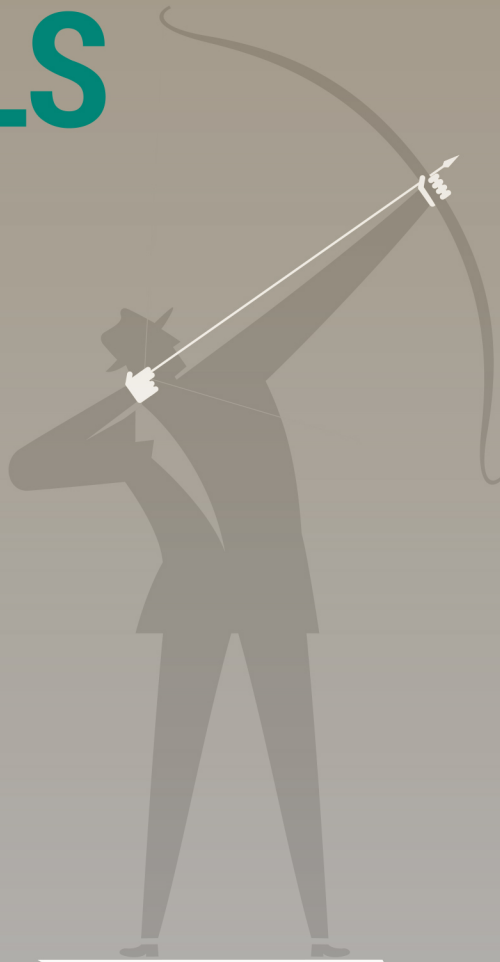


LEADERSHIP

300

Participant Guide

> **ENHANCING
LEADERSHIP
SKILLS**



NATIONAL
ASSOCIATION of
REALTORS®



**Centre for Leadership
Development**

Promoting Professionalism

Ontario Real Estate Association
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ASSOCIATION *of*
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Leadership 300: Enhancing Leadership Skills

Course Overview	1
Objectives	2
What are my Duties as a Director?	4
Activity: Fulfilling the Duties of Directors	6
10 Questions Directors Should Ask	8
What Guides Boards as they Make Decisions?	10
Benefits of Strategic Planning/Goal Setting	11
The Outcomes of Strategic Planning	12
Advancing a Strategic Plan.....	13
Operational/Business Plans	13
Strategic Decision Making	14
After the Plan: Addressing Challenges Activity	15
Monitoring Success	16
Implementing Your Strategic Plan Checklist	17
How do Chairs Handle Difficult Situations?	19
Planning	19
Responsibilities of the Chair	20
Activity: What Would You Do?	21
How do Leaders Handle Difficult Questions?	25
Answering Challenging Questions	25
Answer with Impact	26
Answer with Impact Large Group Practice Session	27
Questions	27
Leadership Attributes.....	28
Checklist for Leaders (continued)	29
Signs of a Productive Association – Self Assessment	30
Additional Resources	31
Appendix	32
Key Financial Questions for Directors	33
Mitigating Risk.....	34
Steps for Strategic Planning	36
Sample Strategic Planning Process	36
Handling Main Motions	37
Handling Amendments	38
Enhancing Leadership Skills: Leadership 300 Course Evaluation	40

NAR V3, May 27, 2016
Participant Guide

Course Overview

As you expand your involvement in leadership, the leadership skills you possess become more important to your success. It is widely believed that leadership skills are something that people can develop through understanding, learning and experience. NATIONAL ASSOCIATION OF REALTORS® (NAR) leadership courses are designed to help you develop your leadership skills. The goal of each course is to provide the necessary background, skills and support to make you as effective as possible in your leadership role.

Leadership 300: Enhancing Leadership Skills

This advanced course is for leaders of all kinds – individual leaders, committee members and association leaders. It is targeted to those who are interested in advancing their skills in chairing meetings and answering tough questions. Through group discussion and interactive activities, you will better understand the duties of a director, how to advance the association strategic plan and learn to handle challenging meeting situations.

Topics

► Duties of Directors

- What is Expected of Directors?
- Fulfilling the Duties of Directors

► Developing & Advancing the Strategic Plan

- What is Strategic Planning?
- Developing a Strategic Plan
- How Strategic Goals Guide Decision Making
- Advancing the Strategic Plan and Goals
- After the Plan: Addressing Challenges

► Meeting Management

- Managing Meetings: Planning and Facilitating
- Responsibilities of the Chair
- Meeting Ground Rules

► Communication

- Handling Challenging Questions
- Answer with Impact
- Leadership Attributes: Checklist for Leaders



If your actions inspire others to dream more, learn more, do more and become more, you are a leader.

