

LEADERSHIP

2002

Participant Guide

> BECOMING A LEADER



NATIONAL
ASSOCIATION *of*
REALTORS®



**Centre for Leadership
Development**

Promoting Professionalism

Ontario Real Estate Association
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Leadership 200: Becoming a Leader

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NAR V3 May 9, 2016
Participant Guide

Course Overview

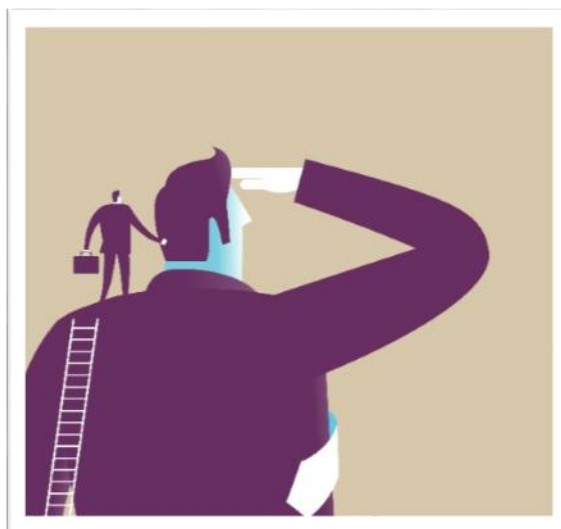
In any REALTOR® association, effective leadership is the key to success. Developing leadership skills also provides a solid foundation for your professional career. The REALTOR® Leadership Program is designed to help you develop leadership skills that will strengthen your association and make you more effective in your leadership role.

Leadership 200: Becoming a Leader

This intermediate-level course helps you accelerate your leadership development with tools and techniques that give you the ability to see the big picture. You'll learn about good governance, how to participate effectively in meetings and build consensus as you get more involved in association leadership.

Topics

- **Association Leadership**
 - How do associations make decisions??
 - The Myths and Realities of Association Leadership
- **Staff and Volunteer Relationships**
 - Association Roles
 - Staff and Volunteer Responsibilities
 - Clarifying Roles and Responsibilities
- **Participating in Meetings**
 - Effective Discussion and Debate
 - Responsibilities of Attendees
 - Meeting Evaluation Checklist
- **Conflict Resolution**
 - The Benefits of Consensus Building
 - Guidelines for Building Consensus



The beautiful thing about learning is that no one can take it away from you.

- B. King

Objectives

By the end of this program, you will be able to:

- Understand many of the elements of good governance
- Clarify staff and volunteer roles to avoid conflicts
- Participate effectively in meetings
- Build consensus within groups
- Assess your leadership skills

The goal of this NATIONAL ASSOCIATION OF REALTORS® program is to provide volunteer leaders with the necessary knowledge and training to make them as effective as possible in their leadership roles.

HOW DO ASSOCIATIONS MAKE DECISIONS?

What is Governance?

When a group is too large for everyone to be involved in decision-making, it creates an entity to facilitate the process. In an association, that entity is the board of directors. Members delegate the bulk of decision-making to the board, who then delegate the implementation of those decisions to staff and volunteers. Governance is the rules and practices by which that board of directors ensures accountability, fairness and transparency in its decision making.

Why is governance important?

Good governance is a robust and reliable system for making confident and timely decisions. Good governance gives members confidence in the decision-making process and leads to better decisions. It builds trust and respect between members and elected leaders. And it ensures ethical decision making.

What elements determine a board's governance?

Governance determines who has a voice in making decisions; how those decisions are made; and who is accountable. The rules for governing are defined in the association's bylaws and other governance documents. Ultimately, however, it's the norms and actions of the association's leaders that determine the effectiveness of governance.

Accountable	Associations have an obligation to communicate, explain and answer to members for the consequences of the decisions they made
Transparent	Members should be able to follow and understand the decision-making process; including how and why a decision was made.
Follow the Rules of Law	Board decisions should be consistent with relevant legislation, common law and the association's bylaws.
Responsive	Boards make decisions based on what is best for the membership, which requires that they solicit and listen to their needs.
Effective and Efficient	Associations should implement decisions and follow processes that make the best use of available resources while mitigating risk.

The rules and practices by which a board of directors operates determine its governance. Good governance ensures accountability, fairness and transparency as an association fulfills its mission.

REALTOR® Association Structure



HOW DO ASSOCIATIONS MAKE DECISIONS?

Activity: Association Leadership –Myth or Reality?

Consider each of the following statements. Decide whether it is false (a myth) or true (a reality).

		False	True
1.	Each year the board chair should determine his/her goals, which become the main criteria for board decision making.		
2.	The board of directors has a responsibility to pass the motions that have been put forward by committees and task forces.		
3.	A code of conduct that addresses the behavior of board members is only effective if the board chair and all directors ensure that it is upheld.		
4.	Once a decision is made by the board, every director is expected to support that decision even if they did not vote for it.		
5.	Boards should use a performance measure, such as a dashboard, to review important metrics of the association at every board meeting.		
6..	If a director is serving by virtue of his or her position in a specific group, region or company, that director should vote in the way that group, region or company wishes.		
7.	Directors and Officers insurance only protects the board of directors, with respect to decisions they make, if they practice due diligence.		
8.	As long as you are not in executive session, you are free to talk about anything discussed at the board table with anyone.		
9.	The board of directors has supervisory responsibility for all association staff.		

Directors are not at the pinnacle of the organization; they are part of a strong base.

- B. Joseph White, Author

WHAT IS MY ROLE AT THE ASSOCIATION?

Staff and Volunteer Roles and Responsibilities

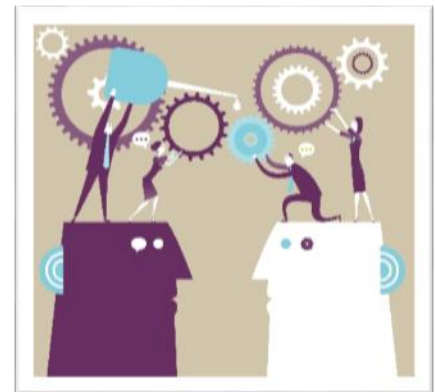
Effective association management calls for a partnership between volunteers and staff. The nature of the partnership varies from association to association. Volunteers and staff must share a commitment to the mission and goals of the association and continuously pursue the best interests of the association and the members it serves.

Conflict between volunteers and paid employees most often results from a lack of understanding of the responsibilities, authorities and accountabilities that fall to each party.

Although this partnership varies tremendously from association to association, many associations split their responsibilities as listed below. If this is not the case at your association, it's important to make sure that you do have clear distribution of duties. Here are some examples:

Board of Directors

- Implement and document a governance process
- Establish job descriptions for the board of directors, board chairs and members
- Establish job descriptions for all committees, committee chairs and members
- Agree on a job description for the chief staff executive /association executive (AE)
- Adhere to governance model and job descriptions
- Ensure association conducts financial audit, review or compilation, depending on revenues
- Create a strategic or business plan including advocacy and consumer outreach goals.



