunteer assistance; may utilize outsourcing

B. STAFF COMPENSATION  
 Compensation is locally competitive; offers few or no employee benefits such as insurance, retirement plan, etc.

K. FINANCES  
 Reliable revenue sources exist to operate the association, with some focus on non-dues sources of revenue; research and development funds are in place for new initiatives; bookkeeping staff is capable of handling A/P, A/R, GL functions; an annual review or audit is performed by an outside auditing firm; finances are managed according to standard accounting practices

L. DISASTER PLANNING  
 A written plan is in place for communications along with a chain of responsibility for responding to natural disasters and internal and external crisis situations

**Staff Competencies**

A. STAFF STRUCTURE  
 The association employs a strong manager/administrator who has a comprehensive set of office management skills, and who may employ other staff members as well as utilize part-time staff or outsource certain functions

B. STAFF COMPENSATION  
 Compensation is regionally competitive; offers some additional employee benefits

K. FINANCES  
 Strong financial position and revenue sources exist to operate the association at current and future levels; less reliance on dues and suitable funding is available to act quickly on opportunities, threats, and new initiatives; CPA or advanced accounting personnel on staff who are capable of A/P, A/R, GL and journal adjustments; an annual audit of the financials is performed by an outside accounting firm; association has an audit committee in place; finances are managed according to standard accounting practices

L. DISASTER PLANNING  
 A comprehensive detailed crisis communications and management plan is in place that lays out a plan for potential internal and external crisis, communications with the media, and community outreach

**Staff Competencies**

A. STAFF STRUCTURE  
 The association employs a chief staff executive, who in turn is responsible for a senior management team and other employees. Staff is responsible for administration and management of the association

B. STAFF COMPENSATION  
 Compensation is nationally competitive and a comprehensive package of employee benefits is offered

C. STAFF PROFESSIONAL DEVELOPMENT  
 Chief staff must complete at least six hours of REALTOR® association professional development, annually; professional development opportunities may or may not be funded by the association

D. STAFF EXECUTIVE'S ROLE AND FOCUS  
 Chief staff executive is responsible for basic administration; some administrative services may be outsourced

E. HUMAN RESOURCES COMPLIANCE  
 Chief staff executive creates, maintains and regularly updates employee manual; adheres to NAR's employer/employee guidelines; complies with federal, state and local employment laws; responsible for payroll; creates staff job descriptions from existing sources; conducts performance evaluations on a regular basis

**Member Services**

A. COMMUNICATIONS  
 Via email and an internet based means communication is targeted to members only; communication systems and delivery vehicles focus on announcements and local information. Volunteer leadership acts as the official spokespersons for the association

C. STAFF PROFESSIONAL DEVELOPMENT  
 Chief staff must complete at least six hours of REALTOR® association professional development, annually; professional development opportunities are funded by the association for supervisors and managers

D. STAFF EXECUTIVE'S ROLE AND FOCUS  
 Chief staff executive is responsible for all administration and management of the association; understanding and cultivating member needs; utilizes skills to maximize volunteer involvement and expertise

E. HUMAN RESOURCES COMPLIANCE  
 Chief staff executive creates, maintains and regularly updates employee manual; adheres to NAR's employer/employee guidelines; complies with federal, state and local employment laws; responsible for payroll; creates and maintains staff job descriptions; conducts performance evaluations on a regular basis; utilizes an organization chart to outline reporting responsibilities and lines of supervision; trains new employees; develops and maintains or oversees information on employee compensation and insurance/benefits program

**Member Services**

A. COMMUNICATIONS  
 Via email and an internet based means communication is targeted to internal and external stakeholders; communication systems and delivery vehicles focused on current information; association utilizes various methods to disseminate its message, including social media (i.e. Facebook, etc.) to communicate with members. Volunteer leadership act as the official spokespersons for the association. CEO may also act as spokesperson on occasion

C. STAFF PROFESSIONAL DEVELOPMENT  
 Chief staff must complete at least six hours of REALTOR® association professional development, annually; professional development opportunities are funded by the association for all staff