- John Quincy Adams

Objectives

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

- Explain the duties that directors are expected to fulfill
- Implement a strategic plan through actions and initiatives
- Describe effective ways to plan and facilitate meetings
- Fulfill the responsibilities of a meeting chairperson
- Answer with impact when asked a challenging question
- 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.

Leadership Quotes

It is not the strongest of the species that survives, nor the most intelligent, but the one most responsive to change.

Charles Darwin
Author of On the Origin of Species

The manager asks how and when; the leader asks what and why.

Warren G. Bennis
Author and American scholar

Good business leaders create a vision, articulate the vision, passionately own the vision and relentlessly drive it to completion.

Jack Welch
Former chairman, General Electric

Everyone's a star and deserves the right to twinkle.

Marilyn Monroe
American actress, singer and model

You don't ever want to let a crisis go to waste: it's an opportunity to do important things that you would otherwise avoid.

Rahm Emanuel
U.S. Politician

Behold the turtle: He only makes progress when he sticks his neck out.

James Bryant Conant
23rd President of Harvard University

We either make ourselves miserable or we make ourselves strong. The amount of work is the same.

Carlos Castaneda
Author of The Teachings of Don Juan

A true leader has the confidence to stand alone, the courage to make tough decisions, and the compassion to listen to the needs of others. He does not set out to be a leader, but becomes one by the quality of his actions and the integrity of his intent.

Anonymous

Courage is what it takes to stand up and speak; courage is also what it takes to sit down and listen.

Winston Churchill
Former U.K. Prime Minister & Nobel Prize Winner

The true test of character is not how much we know how to do, but how we behave when we don't know what to do.

John Holt
Educator

Don't judge each day by the harvest you reap, but by the seeds you plant.

Robert Louis Stevenson
Novelist, poet, essayist

Leaders don't create followers; they create more leaders.

Tom Peters
Author of Re-imagine! Business Excellence in a Disruptive Age

WHAT ARE MY DUTIES AS A DIRECTOR?

Fiduciary Duties

In addition to attending to the affairs of the association as they would their own businesses, officers and directors are required to make a genuine and diligent effort to carry out their designated responsibilities with the intention of advancing the association's interests. Such elected or appointed leaders owe fiduciary duties to the association by law, including:

- ▶ Care
- ▶ Loyalty
- ▶ Obedience
- ▶ Accounting
- ▶ Confidentiality



Duty of Care

The duty of care involves discharging your responsibilities in a reasonably attentive and diligent manner. For example, it requires directors to prepare for, attend and pay attention during directors meetings. A director who is distracted by his mobile phone or a tablet during the meetings may not be adequately satisfying his or her fiduciary duty of care.

Duty of Loyalty

Act in the best interests of the association

The duty of loyalty requires officers and directors to always act in the best interests of the association, rather than in the interests of themselves or another person or entity. For example, if a proposal before the association's board of directors is good for the association and its members generally, but not helpful to the director's business, the duty of loyalty requires that the director support the proposal.

Disclose conflicts of interest

The duty of loyalty also includes avoiding and disclosing conflicts of interest. Typical conflicts involve transactions between the association and entities in which the leader has an interest. For example, if the association president lists the association's building for sale, that could cause a conflict of interest if the terms and conditions are more favorable to the president's listing firm than they would be for another listing firm. Another type of conflict can occur when a leader awards benefits only to certain members or groups of members.

The key to resolving conflicts is to identify them as early as possible and to resolve them so that an association leader does not participate in an action that may afford him or her unique benefits, or appear to do so, at the expense of the association. Ultimately the standard for determining whether a conflict has been adequately resolved is whether the best interests of the association are served, and whether the transaction or other action is objectively fair to the association.

Abide by the Corporate Opportunities Doctrine

The duty of loyalty also requires officers and directors to abide by the Corporate Opportunities Doctrine. This doctrine requires that if a member learns of a business or personal opportunity in his or her capacity as an association leader, the member may pursue it only after the association has elected not to do so.