Teamwork divides the task and doubles the success

Board of Directors and Staff

- Listen to each other and respect differing points of view
- Collaborate on strategic initiatives to gain from diverse perspectives
- Ensure the association's mission is top of mind in decision-making processes
- Promote efficient and effective use of volunteer and paid resources
- Ensure association complies with NAR Core Standards

AE / Chief Staff Executive (CSE) or Senior Staff

- Provide the directors with information on governance
- Provide the directors with information on trends, demographics and policy, to keep them focused on the big picture
- Offer effective management and advice to the directors
- Establish job descriptions for all employees
- Provide mechanisms to recruit, train, retain and recognize volunteers
- Be open, honest and straightforward in all association communication

WHAT IS MY ROLE AT THE ASSOCIATION?

Splitting Responsibilities Activity

Determine who would be responsible to complete each of the following tasks. You may check more than one box.

		President	Board of Directors	CSE and/or Staff	Committee/ Task Force
1.	Acts as official spokesperson for the association				
2.	Communicates with the chief staff executive regarding his/her job performance				
3.	Encourages members to respond to Calls for Action				
4.	Approves the annual budget				
5.	Engages the public in legislative issues that impact real estate				
6.	Oversees property management of the association facility				
7.	Chairs the directors' meeting				
8.	Writes and distributes press releases				
9.	Approves by-law changes				
10.	Attends the strategic planning session				
11.	Makes recommendations on ways to educate members on legislative and regulatory issues.				
12.	Books meeting facilities				
13.	Monitors the strategic plan				

A complete President/Chief Staff Executive Task List is available in the Appendix.

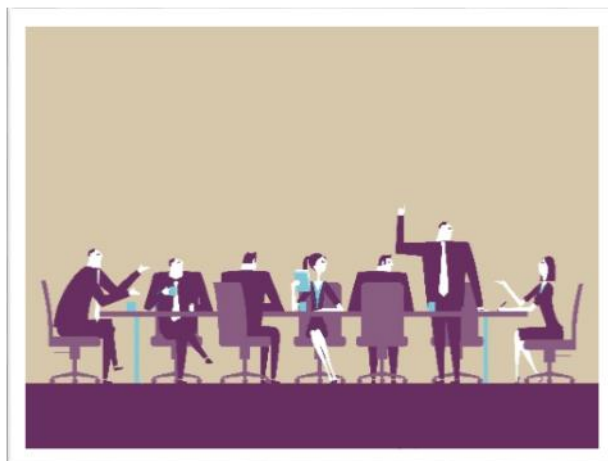
HOW CAN I CONTRIBUTE PRODUCTIVELY TO MEETINGS?

Participating in Meetings

Responsibilities of Attendees

Responsibilities of the attendees at a meeting include:

1. Prepare for the meeting by reading all of the material distributed. It is inappropriate to be opening the meeting package for the first time at the meeting.
2. Follow the legal instructions of the chair.
3. Avoid idle chatter, especially when another attendee is speaking.
4. Actively follow the meeting, and speak and vote as appropriate.
5. Abide by the meeting rules.
6. Be courteous and respectful of other attendees and avoid extreme remarks, especially those directed at another attendee.
7. Raise a point of order if the meeting rules are being broken.
8. Appeal a ruling of the chair, if you believe the chair is incorrect in the ruling. This should not be done lightly and the attendee should be sure of the correct ruling.
9. Support the decisions of the board. Do not relate a disagreement with any decisions outside of the meeting. Disagreement with decisions may be made inside the meeting or at another meeting by moving to rescind a motion or reconsider the motion.
10. Maintain confidentiality when and where required. The group must speak with one voice when the meeting concludes. Voicing inconsistent opinions that are contrary to decisions made during the meeting creates a lack of unity among attendees.



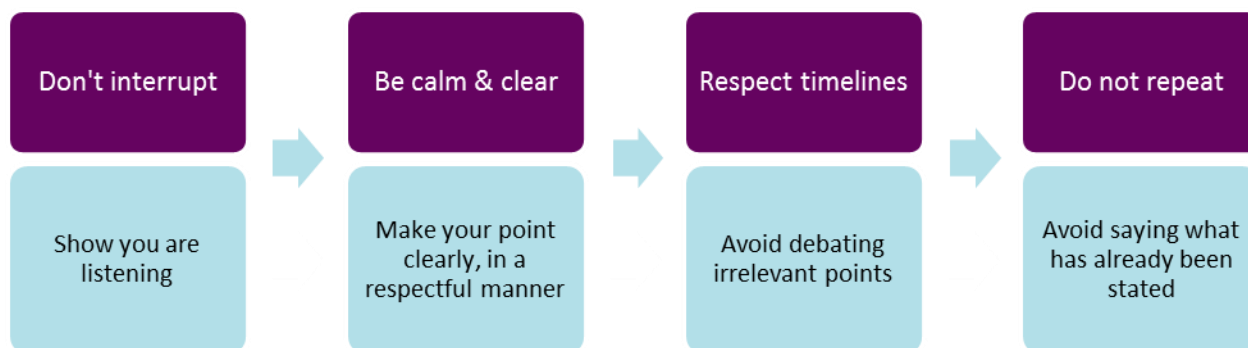
If part of the meeting is held in executive session (a closed part of the meeting), the attendee may not discuss any part of what transpired in the executive session unless the chairperson has given instructions for what is to be repeated outside of the meeting.

HOW CAN I CONTRIBUTE PRODUCTIVELY TO MEETINGS?

Effective Discussion and Debate

The agenda for a meeting will contain items that can be quickly discussed and a decision reached. Occasionally in a meeting, there are some items on the agenda that are controversial. So how do you contribute to the discussion and make your opinion understood without causing people to become divided and defensive?

The words “discussion” and “debate” are very often used interchangeably, although discussion is the preferred word. Attendees at the meeting present their opinions, explain their position, and listen to what other attendees have to say.



***Take the attitude of a student. Never be too big to ask questions.
Never know too much to learn something new.***

- Og Mandino

HOW CAN I CONTRIBUTE PRODUCTIVELY TO MEETINGS?

Activity: You're the Meeting Coach

In this video-based activity, you will watch the beginning of a **Building Committee Meeting**.

Meeting Objective

To develop a recommendation to the Board of Directors on the office lease which will expire soon – do they renew the lease or move?

Instruction

You will be assigned to pay special attention to certain participants in the meeting. As you watch the video, think about the advice you would give that person to make him/her a more effective meeting participant.





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HOW CAN I CONTRIBUTE PRODUCTIVELY TO MEETINGS?

Meeting Participants

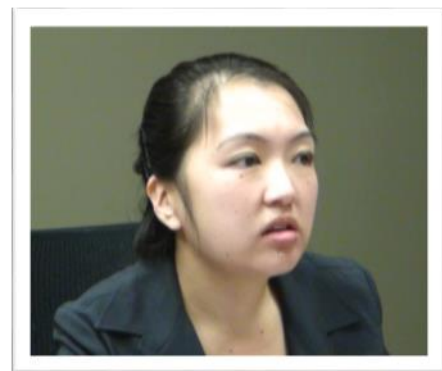
Make notes of what your assigned participants did to help or hinder the success of the meeting.



