

## **EXECUTIVE SUMMARY OF THE PAG ON THE FUTURE OF THE REALTOR® PARTY**

### **PAG PURPOSE:**

In the beginning of 2017 the NAR Leadership Team created the PAG on the Future of the REALTOR® Party and charged the 20 members with four responsibilities.

1. Analyze the results of the REALTOR® Party's first five years of performance (2012-2016);
2. Identify and recommend improvements to enhance the efficiency and effectiveness of the management of the REALTOR® Party;
3. Review each REALTOR® Party program and recommend enhancements or elimination – and identify new REALTOR® Party program offerings;
4. Establish REALTOR® Party Strategic Objectives for the next five years (2017-2021).


### **BACKGROUND**

Leslie Rouda Smith (TX) was appointed the Chair of the PAG and Jim Liptak (HI) was designated as the Vice Chair. The PAG convened three times: January 30-31 in Scottsdale, Arizona; April 10 -11 in Grapevine, Texas; and June 27-28 in Chicago, Illinois. In order to accomplish the four components of the PAG purpose a professional survey research consultant was retained to conduct a comprehensive survey, focus groups, and one-on-one interviews of targeted groups of the membership and staff. An association management firm was retained to conduct a holistic evaluation of the efficiency and effectiveness of the overall REALTOR® Party and its wide array of programs.

### **PAG Purpose #1: Key findings of the REALTOR® Party's first five years of performance**

Based on all of the empirical information aggregated by our outside experts, the introductory paragraph of our association management consultant report provides a concise summary of the first five years of performance of the REALTOR® Party.

*“Across-the-board, the data shows that the REALTOR® Party is seen as an incredibly successful and worthwhile undertaking that provides tremendous relevance and value. Described as “transformational”, survey respondents . . . see the REALTOR® Party as a great use of resources, that it offers amazing opportunities and is making great strides in elevating the REALTOR® brand over its history. . . . There is general agreement that the REALTORS® bottom line is certainly improved through REALTOR® Party activities and programs.”*




This laudatory overview of the performance of the REALTOR® Party is reinforced with the following “major findings” gleaned from an online survey conducted January 17-23, 2017 of 980 respondents—605 volunteers and 375 state/local staff (margin of error is plus/minus 4%).

- Nine out of ten are satisfied with REALTOR® Party programs;
- Nearly nine out of ten believe that REALTOR® Party programs and tools help achieve core standard requirements;
- Eight in ten agree that REALTOR® Party programs are an effective use of member dues and association resources;
- Over eight in ten agree that the REALTOR® Party programs have helped strengthen the REALTOR® brand.

Our consultant team also offered key findings regarding deficiencies that have emerged during the rollout and implementation period of the REALTOR® Party from 2012-2016. These areas of improvement can be categorized into five overall key findings as we plan the next five years of the REALTOR® Party.

- A. Embrace a “one size does not fit all” approach:
  - Smaller associations need more assistance than larger associations;
  - Larger more sophisticated associations have unique needs that cannot always be met with current REALTOR® Party grant offerings and process that does not allow for bundling of grants;
  - Association staff time is limited and program engagement is often more complex and difficult (or perceived to be difficult) than it needs to be;
  - Small associations are especially pressed for time and require a different approach to engagement than their larger counterparts.
- B. Simplify across the board:
  - Difficult grant process is a barrier to entry;
  - Programs and guidelines are too complicated.
- C. Establish proper metrics to set goals and measure outcomes:
  - Measure success through the three levels of the organization to show progression through programs;
  - Conduct a “deeper dive” into the REALTOR® Party programs to regularly assess whether to overhaul or sunset;
  - Enhance technology to improve data collection and goal tracking;
  - Bring in the “user experience” around improving, modifying or creating new programs.
- D. Improve education of volunteers and staff to increase awareness and utilization:
  - Associations do not often understand the opportunities available to them;

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- Increase program curriculum at key volunteer and staff training venues (e.g. AEI and GAD Institute).
- E. Marketing, messaging and communications need to be reevaluated and reset:
- Messaging and communications are often confusing, particularly the REALTOR® Action Center website and the REALTOR® Party Resource Guide;
  - Communicate REALTOR® Party program opportunities and explain who, why, and how to participate simply and cleanly.

Recommendations that directly address these five key findings for areas of the REALTOR® Party that require improvement are highlighted under the analysis outlined under the remaining three Purposes of the PAG.