WHAT ARE MY DUTIES AS A DIRECTOR?

Duty of Obedience

The duty of obedience requires leaders to abide by the bylaws, policies and other governing documents of the association, and to support decisions of the association’s board of directors. For example, even if an association director votes against an issues before the board of directors, once that decision is made, the director must support it. A director who bad-mouths or otherwise undermines the board’s decisions, is probably violating his fiduciary duties of obedience and loyalty.

Duty of Accounting

The duty of accounting requires association leaders to safeguard and preserve the association’s assets by ensuring that proper procedures and controls are adapted and followed. To that end, many associations have implemented policies regarding access to the association books and records including financial and legal documents.

Duty of Confidentiality

Last but certainly not least, the duty of confidentiality prohibits officers and directors from disclosing or sharing any non-public information made known to them as a result of their leadership position in the association.

Always act in good faith

Fiduciary duties are serious and important responsibilities, but leaders are not expected to be perfect. Association officers and directors will not be held legally liable for mistakes they make as long as they always act in good faith; that is, by always seeking the best interests of the association.

*Script from NAR video, “Fiduciary Duties Owed by Directors of Associations”

WHAT ARE MY DUTIES AS A DIRECTOR?

Activity: Fulfilling the Duties of Directors

SCENARIO 1

During a meeting of the board of directors of the ABC Association of REALTORS®, one of the board members made a motion to add an "above the line" RPAC contribution to their annual dues billing. The motion was seconded and discussion began. There was a loud protest by several of the directors who believed that taking this action was misleading for members as it made a contribution look mandatory. They also felt that contributing to RPAC, in general, was wrong because it always supported candidates of a certain party. The protest won the day and the motion failed.

Did the board act appropriately? Why or why not?

What duties may the board be neglecting to fulfill?

SCENARIO 2

A director of the Appletown REALTOR® Association participates in a board meeting where a heated discussion ensues regarding a contentious motion. The vote is very close but the motion passes. When running for her position on the board, the director promised to be transparent; so, after the meeting the director posts on social media, sharing the issue that the board discussed along with her opinion about the vote.

Is this director making a wise decision? Why or why not?

What duties may this director be neglecting to fulfill?

WHAT ARE MY DUTIES AS A DIRECTOR?

SCENARIO 3

XYZ REALTOR® Association is looking for more non-dues revenues. A friend of the President approaches them with a proposal to market his company's product of mortgage services to the clients of the association's members. The board of directors directs the Chief Staff Executive to develop a contract allowing access to the association's MLS system (including seller names and addresses) to the company.

Is this board making a wise decision? Why or why not?

What duties may this board be neglecting to fulfill?

SCENARIO 4

The Acme Association of REALTORS® is considering a motion to develop a new agent training program that would be available to all members. Several directors on the board are broker/owners who have developed new agent training programs that have proven to be a competitive advantage for their brokerages. Another director runs a small training company serving both individual REALTORS® and real estate company clients. These directors speak against and vote against the motion.

Are these board members acting appropriately? Why or why not?

What duties may these directors be neglecting to fulfill?

WHAT ARE MY DUTIES AS A DIRECTOR?

10 Questions Directors Should Ask¹

1. *Does this 'fit' with our mission?*

Directors should be intimate with the mission statement. Include it on the meeting agenda so it is always top of mind. When passionate discussions and ideas come before the board, ask whether or not they fit with the mission.

2. *Will this advance the strategic plan?*

Directors should be intimate with the strategic plan. When a new idea comes before the board directors should ask whether the idea advances the plan.

3. *Are we doing committee work at the board table?*

Committees supplement the work of the board. They research and formulate recommendations based on their mandate. There is no value in redoing the work of the committee at the board table.

4. *How will we measure success?*

Good boards make knowledge-based decisions and rely on performance measures. They resist talking about something if they cannot measure success. Directors need to ask, "What metrics or performance indicators will we monitor? Have we set a timeline? Do we know the cost? Can we expect to see measurable results?"

5. *Is this discussion in the weeds?*

Governance requires the board to be visionary, often described as discussions at the 50,000-foot level. Discussions at lower levels can be characterized as committee work (25,000-35,000-foot level) or staff work (10,000-foot level). Directors should halt discussions that drop below governance by asking, "Are we in the weeds?"

6. *Isn't that the responsibility of our executive director, not the board?*

The board's governance responsibilities are distinct from management duties. Directors must focus on governance and leave the management to staff.