D. STAFF EXECUTIVE'S ROLE AND FOCUS  
 Chief staff executive is responsible for all administration and management of the association with a focus on developing visionary skills; develops staff positions based on envisioned real estate industry needs

E. HUMAN RESOURCES COMPLIANCE  
 Human resources staff creates, maintains and regularly updates employee manual; adheres to NAR's employer/employee guidelines; complies with federal, state and local employment laws; creates and maintains staff job descriptions; administers payroll and employee insurance and benefits programs; responsible for risk assessment, management, and compliance; employee education and training; utilizes tools and resources for employee performance evaluations through effective departmental/supervisory procedures; has a 'whistle blower' program in place

**Member Services**

A. COMMUNICATIONS  
 Via email and an internet based means communication is targeted to internal and external stakeholders; communication systems and delivery vehicles focus on enhancing current knowledge and discussion of future trends; association utilizes various methods to disseminate information, including social media (i.e. Facebook, etc.) to create social communities to communicate with members and the public. Volunteer leadership and/or CEO act as official spokespersons for the association

**B. MEMBERSHIP RECRUITMENT**  
New member recruitment and retention program is directed by volunteers, with staff support; new member orientation program largely based on materials from local, state and national levels; association promotes the value of the REALTOR® organization and the importance of participating in NAR member assessments

**C. PROFESSIONAL STANDARDS**  
The association processes professional standards complaints according to established policies and procedures; association provides arbitration and mediation services to members; obtain some services through cooperative enforcement agreement and/or a shared professional standards administrator

**D. EDUCATION**  
Offer or promote basic schedule of continuing education programs, developed mostly by others, including new and continuing member Code of Ethics training

**E. REAL ESTATE BUSINESS TOOLS**  
Provides access to business/marketing tool services

**B. MEMBERSHIP RECRUITMENT**  
New member recruitment and retention program is managed by staff with volunteer participation; includes one orientation model for all; association promotes the value of the REALTOR® organization and the importance of participating in NAR member assessments

**C. PROFESSIONAL STANDARDS**  
The association demonstrates strong skills in professional standards enforcement; has a staff person or certified professional standards administrator to process complaints, provide arbitration and mediation services; participates in services via cooperative enforcement agreement

**D. EDUCATION**  
Offer or provide access to education programs, including new and continuing member Code of Ethics Training; some developed by the association and others by outside sources

**E. REAL ESTATE BUSINESS TOOLS**  
Offers marketing services and provides access to related services and business tools developed by others

**B. MEMBERSHIP RECRUITMENT**  
Innovative new member recruitment and retention program uses innovative outreach and orientation methods; outreach to specific targeted real estate niche groups, potential members from allied industries, and culturally and ethnically diverse groups (i.e., on-line orientation, new member CD, coordinated office and broker visits, etc.); association promotes the value of the REALTOR® organization and the importance of participating in NAR member assessments

**C. PROFESSIONAL STANDARDS**  
The association is a recognized leader in professional standards enforcement and certification efforts; provides arbitration and mediation services to other associations; via cooperative enforcement agreement; foster industry-wide ethical standards with other allied real estate groups affecting members' business; promote and utilizes NAR Dispute Resolution Systems; may offer ombudsman services; may implement a "citation enforcement policy"

**D. EDUCATION**  
Education programs, including new and continuing member Code of Ethics training, are developed and offered based on analysis of current needs and future trends; association is established as a course developer and provider; association utilizes alternative education delivery platforms including online, webinars, and podcasts

**E. REAL ESTATE BUSINESS TOOLS**  
Develops and offers innovative marketing tools and other services based on analysis of current and future needs

F. DECISION MAKING

Industry trends are identified at the state or national and reviewed by volunteers; volunteer leaders make most of the decisions about member services and industry initiatives

G. NETWORKING

Networking and social opportunities are planned, organized, and implemented predominantly by members through various committees

H. BUSINESS SPECIALITIES (COMMERCIAL, INTERNATIONAL, PROPERTY MANAGEMENT)

Promotes information regarding designations and specialty areas to members but relies on others (state and national association) to offer the classes or courses to its members

**Internal and External Relations**

A. STAFF RELATIONS

Chief staff executive administers all day to day operations, with support of clerical personnel and outside resources