Michelle



Glen

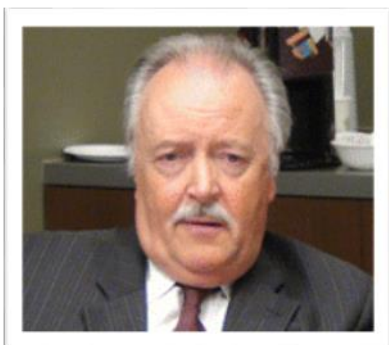


Betty

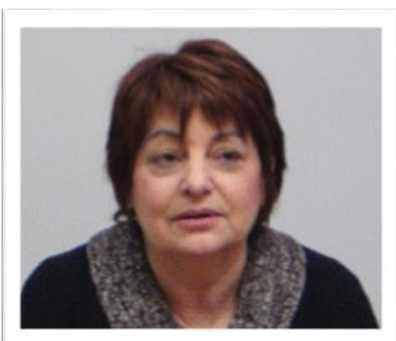
HOW CAN I CONTRIBUTE PRODUCTIVELY TO MEETINGS?



Marco



Andy



Felicia



Frank



HOW CAN I CONTRIBUTE PRODUCTIVELY TO MEETINGS?

Meeting Evaluation Checklist

A meeting doesn't end when the last attendee leaves – in some ways, this is just the start of the planning process for the next meeting. Gathering constructive feedback on the session is the best way to improve future meetings and to ensure that the association is meeting stakeholders' needs.



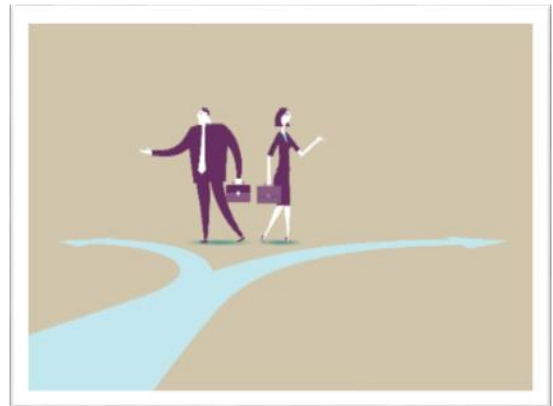
- ✓ Consider using this or a similar evaluation after your meetings to ensure that you are working to your peak effectiveness.

		Yes	Somewhat	No
1.	An agenda was developed and distributed.			
2.	The necessary background information was provided for agenda items.			
3.	Information was received in time to fully consider it prior to the meeting.			
4.	Attendees had reviewed information prior to attending the meeting.			
5.	All items discussed fell within the responsibility of the group.			
6.	The meeting was conducted fairly.			
7.	All views were considered before making decisions.			
8.	The meeting started and ended on time.			
9.	Attendees used positive language when discussing issues.			
10.	All attendees participated in the discussions and decisions.			
11.	All items on the agenda were addressed.			
12.	Conversations were kept on track and focused on outcomes.			
13.	The chair restated opinions and summarized frequently.			
14.	Attendees avoided side discussions.			
15.	The chair knew when to draw the discussion to a close.			
16.	The meeting ground rules were followed (when applicable).			
17.	Order and decorum were maintained throughout the meeting.			
18.	After the meeting, attendees avoided parking-lot meetings.			

HOW DO GROUPS MAKE GOOD DECISIONS?

Debate Activity

1. How different was the second debate compared to the first?



2. How did you feel during each of the debates?

First Debate

Second Debate



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HOW DO GROUPS MAKE GOOD DECISIONS?

Building Consensus

Consensus is a decision making process in which each person's opinion and contribution to the discussion is heard and valued. Instead of a simple majority vote on an item, a group works to find a solution that works for all stakeholders. The solution that the group thinks is the most positive gets chosen, unless a member of the group finds the solution totally unacceptable. Consensus is based on compromise and the ability to find common ground.

Consensus is achieved when everyone says, *"I can live with that."*

Guidelines for Building Consensus		
1.	Present your position as coherently and logically as possible.	Listen to the reactions of others and consider them carefully before you press your point. Avoid arguing solely for your own ideas.
2.	Do not automatically take a win/ lose approach when discussion reaches stalemate.	Instead look for an alternative that will work for all individuals.
3.	Do not change your opinion simply to avoid conflict.	Explore the reasons and be sure that everyone accepts the solution for similar or complementary reasons. Support only the positions that have objective, logically sound foundations.
4.	Involve everyone in the decision process.	Everyone adds to the value of the discussion. Seek out various perspectives. Disagreements can help the group's decision because with a wide range of information and opinions, there is a greater chance the group will hit on more adequate solutions.
5.	Remember that consensus is about empowering versus overpowering.	It involves discussion and the sharing of viewpoints as opposed to power struggles. The process of consensus is what you put into it as an individual and as a member of the group.
6.	Enter into thoughtful discussion.	Think before you speak; listen before you object. Through participating in the consensus process, one can gain insight into not only others but also oneself.

Consensus is a decision making process that works creatively to include all persons making the decision. It is the most powerful decision process as all individuals agree to the final decision.



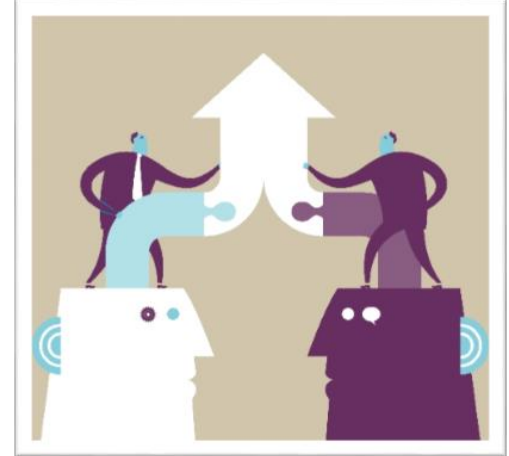
HOW DO GROUPS MAKE GOOD DECISIONS?

Building Consensus Activity Worksheet

After completing the activity, make notes on how the Building Consensus Guidelines worked in your group.

1. *How did the Guidelines for Building Consensus work for your group?*

2. *How could you see using these at your association?*



HOW DO GROUPS MAKE GOOD DECISIONS?

Signs of an Effective Leader – Self Assessment

✓ Assess how effective you are as a leader and what you can do to improve



		Often	Sometimes	Seldom
1.	Vision – I have a clear, vivid picture of what I need to achieve, as well as a firm grasp on what success looks like and the steps I need to take to get there.			
2.	Integrity – I adhere to a strict moral or ethical code. I exhibit honest dealings, predictable reactions, well-controlled emotions and an absence of harsh outbursts.			
3.	Dedication – I spend whatever time or energy is necessary to accomplish the task at hand and I inspire dedication in others by example.			
4.	Generosity of Spirit – I give credit where credit is due and ensure that credit for successes is spread as widely as possible throughout the association. I also take personal responsibility for failures.			
5.	Humility – I recognize that all members of a team contribute in their own way. I am not self-effacing; rather I try to elevate everyone to be the best they can be.			
6.	Openness – I listen to new ideas, even if they do not conform to the usual way of thinking. I am able to suspend judgment while listening to others' ideas and accept new ways of doing things.			
7.	Fairness – I deal with others consistently and justly. I check all the facts and hear everyone out before passing judgment. I avoid leaping to conclusions based on incomplete evidence.			
8.	Clarity in Expectations – I clearly state what I expect of others so that there are no misunderstandings and I clearly understand what others expect from me.			