7. *Will it add value?*

Boards try to be all things to all people. Too many projects exhaust resources and staff. Rather than responding to recommendations with, "We should probably do that," encourage to the board to focus on core competencies that add value or equity to the association. This requires board discipline and a willingness to say "no."

¹ Adapted from 10 Questions You Want To Hear Board Members Ask by Bob Harris, Bob Harris, CAE, [The NonProfit Center](#).

WHAT ARE MY DUTIES AS A DIRECTOR?

8. *Is there another organization that could do this instead of us?*

Over time, an association takes on more and more projects. To divest or avoid adding work, ask if there is another organization that can better manage the program or event. Don't be fooled by the phrase, "This won't take much time."

9. *What are the risks?*

Directors have a role in risk avoidance. Some proposals include an element of risk — liability, loss or legal violations. Directors should consider if the risk is worthwhile or can be delegated, or if safeguards and insurance are in place.

10. *Is that a personal agenda?*

Directors are charged with serving the interests of the association and stakeholders. They should avoid personal agendas and stick to representing the member concerns. They have a duty of loyalty to the association.

NOTES

WHAT GUIDES BOARDS AS THEY MAKE DECISIONS?

What is Strategic Planning?

Because the real estate industry is always changing, effective associations should be able to track market conditions, identify trends, recognize threats and opportunities, and continue to provide valued services to their members. To keep up with the industry, associations must engage in strategic planning.

Define strategy ► set goals ► make decisions ► allocate resources

Strategic planning is the process of defining a strategy or direction, and making decisions on allocating resources to pursue this strategy. These are critical business functions of most leaders and so it's important that you understand what strategic planning is and how it affects the decisions you make. The NAR Core Standards require that all associations must have a strategic plan that includes an advocacy and consumer outreach initiative.



Why do leaders conduct strategic planning?

What would happen if they did not conduct strategic planning?

WHAT GUIDES BOARDS AS THEY MAKE DECISIONS?

Benefits of Strategic Planning/Goal Setting

Strategic planning is a beneficial and productive process for the following reasons:

- ✓ Forces an association to review current issues and trends and look into the future
- ✓ Provides an opportunity to influence the future—or assume a proactive posture
- ✓ Provides a better awareness of stakeholders' needs and the business environment
- ✓ Helps define the overall mission of the association
- ✓ Helps an association focus on critical issues and objectives
- ✓ Provides a sense of direction, continuity, and effective staff and volunteer leadership
- ✓ Helps foster a shared viewpoint about the likely future environment
- ✓ Offers the mental exercise that prepares leaders to think about the future
- ✓ Helps build a team environment
- ✓ Encourages buy-in from volunteer leaders, staff leaders and stakeholders
- ✓ Provides standards of accountability for people, programs, and allocated resources



Strategic planning is a process, not an event.

WHAT GUIDES BOARDS AS THEY MAKE DECISIONS?

The Outcomes of Strategic Planning

For many associations, the outcomes of the strategic planning process include a mission, vision, values and strategic goals. Here are some examples that illustrate these important elements of strategic planning for associations and individuals.

Description	Examples
Mission	
The association's reason for being. It reflects the services delivered to meet the needs of the stakeholders. It is a concise statement that identifies the group, the people served and what is offered.	ABC REALTORS® advocates for REALTORS® and their clients and provides services to help members prosper
Vision	
What the association wishes to achieve in the future. It provides long-term direction to everyone involved. It often describes what the association will be or what it will accomplish.	ABC REALTORS® is the lead organization for all matters affecting real estate in the state, and a model for the rest of the country
Values	
The principles that are important to the association. These provide direction on how the association will act when delivering its services. These values will be consistent with the mission.	<ul style="list-style-type: none"> • We are open minded • We are inclusive • We are collaborative • We are innovative and creative in the quest to reach our vision
Goals	
A set of goals based on the mission, vision and values. These goals guide decision making by individuals and groups. They help individuals and associations determine what actions to take, what resources are required and how to allocate funds (budget).	<ul style="list-style-type: none"> • Be visible and active in the community and be seen as an organization that cares about the community's quality of life (future, health, livability) • Be seen by the public, media, and elected officials as the leading advocate for private property rights and real property ownership. • Create an environment that respects and values all employees

WHAT GUIDES BOARDS AS THEY MAKE DECISIONS?