#### **RECOMMENDATIONS:**

#### **PAG Purpose #2: Identify and recommend improvements to enhance the efficiency and effectiveness of the management of the REALTOR® Party.**

For this “Purpose” the PAG differentiated their recommendations into three categories:

1. Overarching REALTOR® Party program improvements;
  2. REALTOR® Party program marketing and communications improvements;
  3. Establishment of goal setting and effectiveness metrics.
- 1. The PAG Approved Implementing 11 Overarching REALTOR® Party Program Improvements.**
- A. Simplify the grant process and increase efficiencies.
  - B. Reevaluate grant sizes and program eligibility.
  - C. Create enhanced online tracking and data entry.
  - D. Allow for local input on grant applications and program implementation.
  - E. Consider changes to class structure that increases access and improves efficiencies for staff.
  - F. Improve the tracking of overall REALTOR® Party participation by enhancing the current REALTOR® Party Tracker capabilities.
  - G. Identify the proper metrics to measure success.
  - H. Streamline program evaluation process.
  - I. Regularly survey associations and seek membership input.
  - J. Improve data collection.
  - K. Form a “REALTOR® Party User Group”.




## 2. The PAG approved Implementing 14 REALTOR® Party Marketing and Communications Improvements.

- A. Develop a targeted marketing campaign to educate associations on REALTOR® Party programs.
- B. Consider overhauling website to allow for ease of use and clear and simple information sharing.
- C. Highlight program opportunities during Board Training and Strategic Planning.
- D. Use infographics to highlight and market programs.
- E. Provide a roadmap on how to use programs effectively.
- F. Provide assistance to associations in navigating REALTOR® Party program opportunities.
- G. Educate state and local staff and volunteer leadership on programmatic opportunities available to them.
- H. Communicate program success stories in a way that people understand.
- I. “Lean” on the state associations to educate local associations.
- J. Consider consolidating the number of REALTOR® Party programs to minimize confusion and frustration for associations (cross collaboration/bundling of programs).
- K. Promote the influence of the REALTOR® Party in the broader community, “it gives REALTORS® a seat at the table and guides the conversation where we want it to go.”
- L. Help associations build capacity for advocacy and make associations more self-sufficient.
- M. Be smart about member communications, “Less is better, text is faster, friends are more effective”.
- N. Engage younger demographics.

## 3. In order to provide more robust methods for quantifying “success” in the REALTOR® Party and its array of programs, the PAG established “Key Performance Indicators” (KPI’s) for goal development and tracking measurement and the creation of two “Effectiveness Metrics”: an “Impact-Effort Matrix” and “Return on Mission” (ROM) analysis.

- A. **Systematic Goal Development and Tracking:** Creation of “Key Performance Indicators” (KPI’s) — KPI’s are quantifiable measurements (E.G.: % of RPAC goal) used to evaluate the success of an organization in meeting performance goals. While some REALTOR® Party programs have KPI’s, the PAG recommended that all REALTOR® Party programs and the overall REALTOR® Party create KPI’s.
- B. **Measuring Effectiveness:** Creation of an “Impact-Effort Matrix” — This is a decision-making tool that will allow our organization to prioritize REALTOR® Party programs (and assess the overall REALTOR® Party) based on the effort needed to implement each activity and the




potential impact each program has on the REALTOR® Party mission. The “Impact-Effort Matrix” will classify REALTOR® Party programs into one of four quadrants: “Quick Wins”; “Major Projects”; “Small Wins”; “Ripe for Review”.


- C. **Measuring Effectiveness:** Creation of a Return on Mission (ROM) Analysis — Since the majority of REALTOR® Party programs cannot be measured by a traditional “Return on Investment” (ROI), analysis, a “Return on Mission” (ROM) analysis will provide NAR with a measurement to identify the impact of its REALTOR® Party programs, beyond just the impact on the bottom line — and instead at the impact they have on the REALTOR® Party Mission. Combined with the “Impact-Effort Matrix” these two measurements will help quantify the effectiveness of every REALTOR® Party program and the overall REALTOR® Party.

**PAG PURPOSE #3: Review each REALTOR® Party program and recommend enhancement or elimination and identify new REALTOR® Party program offerings.**

**The PAG approved 19 New REALTOR® Party Programs.**


1. “One size does not fit all”: A “REALTOR® Party State Staff Key Coordinator Program” to assist state and local associations in navigating the available REALTOR® Party programs and resources.
2. Helping REALTOR® Party Champions build a political organization to run for elected office.
3. Rural Outreach: Tailors community outreach activities to meet the needs of rural REALTOR® Associations.
4. Urban Initiative: Tailors community outreach activities to meet the needs of urban REALTOR® Associations.
5. Vacant Properties Training: Transforming Neighborhoods: Provides specialized in-person training to REALTORS®, elected officials, municipal staff, and housing and neighborhood advocates to address the problems of vacant, abandoned and blighted properties.
6. Mega Board Project: A comprehensive approach that provides our largest and most sophisticated local associations the opportunity to propose NAR funding for a comprehensive community outreach strategy, without the need to apply individually for each grant or other program assistance.