Signs of an Effective Leader – Self-Assessment *(continued)*

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

An illustration of two business professionals, a man and a woman, climbing a large, dark, jagged rock. The man is at the top of the rock, leaning forward and reaching down to assist the woman. The woman is positioned lower on the rock, pulling herself up. A large, light blue arrow points upwards from the bottom left towards the top right, passing behind the rock. Another smaller, light blue arrow points upwards from the bottom right towards the top left, also passing behind the rock. The background is a solid light beige color.

ADDITIONAL RESOURCES

Governance	
Article: Policy Governance by John Carver Model	www.carvergovernance.com
Article: What is Governance Anyway? by Lyn McDonell	www.jobexperts.com / Resources
United Way Board Development web site (information on boards, governance and finance)	www.boarddevelopment.org
REALTOR® Association Models Planning Tool	http://www.realtor.org/ae/manage-your-association/association-models-planning-tool
Meetings	
Effective Meeting Skills: A Practical Guide for More Productive Meetings by Marion E. Haynes	Your online or local book store
Free Management Library (various articles on effective meetings)	www.managementhelp.org
Conflict Resolution/Building Consensus	
Handbook of Conflict Resolution: Theory and Practice by Morton Deutsch, Peter T. Coleman and Eric C. Marcus	Your online or local book store
The Conflict Resolution Toolbox: Models and Maps for Analyzing, Diagnosing, and Resolving Conflict by Gary T. Furlong	Your online or local book store
Article – Consensus: How to and Why, Michigan State University	www.msu.edu
Robert Harris' – Change Leadership	www.rhresources.com
Various Articles, Books and Courses	
NAR Organizational Alignment Core Standards	www.realtor.org/corestandards
REALTOR® Party Resource Guide	http://www.realtor.org/political-advocacy/state-local-advocacy
The Leadership Challenge by James M. Kouzes and Barry Z. Posner	Your online or local book store
First Things First, Principle-Centered Leadership by Stephen R. Covey	Your online or local book store
Checklist to Assess Financial Activities in Nonprofit Organizations	Free Management Library www.managementhelp.org
Suggested Traits and Characteristics of Highly Effective Leaders by Carter McNamara, MBA, PhD	Free Management Library www.managementhelp.org

APPENDIX

1. Ownership Disclosure and Conflict of Interest Policy - Sample
2. Directors Code of Conduct – Sample
3. Activity: Association Leadership – Myth or Reality Answer Sheet
4. Typical Real Estate Association Structure
5. Committee Best Practices
6. Cheat Sheet for Meeting Participants

NATIONAL ASSOCIATION OF REALTORS®

Ownership Disclosure and Conflict of Interest Policy



Ownership Disclosure Policy

Members of any NAR decision-making body must disclose the existence of any of the following: (1) an ownership interest* in, (2) a financial interest** in, or (3) service in a decision-making capacity for any entity prior to speaking to an NAR decision-making body on any matter involving that entity.

After making the required disclosure, such member may participate in the discussion and vote on the matter unless that member has a conflict of interest as defined below.

Conflict of Interest Policy

A member of any NAR decision-making body has a conflict of interest whenever that member:

- (1) is a principal, partner, or corporate officer of a business providing, or being considered as a provider of, products or services to NAR ("Business"); or
- (2) serves on the board of directors of the Business unless the individual's only relationship to the Business is service as NAR's representative on such board; or
- (3) holds an ownership interest* of more than one percent of the Business.

Members with a conflict of interest must immediately disclose such conflict of interest prior to participating in any discussions or vote of an NAR decision-making body that pertains to the Business. Such members may not participate in any discussions related to that Business other than to respond to questions asked of them by other members of the body. A member may not vote on any matter in which the member has a conflict of interest.

Source: National Association of REALTORS®, September 2015

*Ownership interest is defined as the cumulative holdings of the individual; the individual's related spouse, children, and siblings; and of any trust, corporation, or partnership in which any of the foregoing individuals is an officer, director, or owns in the aggregate at least 50% of the (a) beneficial interest (if a trust), (b) stock (if a corporation), or (c) partnership interests (if a partnership).

**Financial interest means any interest involving money, investments, extension of credit or contractual rights.

Directors Code of Conduct

The Director's Code of Conduct outlines the association's values and standards of behavior which guide all director actions to ensure activities by the board are open, transparent, accountable and professional. The principles outlined in the code are intended to guide each member and the board as a whole. The association is committed to fulfill its mandate to the highest ethical standards, integrity and conduct which will reinforce and enhance the positive reputation of the board and the association as a whole.



Compliance with the Code of Conduct is a mandatory requirement of serving as a director on the association board.

Failure to comply with the provisions of this code may result in sanctions ranging from a warning to removal from the board.

Declaration of compliance to the Code of Conduct and reaffirmation of same is required on an annual basis.

Application

This policy applies to the directors of the association board.

Guiding Principles

The association board as a whole and its individual members shall:

1. Conduct open and transparent business dealings and communications which reflect integrity, fairness, courtesy and respect for all members and stakeholders.
2. Ensure that member confidence, trust and respect in the association's operations are upheld and can bear close internal and third party scrutiny.
3. Conduct itself in a business and ethical manner consistent with the best business practices and standards within the industry.
4. Avoid or mitigate any actual, potential, or perceived conflicts of interest. Each director shall be responsible for timely and appropriate disclosure and mitigations of conflicts of interest, and director aware of an undeclared conflict of interest shall directly inform the President or Vice President of same.
5. Maintain confidentiality of information received in the course of carrying out director responsibilities.
6. Discharge duties in impartial, objective, and accountable manner while exercising wise use of member funds.
7. Comply with all applicable legislation, regulations, policies and procedures.
8. Ensure that all business dealings and communications are conducted in accordance with governance and operational policies and are properly recorded to meet legal and financial reporting obligations.
9. Prevent the unauthorized use of the association's assets/property.
10. Ensure a workplace free from violence, discrimination and harassment
11. Be committed to effective decision making that is consistent with the associations and industry policies and regulations; and to speak with one voice as a board once decisions have been made

Directors Code of Conduct (continued)

Standards of Conduct

The following standards of conduct are intended to outline the expected behavior of all directors:

► Ethical Standards

The following represent the minimum ethical standards that are intended to guide directors in the performance of their duties.

The fundamental relationship between a director as an individual and the Board and Association as a whole is trust. Essential to trust is honesty and integrity. The board has a fiduciary agent of the owner of the assets which is the membership of the Association.

Directors shall act with loyalty in their service on the board. In doing so directors are expected to support the achievement of the objects of the Association without reference to any other business or personal association or interest they may have.

In specific situations, personal values and honesty will often guide individual director decisions and actions, however, individual directors must give consideration to the manner in which their individual communications and actions may affect the integrity and credibility of the Association and membership as a whole.