Advancing a Strategic Plan

It is important to understand the difference between an "operational plan" and a "strategic plan".

The Strategic Plan

The strategic plan is about setting a direction for the association, devising goals and objectives and identifying a range of strategies to pursue so that the organisation might achieve its goals. The strategic plan is a general guide for the management of the association according to the priorities and goals of stakeholders. The strategic plan does not stipulate the day-to-day tasks and activities involved in running the association.

Because strategic planning is long term (3 to 5 years) it is important to establish what the association hopes to accomplish in each year. Where long-term planning is concerned, effort is most important. The question that leaders need to ask is:

What time, resources and effort are going into each of the major strategic goals?

Operational/Business Plans

The Operational Plan presents highly detailed information specifically to direct people to perform the day-to-day tasks required in the running the association. Association management and staff should frequently refer to the operational plan in carrying out their everyday work. The Operational Plan provides the what, who, when and how much:

WHAT: the strategies and tasks that must be undertaken

WHO : the persons who have responsibility of each of the strategies/tasks

WHEN: the timelines in which strategies/tasks must be completed

HOW MUCH: the amount of financial resources provided to complete each strategy/task

HOW TO MEASURE: identification of the metrics that will measure performance outcomes

Most of the worthwhile things that have maximum benefit for an association take years to accomplish. Some association leaders may not even be leaders when their major goals are accomplished; however, they will know that they were part of achieving a very important objective that was worthwhile and benefited the association.



Most of the things worth doing in the world had been declared impossible before they were done.

- Louis Brandeis

WHAT GUIDES BOARDS AS THEY MAKE DECISIONS?

Strategic Decision Making

How strategic goals guides decision making

How does the Strategic Plan impact the decisions that a board of directors makes?

How does the Strategic Plan impact the development of committees or project teams?

How does the Strategic Plan impact the recommendations made by committees or project teams?



A strategy is an adventure. It creates incredible energy and a formidable challenge, and it unites people in the pursuit of outstanding achievement.

WHAT GUIDES BOARDS AS THEY MAKE DECISIONS?

After the Plan: Addressing Challenges Activity

Solutions	
<p>Challenge: How do you ensure that you have the funds to move your strategic plan forward?</p>	
<p>Challenge: How do you ensure that the strategic plan is being implemented?</p>	
<p>Challenge: How do you or your association stay on top of the effort (and progress) being put into your strategic plan?</p>	

WHAT GUIDES BOARDS AS THEY MAKE DECISIONS?

Monitoring Success

There are three ways to judge or monitor the advancement of a strategic plan:

1. What has been the progress to date?
2. What has been our effort in each of the goals?
3. Have we met our time frames and completion dates?

To help boards monitor their success, boards use a variety of tools. Here are some of the more common ones.

Board Meeting Agendas

Many associations use their board meeting agendas to help keep the board focused on the priorities set in the strategic plan. They include the strategic planning goals on each agenda and ensure that the board spend time reviewing the progress achieved.



Dashboard

Another way that many boards monitor the advancement of their strategic plan is through a Dashboard. A dashboard is a formal way of keeping track. It helps a board quickly monitor the progress of strategic initiatives and identify when any additional decisions need to be made. A sample dashboard is available in the Appendix.

There are different types of dashboards, but many use a stop light code for quickly highlighting how decisions are rolling out.

- Green means that something is unfolding in the way that you expected
- Yellow is a caution that means the roll out is OK but there's something you might want to keep an eye on
- Red means that there's something going wrong that may need your attention

If you don't know where you're going, then any road will take you there.

- Lewis Carroll

WHAT GUIDES BOARDS AS THEY MAKE DECISIONS?

Implementing Your Strategic Plan Checklist



Lay the Groundwork	✓
<p>Be a champion for implementing your strategic plan/goals, or assign this important role to someone who can keep that vision front and center in the minds of leaders and others. This will provide support and direction to others and ensure that the required resources are committed.</p>	
<p>Anticipate major stages of a project and follow-up dates. This will ensure that the project stays on track. If the project begins to get behind, you or the association will be able to identify this in short order and help to get it back on track.</p>	
<p>Determine a completion date if applicable. Although many strategic goals and objectives are long term, the tactics identified in an individual year can be assigned a completion date. Track these activities to ensure that the completion dates can be met.</p>	
<p>Consider incentives and recognition to get the project done. These will help motivate everyone involved to keep the project on time and on track.</p>	
<p>Identify the resources required to accomplish the strategic goals. Be sure to provide for the time and/or the budget required.</p>	

Leaders don't force people to follow – they invite them on a journey.