F. DECISION MAKING

Industry trends are identified jointly by staff and leadership and are based on trend identification and analysis; decision making regarding how to address these issues is mutually agreed upon by volunteer committees and staff

G. NETWORKING

Networking and social opportunities are planned by staff and volunteers with the goal of enhancing member professional development and career success with some emphasis on the members' and future needs

H. BUSINESS SPECIALITIES (COMMERCIAL, INTERNATIONAL, PROPERTY MANAGEMENT)

Provides information and encourages interest in the specialty areas through association committees, with staff support; may occasionally offer a course or class on international or commercial real estate

**Internal and External Relations**

A. STAFF RELATIONS

Synergy between and among chief staff executive and all other staff; other staff has some management functions as well as providing clerical support

F. DECISION MAKING

Industry trends are identified by either staff or leadership depending on the issue and are based on ongoing trends analysis and planning; decision making regarding new strategic initiatives are envisioned, identified, and implemented by staff, in coordination with vendors, based on member needs with vendors, based on member needs

G. NETWORKING

Networking and social opportunities are implemented by staff with the goal of strategically positioning the member for career success, risk reduction and global marketing opportunities

H. BUSINESS SPECIALITIES (COMMERCIAL, INTERNATIONAL, PROPERTY MANAGEMENT)

Specialty councils are established to promote member interest and support networking opportunities to enhance member career success in these areas; events are planned and coordinated by staff with member involvement; guest speakers are included in general events to bring awareness to all members and are part of the strategic plan of the association

**Internal and External Relations**

A. STAFF RELATIONS

Chief staff executive is visionary leader of all other staff, and is not focused entirely on day-to-day operations; chief staff executive gives senior staff significant latitude for individual initiative and decision-making and develops a succession plan for key staff positions

B. STAFF-VOLUNTEER RELATIONS

Volunteers predominantly recruit association leaders with staff administrative assistance

C. PROFESSIONAL SERVICES

Association engages an accounting firm and attorney only as needed and directed by the board of directors; maintains corporate documents, policies, and procedures that conform to local, state, and federal laws and file required reports and documents; associations with revenue less than \$50,000 must obtain an annual compilation and association's with revenue greater than \$50,000 must obtain an annual audit opinion or accountant's review report

D. SOCIAL MEDIA

Social media is used as a tool for building internal and external relationships; potential for limited internal communication with staff, and an external informal communication tool to build relationships with membership

B. STAFF-VOLUNTEER RELATIONS

Staff helps identify and recruit volunteer leaders; staff and volunteer leaders work together to forge strong partnerships

C. PROFESSIONAL SERVICES

Association **engages** a CPA, attorney or both who support association operations; they report to the chief staff executive on a regular basis (such as monthly) but otherwise have relatively limited contact with staff executive and volunteer leadership; maintains corporate documents, policies, and procedures that conform to local, state, and federal laws and file required reports and documents; associations with revenue less than \$50,000 must obtain an annual compilation and association's with revenue greater than \$50,000 must obtain an annual audit opinion or accountant's review report

D. SOCIAL MEDIA

Social media is used as a tool for building internal and external relationships between staff and the membership; potential for communication between staff liaisons and volunteer leaders; utilizes group functions to foster communication between committees, task forces and work groups between meetings and to communicate news within the association to the general membership

B. STAFF-VOLUNTEER RELATIONS

Staff recruits, develops, and nurtures volunteer leaders in conjunction with leadership according to a comprehensive leadership development plan or program; staff and volunteers are strong partners based on strong culture of association

C. PROFESSIONAL SERVICES

Association engages both a CPA firm and attorney who support association operations and interact regularly with chief staff and/or accounting staff; CPA and attorney may network with counterparts in other REALTOR® associations; written policy outlines the roles and responsibilities of the appropriate individuals; maintains corporate documents, policies, and procedures that conform to local, state, and federal laws and file required reports and documents; associations with revenue less than \$50,000 must obtain an annual compilation and association's with revenue greater than \$50,000 must obtain an annual audit opinion or accountant's review report