It is acknowledged that no articulation of policies, guidelines and procedures in order to govern conduct or conflicts of interest can anticipate all situations. Accordingly, directors are expected to consider and respond to the following questions when considering any course of action and/or communication:

1. Is it legal?
2. Is it in conflict with or adverse to the best interests of the association?
3. Do I have a private business or personal interest (includes economic, social, altruistic) that I foresee may influence the actions of my duties and responsibilities?
4. Do I have a private business or personal interest that others may perceive as influencing the actions of my duties and responsibilities?
5. Will the action or communication meet or exceed the standard of behavior that might be reasonably expected of directors?

► Confidentiality of Information

Confidential information includes personal information, information pertaining to the Association or any third party that is generally not available to the broader public and that if disclosed could result in loss or damage to the Association and/or the membership or could give the person to whom it is disclosed an unfair advantage.

Directors who have access to and are entrusted with confidential information relating to the Association must not use or disclose this information during or after their tenure as a director. Directors cannot take advantage of, benefit from, or confer a benefit on a third party from information obtained by their service on the Association board that is not generally available to the public.

Directors are expected to exercise due diligence in the protection of confidential information. This includes but is not limited to such physical measure as the locking of file cabinets, the securing of personal computer databases, password protecting mobile devices and shredding or returning appropriate documents.

Directors Code of Conduct (continued)

► Conflict of Interest

The term “conflict of interest” means any situation where a director’s private business or personal interests may be actually, potentially or perceived to be incompatible or in conflict with their Association responsibilities because the director or a member of his/her immediate family (including spouse, parents, children) actually experiences, could potentially experience, or may be perceived by others to experience a personal gain, financial or otherwise, or an unfair advantage.

Directors must avoid actual, perceived and potential conflict of interest situations. Where a conflict of interest exists, the Association’s interest must always be considered paramount.

Directors are accountable to model behavior through communications, decisions and actions that are consistent with the provisions of the Directors’ Code of Conduct.

Directors will contact staff only through the Chief Staff Officer. Any written communication should be copied to the Corporate Secretary in order to maintain documentation integrity in the Association corporate records.

► Post Service Restrictions

Directors shall refrain from taking advantage of their previous office once they cease serving as a director on the Association board. Directors must also continue to observe their duties of confidentiality and conflict of interest once they cease serving as a director.

Source: Ontario Real Estate Association, May 2016

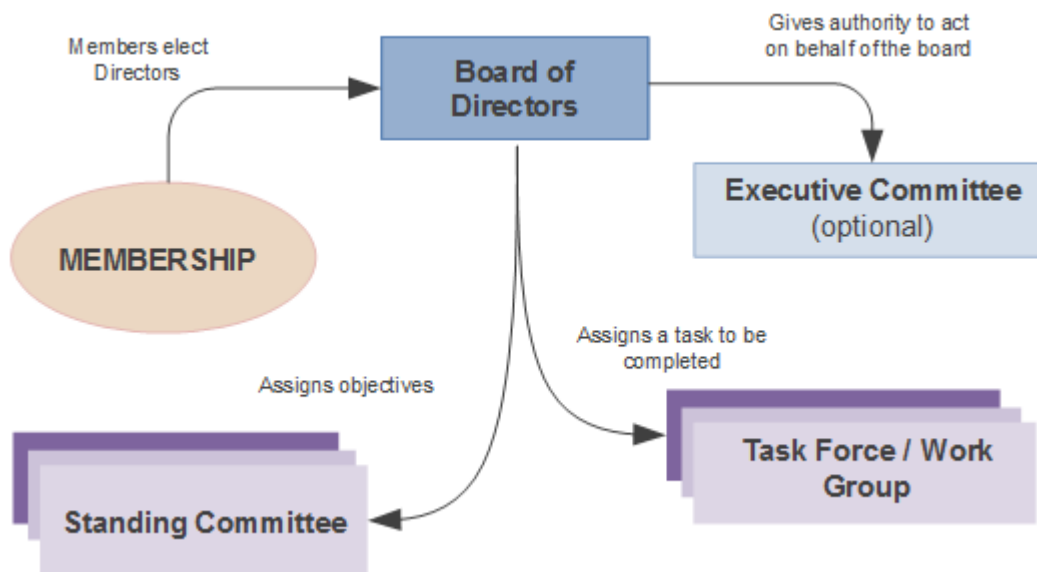
Activity: Association Leadership – *Myth or Reality?* (Answer Sheet)

		False	True	Explanation
1.	Each year the board chair determines his/her goals, which become the main criteria for board decision making.	✓		Directors must focus on the association's mission and long-term strategic plan, not on any one chair's personal objectives.
2.	The board of directors has a responsibility to pass the motions that have been put forward by committees and task forces.	✓		The board decides whether or not it moves ahead with committee or task force recommendations. A clear mandate helps ensure that committee recommendations are aligned with the strategic plan.
3.	A code of conduct that addresses the behavior of board members is only effective if the board chair and all directors ensure that it is upheld.		✓	When boards ignore their own code of conduct and allow inappropriate behaviors they undermine the board's ability to fulfill its fiduciary responsibility.
4.	Once a decision is made by the board, every director is expected to support that decision even if they did not vote for it.		✓	Outside of the boardroom, the board of directors should always be speaking with one voice. Once a decision is made by the board, it is the responsibility of all directors to support it.
5.	Boards should use a performance measure, such as a dashboard, to review important metrics of the association at every board meeting.		✓	It's important that the board monitor the success of the association by using performance metrics and benchmarks.
6.	If a director is serving by virtue of his or her position in a specific group, region or company, that director should vote in the way that group, region or company wishes.	✓		Directors have a responsibility to act in the best interest of all members, not just those they represent. This is part of their fiduciary duty: to act in the best interest of all members.
7.	Directors and Officers insurance only protects the board of directors, with respect to decisions they make, if they practice due diligence.		✓	Each director must practice due diligence: the care a reasonable person should take before entering into an agreement or a transaction with another party.
8.	As long as you are not in executive session, you are free to talk about anything discussed at the board table with anyone.	✓		Discussions at a board of directors meeting are typically considered confidential.
9.	The board of directors has supervisory responsibility for all association staff.	✓		The Board of Directors have only one employee – the Chief Staff Executive. All other staff are the responsibility of the CSE.

REALTOR® Association Structure

Who makes the decisions in your REALTOR® association? Is it the committees, work groups and task forces? The board of directors? The association executive?

Decision making is a critical function of a real estate association. The better you understand how decisions are made the more effective you will be in your role.



Membership

- The REALTOR® association exists to serve its members.
- Members join associations for many reasons, including the ability to achieve goals as a group that cannot be accomplished by individuals.
- Members can form associations at different levels – national, state or local. This is the basis of organized REALTOR® in North America. At the national level, we have the NATIONAL ASSOCIATION OF REALTORS®. Each state has its own association, such as the California Association of REALTORS® (CAR). In each state, there are many local associations. For example, California has more than 105 REALTOR® associations.
- This national-state-local structure is a “federation” formed by what has become known as the “Three-Way Agreement.” This means that all local associations and their REALTOR® members are members of the state association of REALTORS® in the state where their association is located and also of the NATIONAL ASSOCIATION OF REALTORS®. The federated structure strengthens the REALTOR® organization by providing a framework for effective communication, delivery of goods and services, and enforcement of the REALTORS® Code of Ethics. The size of the REALTOR® organization (over one million members at this writing) contributes substantially to the political influence of the National Association, thereby enhancing its effectiveness in lobbying for causes that contribute to the protection of private property rights.