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7. Using data for multicultural and multigenerational REALTOR® Party Engagement: Helps REALTOR® Associations connect with the growing diverse population and membership by providing detailed demographic and economic data.
  8. Federal Political Coordinator (FPC) Advocacy Academy: An intense and interactive training program designed to elevate the progress of new FPCs.
  9. REALTOR® Party Social Media Advocacy Ambassador Program: A monthly menu of shareable advocacy-related content that will reside on the REALTOR® Action Center and Ambassadors would have a role in helping spread these stories in social media.
  10. Advocacy Everywhere: The goal of the Advocacy Everywhere program is to expand REALTOR® influence on public policy at the local, state and federal level and to increase REALTOR® and consumer participation in Calls for Action.
  11. State Key Political Training Grant: A State Key Contact Grant would provide resources and consultant expertise to help states create a REALTOR® grassroots advocacy program patterned off the successful Federal Political Coordinator Program.
  12. Non-Member Licensees Advocacy Outreach: In the U.S., there are an estimated 3 million individuals with a license to sell real estate and REALTORS® comprise about 1.2 million. This program will identify these licensees and examine how we can engage and activate them when real estate issues require grassroots action.
  13. RPAC Predictive Modeling and Social Media Engagement Program: Creation of a new RPAC Fundraising grant program would offer state and local REALTOR® Associations funds to receive predictive data modeling and social media direct-message ad campaigns for solicitable members.
  14. RPAC Rising Stars Identification Program: NAR can grow the base of RPAC investors, Major Investors and President's Circle members by engaging members to invest at higher RPAC levels. Through a tiered structure, NAR staff and the RPAC Major Investor Council will work to identify and notify state associations of potential new or step-up Major Investors as well as current Major Investors in jeopardy of lapsing their status.
  15. REALTOR® Party Mobile App: The REALTOR® Party Mobile App would allow members to share their photos and videos directly with us that could be integrated into a new social media wall on the REALTOR® Action Center website.


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16. Creating an Advocacy Graphics Warehouse: NAR will create a two-way online portal for NAR and state and local REALTOR® Associations to upload and share graphics that can be downloaded and reused.
  17. REALTOR® Party Integration into New Member Orientation: This program develops additional REALTOR® Party resources for REALTOR® Associations to incorporate into their existing new member orientations.
  18. REALTOR® Party “All Star” Speakers’ Bureau: This grant program would offer state REALTOR® Associations funds to have NAR speakers attend and speak at state and regional conferences and events. These designated speakers would be recruited among REALTOR® members using an application and peer review process.
  19. REALTOR® Party Advisory Group: Establish a 16 member REALTOR® Party Advisory Group. The Advisory Group would provide strategic direction to NAR staff for the development, implementation and management of a new REALTOR® Party marketing and communication strategy and provide the NAR Leadership Team with regular assessments of the REALTOR® Party and its array of programs.

**The PAG approved enhancing 14 REALTOR® Party programs.**

1. REALTORS® Addressing Homelessness (Enhancement to Housing Opportunity Program): This program would develop additional resources for REALTOR® Associations that wish to get involved in the issue of homelessness.
2. Guarding Against Natural Disasters (Enhancement of Smart Growth Program): This program would provide education, training, and grants toward understanding and implementing adaptation planning and resiliency planning to address the impacts of extreme weather events and natural disasters, which include severe storms, drought, flooding, wildfires, extreme heat, and sea-level rise.
3. Federal Political Coordinator (FPC) Recognition: Create an “honor roll” that recognizes FPCs and their team members for doing exceptional work.
4. Broker Involvement Program (BIP): Effectively leverage the Broker Involvement Program between Calls for Action by providing enhancements to Brokers and their agents so they are more consistently engaged in NAR’s advocacy efforts.