- Charles S. Lauer

WHAT GUIDES BOARDS AS THEY MAKE DECISIONS?

Implementing Your Strategic Plan Checklist (continued)

Monitor progress	✓
Ensure that leaders stay on top of the plan by monitoring activities and milestones. Follow-up with the person responsible, ensure commitment and offer support.	
Ensure that the appropriate person reports regularly on progress to keep people updated between meetings or to inform stakeholders. This will help to keep momentum.	
Require written reports at meetings and update leaders on the progress of all initiatives. Consider how meeting agendas could reflect the major goals of the strategic plan. It is important that regular reports are presented with respect to the progress on all initiatives. These reports can be short and simple – they can say, <i>no progress at this time, here are a few items that we are working on, here are some of our challenges, here's when we hope to complete some of the goals or the project is complete.</i>	
Use the strategic plan/goals as the framework for planning agendas. Wherever possible, agendas should strongly reflect the progress and the goals of the strategic plan. They should be at a high level and reflect visionary thinking.	
Secure commitments for the next quarter. If leaders are going to monitor the strategic plan/goals there have to be certain guidelines, short-term goals and timelines for the next quarter or specific period of time. That way, leaders and stakeholders have targets to shoot for and to report on at the end of each quarter.	
Create a simple <i>stoplight scorecard</i> that indicates if a project is: ■ on track ■ needing some attention ■ off-track	

What lies behind us and what lies before us are tiny matters compared to what lies within us.

- Ralph Waldo Emerson

HOW DO CHAIRS HANDLE DIFFICULT SITUATIONS?

Meeting Management

Running effective meetings is a skill set that is necessary for association leaders. That's because meetings provide invaluable face-to-face venues for volunteer leadership, members and staffers to discuss current issues, make strategic decisions, build professional skills and forge business and personal relationships. But learning to run effective meetings doesn't happen overnight. There is no substitute for training, education and experience for developing a strong set of skills. In general, those skills revolve around facilitating the discussion, keeping the session on track and providing follow-up reporting as needed.

Planning

Agenda Construction

The content for the agenda is the responsibility of the staff and comes from work stemming from previous meeting minutes, task force reports or committee recommendations. Most often the agenda is sent to the chair for review and comment. The chair should be aware of all aspects of the agenda, who will be presenting reports, any special guests or presenters and the issues that will be discussed and decided at the meeting. It is helpful to include the association's strategic plan, mission and vision, as outlined in the agenda to ensure it is top of mind for all members.

Agenda Distribution

The agenda is distributed to the attendees in advance of the meeting to permit them to prepare for the meeting. Only in an emergency may the agenda be distributed at the beginning of the meeting.

Agenda Amendment

It should be reasonably difficult for an attendee to add an item to the agenda, especially if it is of large importance. The association should have a principle of **no surprises** that is stated in the meeting rules¹.

Facilitating the Meeting

Facilitating a meeting, and keeping the discussion under control, is the responsibility of the meeting chair. The chair should be an enlightened leader who gives direction for the attendees, who may from time to time question the process. This can be a balancing act, but if the attendees and the chair act in good faith and for the betterment of the association, it can be accomplished.

Minutes

Minutes should be distributed to the attendees according to policy.

Planning a meeting means that all aspects of the meeting are well in place prior to the meeting.