Typical Real Estate Association Structure (continued)

Board of Directors

- ▶ The board of directors is elected or appointed to act on behalf of the entire membership of the association. Members of the board are elected or appointed according to the by-laws of the association.
- ▶ The board of directors defines the policies of the association according to the terms of the bylaws.
- ▶ Typically, members elect individuals to the board of directors. In most cases this is a straight-forward process where each member votes for candidates. In other cases, directors are elected based on representation by membership size, where the number of REALTORS® is high, more representation is required.
- ▶ The board of directors usually works on a one-year cycle unless otherwise stated in the by-laws.

Executive Committee

- ▶ Not all associations have an executive committee. It depends on the size of the association, ability, and availability of the board of directors, as well as the governance model in use and what authorities are delegated to staff and committees.
- ▶ It is comprised of officers of the association who are given the authority to act on behalf of the board of directors between full meetings of that board.
- ▶ The roles and authorities of the executive committee must be carefully and clearly defined by the board of directors.
- ▶ An Executive Committee must be in constant communication with the board of directors.

Standing Committee

- ▶ A standing committee is usually required by the association's by-laws and has an ongoing function.
 - ▶ Examples of standing committees include professional standards, grievance and finance committees.
 - ▶ Typically, standing committees have no termination date, thus remain standing committees unless the bylaws are amended to remove them. The board of directors should review the function of the committee periodically.
 - ▶ There should always be a relevant function present or the standing committee should be dissolved.
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Work Groups / Task Forces

- ▶ Work groups and task forces are established by the board of directors to assist in the research and recommendation of solutions to issues and policy development.
- ▶ They conduct research, formulate recommendations and present options to the board of directors for approval.
- ▶ Sometimes these groups are comprised of representative members who can provide balance and insight into the topic being researched.
- ▶ These groups are usually expected to disband once they have completed their assignments.

Committee Descriptions

With a few notable exceptions, most volunteers contribute to association activities through a committee. Like the job description for individual volunteers, the scope and mandate of a volunteer committee needs to be understood by everyone involved. A committee description (along with a list of any related procedures) provides valuable answers from the outset: What exactly is the committee accountable for? How does it get funds if it needs them? Who on staff is assigned to help the committee and to what extent?

The description should include:

- Name of the committee
- Purpose of the committee
- Accountability of committee
- Responsibilities
- Committee composition
- Chair selection process
- Terms of office
- Frequency of meetings
- Name of staff liaison



Committee Best Practices

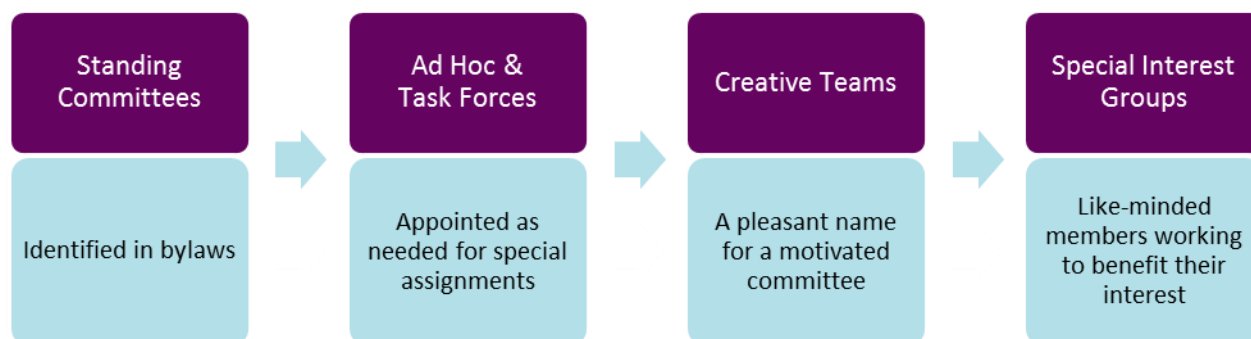
Common laments about committees are that they waste time, there are too many, and they are more of a liability than an asset.

Committees can be very effective when best practices are in place. They exist to benefit the board; their work should advance the mission and goals of the association.

Committee Strategies

- Inventory committees at the start of the president's term and eliminate or suspend unnecessary committees.
- Every committee should have a purpose statement to define (and limit) scope of work.
- The board of directors assigns committees to align with the strategic plan.
- Committees must understand limitations of authority to speak and contract for the association.
- Maintain a record of documents & achievements to be passed on to the next committee chair.
- Appoint a vice-chair for sustainability if the chair is unable to carry out his/her responsibilities.
- Board and staff members serve as liaisons to assist committees.
- Good meeting practices are encouraged, including meeting notices, agendas, room set up and reports.
- Committees are depicted on the organization chart to show the proper flow of information and authority.
- Provide a one-page template for committees to record name, attendees, meeting times, actions taken and economic impact of actions.

Committee Names



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Mr. Harris provides association and chamber tips and templates at www.nonprofitcenter.com.

Cheat Sheet for Meeting Participants

If this occurs:	You can say:
Digression	“Point of order. Can we please get back to the agenda?” or “Can we please focus on the core issue, which is _____?”
Interruptions	“Point of order. Can we have one person speaking at a time?” or “Can we speak by raising hands?” or “Can we please hear people out?”
Last minute motion	“I am not comfortable debating a new issue this late and without the benefit of professional analysis. I move that this motion be postponed until the next meeting.” or “Given that it’s late, I suggest that we discuss this motion informally now, and then refer it to the staff (or committee) for professional analysis.”
Personal criticism	“Point of order. We should be focusing on issues, not people.”
Rambling	“Can we please keep our comments concise and to the point? I’m concerned that we may run out of time for significant issues later on.”
Repetitive debate	“I am not hearing any new information and I’m worried about our time. Are we ready to close debate and vote on this motion?” or “I move to close debate.” or “I move the previous question.”
Side conversations	“Point of order. I’m having trouble concentrating when we have more than one conversation at the same time.”
Unbalanced participation	“Can we please speak by raising hands?” or “I am wondering if we could hear from members who have not spoken.”
Unclear motion	“Can we please have the motion repeated?” or “I move to amend the motion by ____.” (You may propose to replace, add, insert or delete text to enhance clarity.)
A decision is being rushed through	“I am not comfortable with the pace of this discussion. This is an important decision, and rushing it through may be risky. We need to slow down a bit.”
You disagree with a ruling of the Chair	“I appeal the decision of the Chair.” The appeal is put to a vote: “Shall the Chair’s ruling be sustained?” A majority against the Chair’s ruling overrides it.