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5. Consumer Advocacy Outreach: The Consumer Advocacy Outreach Program educates and engages consumers on public policy issues at the state, local and national levels. Enhance this program in five areas related to REALTOR® and state/local association engagement.
  6. Federal Political Coordinator (FPC) Mentoring Program: During the course of the FPC Focus Group last year and in discussions at FPC Roundtables, it is clear that FPCs want a mentoring network. A toolkit will reside on the REALTOR® Action Center, which will include FAQs, ideas, testimony from veteran FPCs and best practices. Most importantly, we will include a phone "hotline" to allow FPCs to reach out for peer-to-peer advice.
  7. Customized RPAC Brochures: NAR will provide a user-friendly online format for associations to customize RPAC brochures themselves.
  8. RPAC Online Fundraising Program: NAR will broaden the scope of the RPAC Online Fundraising Program to offer the tools and training of the program to state and local associations.
  9. Interactive REALTOR® Party Resource Guide: Create an interactive version of the REALTOR® Party Resource Guide—a 28-page document that lists REALTOR® Party programs, resources/tools and grants for state and local association staff—that will live on the REALTOR® Action Center (RAC) website. The interactive resource guide will connect REALTOR® Party resource descriptions currently featured in the resource guide with existing RAC content, including grant applications, success stories and staff contacts.
  10. Increased Production Value of Materials: The REALTOR® Party produces and distributes a considerable amount of communications products (websites, social media posts, brochures, fliers, booklets, etc.).
  11. REALTOR® Party and RPAC Logo Enhancements: NAR will provide state and local associations with customized REALTOR® Party logos for them to use and promote their outreach efforts.
  12. Rename and Redesign the REALTOR® Action Center (RAC) Website: The REALTOR® Action Center was redesigned in March 2013. It is time to upgrade and update the REALTOR® Action Center website to provide a better online experience to visitors.
  13. REALTOR® Party Program Curriculum at Association Executives Institute: At the Association Executives Institute provide in-depth training for Association Executives and Association staff to learn about the application of REALTOR® Party services and other advocacy tools to strengthen their ability to influence public policy.



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14. Increased REALTOR® Party Messaging in NAR Publications: Enhance REALTOR® Party messaging into non-REALTOR® Party publications, specifically translating advocacy into business talking points.

**The PAG approved eliminating 7 REALTOR® Party Programs (effective in 2018).**

1. NAR Shared GAD Program: Several state associations, since the start of the REALTOR® Party, hired professional staff to work with their local associations directly on advocacy matters.
2. Game Changer Grant Program: The program is an “innovation experiment for advocacy” grant fund, but many submissions have little to do with advocacy and more to do with associations seeking funding for charitable causes.
3. Employer-Assisted Housing Program: The course is offered by about 20 associations per year but we have not been able to document any success in REALTORS® implementing the ideas and methods taught by the class.
4. Expanding Housing Opportunities (in-person) class: After offering this class for eight years, no associations offer the course as part of a certification, which was the main purpose for its creation.
5. REALTOR® Action Center Mobile App: In late 2014, NAR made a concerted effort to promote the text platform (REALTOR® Party Mobile Alerts) and shift away from the more cumbersome mobile app.
6. RPAC Recognition Ribbons: Eliminate the ability for associations to order RPAC recognition ribbons from NAR as an RPAC resource tool. A document with specs for our ribbon design can be added to the REALTOR® Action Center if associations wish to use them for production of RPAC ribbons on their own.
7. REALTOR® Party Booth at NAR Midyear Meeting and Annual Convention: The REALTOR® Party booth has proven not to be an effective means of communicating the REALTOR® Party’s purpose and goals to the appropriate audience. Only 68 meaningful interactions were tracked over a 4-day trade show during the most recent NAR Annual Conference & Expo in Orlando.



**PAG Purpose #4: Establish REALTOR® Party strategic objectives for the next five years (2017-2021).**

**The PAG approved the creation of 10 REALTOR® Party strategic objectives.**

1. Achieve 100% local association participation in the REALTOR® Party by creating customized plans, in collaboration with our REALTOR® state association staff coordinators, that will enable each local association to annually prioritize at least one REALTOR® Party program.
2. Achieve 100% local association participation to deliver a value proposition message about the REALTOR® Party that local staff can utilize at their new member orientation sessions.
3. Create customized training programs on the resources of the REALTOR® Party targeted to our diverse state and local staff constituencies: Executive Officers; Communication Directors; Government Affairs Directors; RPAC accounting/management and fundraising staff; and State REALTOR® Party Coordinators.
4. Increase diversity of member engagement in REALTOR® Party programs.
5. Create a holistic and interactive REALTOR® Party marketing and communication strategy to reach our targeted REALTOR® audiences in order to increase program awareness and utilization.
6. Increase annual performance results of National RPAC President's Cup goal.
7. Identify and remove barriers to entry for state, territorial and local association utilization of REALTOR® Party programs, and create a process for an on-going assessment.
8. Create Key Performance Indicators (KPI's) for ongoing goal development and tracking of the overall REALTOR® Party as well as its individual programs.
9. Create metrics to continually measure the "effectiveness" of the overall REALTOR® Party as well as its individual programs.
10. Create a REALTOR® Party Advisory Group that would report directly to the NAR Leadership Team on the performance of the REALTOR® Party and adjustments that need to be made.