D. SOCIAL MEDIA

Social media is used as a tool for developing internal and external relationships with volunteer leaders, membership, community members and the news media; use of social media to create specialty groups/pages for targeted specific events as well as ongoing communication; uses social media not only as a communication tool but as an ongoing part of any PR program; develops new programs and services for members utilizing virtual tools; incorporates the use of links and online registration for association events and function; uses social media to network with other community leaders



**E. OTHER RELATIONS**

Engage in four consumer outreach activities from at least three of the four categories in the Consumer Outreach Core Standards; association volunteer leaders foster effective relationships with the following:

- local government leaders and legislators
- service providers/vendors
- media (reporters)

**F. INDUSTRY STAKEHOLDERS**

Members view the organization and its association leadership and staff as a helpful resource

**G. PUBLIC POLICY EFFORT**

Able to support state and national efforts to impact legal and regulatory issues

**E. OTHER RELATIONS**

Engage in four consumer outreach categories in the Consumer Outreach Core Standards; association volunteer leaders and staff have built effective relationships with the following:

- local government leaders and legislators
- service providers
- vendors
- consultants
- contractors
- influential and market share members/industry leaders
- media (reporters and editorial writers) community groups including political and business coalitions

**F. INDUSTRY STAKEHOLDERS**

Members view the organization, its association leadership, the AE and staff, as valuable resources

**G. PUBLIC POLICY EFFORT**

Able to impact legal, legislative and regulatory issues

**E. OTHER RELATIONS**

Engage in four consumer outreach categories in the Consumer Outreach Core Standards; association volunteer leaders and staff have built effective relationships with the following:

- local government leaders and legislators
- service providers
- vendors
- consultants
- contractors
- influential and market share members/industry leaders
- allied real estate groups
- media (reporters and editorial writers and publishers)
- community groups
- allied organizations and culturally diverse groups, with eye on building and leading political and business coalitions;

the association is viewed as a resource for real estate information, market statistics and trend analysis

**F. INDUSTRY STAKEHOLDERS**

Members view the organization, its association leadership, the AE and staff as valuable resources and industry leaders

**G. PUBLIC POLICY EFFORT**

Able to analyze, address, and impact legal and regulatory issues and proactively frame the legislative and regulatory issues; develops positions on legislative and legal issues and successfully enlists the support of members to impact these issues

<p>H. POLITICAL ACTION Includes voluntary PAC or Political Action Fund contribution in dues billing (unless prohibited by state law) in order to meet NAR RPAC fundraising goals; informs members of the value of investing in RPAC; supports political action fundraising and member mobilization efforts when initiated by the state or national association</p> <p>I. GOVERNMENT ADVOCACY Supports state and national advocacy efforts with some volunteer involvement on local level; participates in state and national Calls to Action; engages in advocacy initiatives as outlined in the My REALTOR® Party Resource Guide; licensees in limited function referral organizations (LFRO) are identified for participation in Calls to Action</p>	<p>H. POLITICAL ACTION Includes voluntary PAC or Political Action Fund contribution in dues billing (unless prohibited by state law) in order to meet NAR RPAC fundraising goals; informs members of the value of investing in RPAC; supports political action fundraising and grassroots mobilization efforts</p> <p>I. GOVERNMENT ADVOCACY Effective government advocacy to advance association mission, either directly or as an active coalition participant; participates in state and national Calls to Action; engages in advocacy initiatives as outlined in the My REALTOR® Party Resource Guide; licensees in limited function referral organizations (LFRO) are identified for participation in Calls to Action</p>	<p>H. POLITICAL ACTION Includes voluntary PAC or Political Action Fund contribution in dues billing (unless prohibited by state law) in order to meet NAR RPAC fundraising goals; informs members of the value of investing in RPAC; high level of political action, expertise; engages in significant fundraising, member mobilization, and efforts, and candidate development</p> <p>I. GOVERNMENT ADVOCACY Recognized leader in government advocacy in local community and as partner with the state and/or national association; participates in state and national Calls to Action; engages in advocacy initiatives as outlined in the My REALTOR® Party Resource Guide; licensees in limited function referral organizations (LFRO) are identified for participation in Calls to Action;</p>