President and Chief Staff Executive Checklist



NATIONAL
ASSOCIATION *of*
REALTORS®

The ideal relationship between the chief staff executive ("AE") and the president is one of shared responsibilities and a working partnership, recognizing that each is primarily in charge of different aspects of the association. For the AE, this responsibility generally involves managing the day-to-day operations (i.e., implementing the association's administrative functions, adhering to the budget, managing all matters related to human resources, including succession planning etc.). Conversely, the president may oversee how the association is governed (i.e., develops the association's strategic plan, policies, committee structures and goals, etc.). Recognizing that both the AE and president's roles often depend on the size of the association, collaboration, communication and dialogue are imperative.

One way to enhance dialogue between the president and AE is to discuss issues common to both. A job functions summary or task list can help accomplish this.

By working together on this summary, association presidents and AEs can gain a new perspective on their relationship. A structured format in which AEs and presidents share ideas and expectations about their jobs and lines of responsibility can help their relationship begin and remain strong, ultimately benefiting the members.

There are no "right" or "wrong" answers in this exercise. Answers may even change annually with each president's style, goals, interests and abilities. The important thing is for the president and AE to reach an agreement on who does what, thus encouraging a level of consistency in the relationship. Please note that this list is not comprehensive, as you are encouraged to add additional activities that best suit the association.

Remember, the answers in a job functions exercise will vary by association size. In small associations, it is likely that most of the responsibilities and functions will fall on the shoulders of its elected leadership, since the AE may be the only staff or chiefly an office administrator. In larger associations, more of the responsibilities for publications, government relations, educational opportunities, member outreach and media representation may be delegated to the AE and his or her staff.

It can be helpful for the president and AE to each keep a copy of this task list and refer to it throughout their leadership year together.

PRESIDENT / CHIEF STAFF EXECUTIVE CHECKLIST

Instructions: This section should be filled out by the local association president and the chief staff executive/AE at the same time. The purpose of this section is to determine the division of duties between the elected leadership and association staff. Place an "X" in the appropriate space or spaces that indicate where the primary responsibility for each item exists.

	AE Only	Other Association Staff	Elected Leadership	Joint Staff & Leadership	Vendor	N/A
State/NAR Participation						
1. Participates in association/regional meetings.						
2. Provides input to association/regional officers relative to positions on state association/NAR issues.						
3. Recommends members for state association/NAR committee appointments.						
4. Serves on state association committees.						
5. Serves on NAR committees.						
6. Attends all state association directors' meetings.						
7. Attends all/some NAR meetings.						
8. Reviews and updates association bylaws.						
9. Other:						
Communications/Technology						
1. Develops communication plan between president, AE, and other staff.						
2. Directs media calls and questions to association leadership.						
3. Responds directly to media inquiries.						
4. Writes/edits news releases.*						
5. Arranges press conferences.*						
6. Has editorial and content authority over association publications.*						
7. Writes articles for association publications.*						
8. Establishes and maintains liaison with reporters and other media professionals.						
9. Coordinates special projects such as REALTOR® Safety Month, Designation Awareness Month, etc.						
10. Supervises staff specialists who execute any or all of the above duties.						
11. Ensures that the association utilizes an email and/or internet based means of member communication.						
12. Ensures that the association has an interactive website (as defined by Core Standards requirement) that links to the websites of the other levels of the association for promotion of member programs, products and services.						
13. Other:						

**Be sure to understand the legal issues surrounding these activities (copyright, defamation, libel/slander)*

PRESIDENT / CHIEF STAFF EXECUTIVE CHECKLIST

	AE Only	Other Association Staff	Elected Leadership	Joint Staff & Leadership	Vendor	N/A
Consumer Outreach						
1. Represents the association in community activities and civic organizations (chamber of commerce, ASAE chapter, downtown councils, etc.*						
2. Serves on local government and civic advisory bodies (city government, school districts, charitable organizations, real estate advisory groups, and so on).						
3. Educates the public on the difference between a REALTOR® and a real estate licensee.						
4. Promotes the association as the “Voice for Real Estate” in the community by sharing market statistics, real estate issues, and trends, research reports, etc.						
5. Ensures that the association engages in four meaningful consumer engagement activities annually.						
6. Promotes the value proposition of using a REALTOR® and/or engage in community activities that enhance the image of the REALTOR®.						
7. Other:						
<i>*NAR’s professional liability insurance coverage is not available to a member or an association executive when he/she serves on the board of another organization at the request of the local or state REALTOR® association.</i>						
Membership Education*						
1. Ensures that the association annually offers, promotes, or provides at least one professional development opportunity for members.						
2. Ensures that the association annually provides resources for or access to leadership development education and training, with documentation supporting the offerings and access.						
3. Ensures that a REALTOR® Safety activity is conducted or promoted annually.						
4. Solicits/ reviews information about prospective education courses and educational speakers for presentation to members.						
5. Reviews and discusses such information with education committee.						
6. Organizes/ schedules live and online continuing education courses and test processing.						
7. Supervises other staff specialists who perform any or all of the above duties.						
8. Other:						
<i>*Education courses must comply with the Americans with Disabilities Act.</i>						

PRESIDENT / CHIEF STAFF EXECUTIVE CHECKLIST

	AE Only	Other Association Staff	Elected Leadership	Joint Staff & Leadership	Vendor	N/A
Multiple Listing Service						
1. Performs all functions related to vendor relations, including invoicing, maintaining online database, and so on.						
2. Processes allegations of MLS rules and regulations violations.						
3. Ensures that MLS bylaws (if incorporated) and MLS rules and regulations are reviewed by NAR at least every two years.						
4. Develops and supervises implementation of MLS administrative office procedures and policies, including management of data integrity.						
5. Conducts training sessions for participants and subscribers on how to correctly use the various MLS services.						
6. Supervises MLS department staff or MLS supervisor.						
7. Administers lockbox/key services (if a service of MLS).						
8. Coordinates reciprocal MLS activities with other local associations in the region.						
9. Develop and implement policies regarding data feeds for subscribers, participants, and third parties.						
10. Analyze and periodically review third party licensing agreements to ensure data security and integrity.						
Financial Management						
1. Ensures that the association adopts policies to ensure the fiscal integrity of their financial operations.						
2. Develops annual budget.						
3. Performs bookkeeping and accounting duties.						
4. Supervises staff bookkeeper or outside accountant.*						
5. Produces monthly financial statement.*						
6. Reviews monthly financial statement produced by bookkeeper and/or accountant.						
7. Analyzes monthly financial statement, provides narrative report summarizing financial performance, and explains reasons for deviations from budget.						
8. Supervises association savings accounts and investments.						
9. Develops and implements investment strategies.						
10. Conducts/implements financial management in accordance with long-range planning guidelines.						
11. Supervises other staff specialists or managers in the performance of any or all of the above activities.						

PRESIDENT / CHIEF STAFF EXECUTIVE CHECKLIST

	AE Only	Other Association Staff	Elected Leadership	Joint Staff & Leadership	Vendor	N/A
Financial Management (continued)						
1. Ensures that the association, if revenue is \$50K or more, has an annual audit or review conducted by a CPA. If revenue is less than \$50K (including MLS-generated revenue and revenue from other business subsidiaries), a compilation report prepared by a CPA is acceptable.						
2. Other:						
<i>*Ensures proper insurance coverage.</i>						
Governance and Procedures						
1. Prepares executive committee and/or board of director's agendas prior to meetings.						
2. Attends all executive committee and/or board of directors meetings.						
3. Supports executive committee and/or board of directors and offers input and guidance as necessary.						
4. Submits monthly reports of activities to board of directors.						
5. Ensures that the association has a strategic plan or business plan that includes actionable implementation strategies for both its advocacy and consumer outreach components.						
6. Ensures that the association's bylaws are reviewed and approved by NAR at least every two years.						
7. Ensures that the association's policies and procedures conform to local, state and federal laws, including filing of necessary reports and documents (e.g. corporate documents, state and federal tax returns, etc.)						
8. Provides access to legal counsel for advice and guidance regarding local, state, and federal laws and regulations.						
9. Other:						
Advocacy						
1. Communicate to members the value and benefits of investing in RPAC.						
2. Ensures that a voluntary investment for RPAC or the Political Advocacy Fund (PAF) is included in the association's dues billing (if not, the association meets the NAR RPAC goal by other legal means, such as by making a corporate investment).						
3. Ensures participation in NAR and state Calls for Action through the REALTOR® Action Center.						
4. Ensures the association's advocacy engagement through participation by annually conducting at least two initiatives or activities in support of the REALTOR® Party "Vote-Act-Invest" goals.						

PRESIDENT / CHIEF STAFF EXECUTIVE CHECKLIST

	AE Only	Other Association Staff	Elected Leadership	Joint Staff & Leadership	Vendor	N/A
Advocacy (continued)						
5. Ensures that licensees in limited function referral organizations (LFROs) are identified and invited to participate in political advocacy (e.g. Calls for Actions).						
6. Conducts research for and writes testimony to be given by association leadership at public hearings conducted by elected officials and government agencies.						
7. Delivers testimony at public hearings on behalf of the association.						
8. Researches and writes association position statements and policies related to governmental issues.						
9. Composes correspondence to elected officials on various issues for association leadership signature.						
10. Deals directly with elected officials, regulatory personnel, and governmental agencies on behalf of the association.						
11. Attends NAR's REALTORS® Legislative Meetings & Trade Expo in Washington, D.C.						
12. Serves as the association's designated legislative advocate.						
13. Supervises other staff specialists in the performance of any or all of the above activities.						
14. Other:						
Interaction with Service Providers and Vendors						
1. Interacts/consults with association legal counsel.						
2. Interacts with management of MLS.						
3. Works with outside accountant.						
4. Hires/executes contracts with association office maintenance firms (janitorial, landscaping, etc.).						
5. Interacts directly with lockbox vendor.						
6. Interacts directly with vendors and consultants who provide other association services (computer equipment servicing, insurance, air-conditioning/heating, plumbing, etc.).						
7. Manages property owned by association, including tenant management.						
8. Supervises other staff specialists and/or department heads who execute any or all of the above duties.						
9. Other:						

PRESIDENT / CHIEF STAFF EXECUTIVE CHECKLIST

	AE Only	Other Association Staff	Elected Leadership	Joint Staff & Leadership	Vendor	N/A
Personnel Administration and Staff Development						
1. Responsible for conducting annual employee performance evaluations.						
2. Ensures that policies and procedures are in place for conducting an annual performance review for the chief paid staff executive.						
3. Determines staff salary increases and bonuses.						
4. Has authority to hire and dismiss employees.						
5. Responsible for training all staff members.						
6. Coaches and mentors staff.						
7. Budgets for continuing education classes to improve employee skills and job performance.						
8. Ensures that the chief staff has at least six hours of REALTOR® association professional development annually.						
9. Conducts periodic department head/staff meetings.						
10. Ensures that the association maintains or has access to legal counsel.						
11. Writes personnel/employee manual, has the document reviewed by legal counsel or other authorities, and is responsible for periodically reviewing and updating manual.						
12. Supervises staff specialist or department head responsible for any or all of these functions.						
13. Conducts investigations relating to allegations of sexual, racial, and religious harassment						
14. Other:						
Membership						
1. Participates in new member orientation sessions.						
2. Helps plan and design format of new member orientation program.						
3. Visits member offices to give presentations on association membership benefits and activities (or trains staff members to do the same).						
4. Performs basic function of processing membership applications, including transmittal to state associations.						
5. Assists with reviewing new member applications consistent with the association's qualification criterion, which are no more stringent than found in the NAR's model board bylaws.						
6. Maintains membership files via NRDS, and updates NRDS educational record to reflect, as needed, compliance with the 2.5 hour Code of Ethics Training requirement.						
7. Supervises staff membership director, who performs any or all of the above duties.						
8. Supervises operation of association store (assuming association store is considered a membership benefit).						

PRESIDENT / CHIEF STAFF EXECUTIVE CHECKLIST

	AE Only	Other Association Staff	Elected Leadership	Joint Staff & Leadership	Vendor	N/A
Membership (<i>continued</i>)						
9. Responsible for entire store operation (ordering, vendor contract, inventory, and so on).						
10. Interacts directly with local and/or state association/NAR on membership issues.						
11. Readily accessible to general membership on a daily basis.						
12. Ensures that members understand the importance of participating in NAR-conducted efforts to assess member understanding of the overall value provided by associations at all levels of the REALTOR® organization.						
13. Other:						
Code of Ethics and Professional Standards						
1. Maintains a viable professional standards process to enforce the Code of Ethics and provides arbitration, mediation, and ombudsman services, consistent with NAR policy as a member service.						
2. Administers and implements the REALTORS® Code of Ethics Training Requirement for new and continuing members.						
3. Processes complaints and applications for ethics and arbitration hearings, including mediation and ombuds.						
4. Helps select hearing panel members.						
5. Schedules hearings.						
6. Provides technical support to grievance and professional standards committees.						
7. Interfaces with complainants and respondents.						
8. Writes warning/hearing decision letters as directed by professional standards panel.						
9. Keeps up-to-date on new state and NAR developments in the areas of grievance and professional standards.						
10. Interacts directly with state and NAR legal counsel and staff on questions related to the Code of Ethics, professional standards, arbitration, grievance procedures, and mediation and ombudsman services.						
11. Supervises specialists, association ombudsman, or department heads who execute some or all of the above duties.						
12. Administers consumer dispute resolution program.						

PRESIDENT / CHIEF STAFF EXECUTIVE CHECKLIST

Pr

	AE Only	Other Association Staff	Elected Leadership	Joint Staff & Leadership	Vendor	N/A
Code of Ethics and Professional Standards						
13. Ensures that the association's website is linked to the online Code of Ethics and professional standards resources available by NAR and the state association.						
14. Other:						

*To access this checklist online, go to
www.nar.realtor/PresidentAECheclist*

*To view a detailed description of the Core Standards categories
covered in sections of this checklist, go to
www.nar.realtor/CoreStandards*



For attendees with an iPhone - Please open your phone's camera and aim it at the QR code as if you are about to take a picture. Your phone will automatically pick up the code and ask you if you want to follow the link. When you tap that notification, it will send you directly to the Google Form evaluation.

For attendees with an Android - You will need to download a QR Code app and follow the apps instructions.

Laurie Oken, loken@realtors.org will also send the evaluation link to all attendees.



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