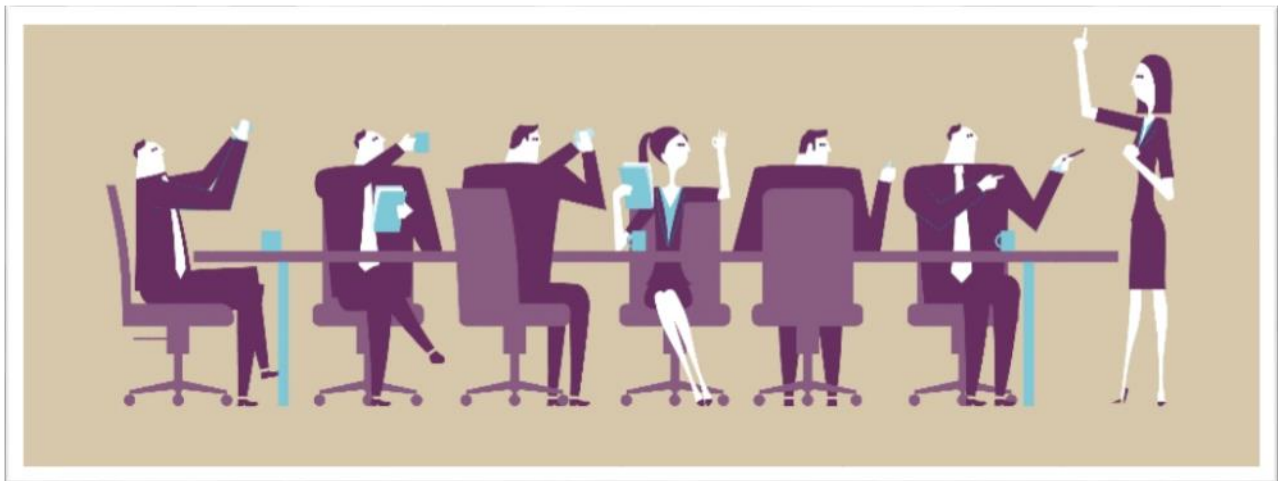
¹ Meeting rules means those rules the group establishes to plan, direct and control their own meetings. For example, the meeting rules could contain the rules to permit late agenda items, or perhaps timelines when the minutes are to be distributed, who signs the minutes, etc. The meeting rules should be between half a page and two pages. A similar concept should be applied to committees (committee meeting rules).

HOW DO CHAIRS HANDLE DIFFICULT SITUATIONS?

Responsibilities of the Chair

Some of the responsibilities of the chair in a meeting include:

1. Maintain order and decorum (i.e. courtesy and respect) regarding the remarks of attendees and their actions. Any remark or action which might cause friction or disorder must immediately be dealt with by the chair. Firm, but polite intervention is in order
2. Protect the rights of each attendee to speak, make motions, advocate a position, and to vote
3. Run an efficient meeting and to prevent the meeting from being bogged down.
4. Ensure that debate is relevant to the motion or subject
5. Remain neutral, impartial and fair
6. Know the rules of order and to ensure they are followed
7. Call the meeting to order at the time set for the meeting
8. Announce each agenda item and to state the motion clearly and unambiguously
9. Recognize attendees to speak – all remarks are to be made through the chair and must be impersonal. If possible, debate should alternate between those advocating the motion and those against the motion
10. Take the vote and to announce the action to be taken, if any
11. Rule on any point of order or point of personal privilege
12. State the motion frequently or summarize, if the debate is to be long
13. Be pleasant, patient and helpful – the chair is the servant of the meeting
14. Only vote, if you have a vote, if it will make a difference
15. Facilitate participation of all attendees



HOW DO CHAIRS HANDLE DIFFICULT SITUATIONS?

Activity: What Would You Do?

You will be watching a series of meeting scenes. Each scene will join a meeting in progress. As each scene ends, consider what you would do if you were the Chair of that meeting.

Meeting Participants



Glen - Board Member & Nominating Committee Chair



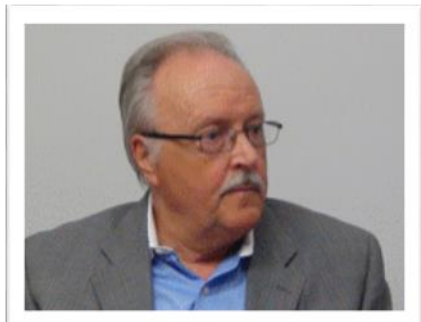
Betty - Board Member



Felicia - Board Member & Finance Committee Chair



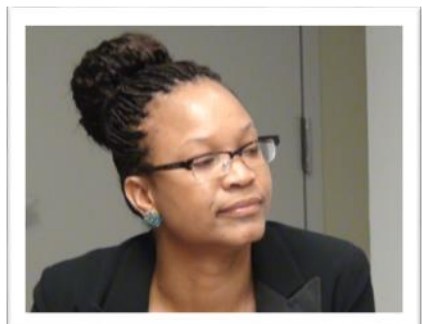
Marco - Board Member & Nominating Committee Member



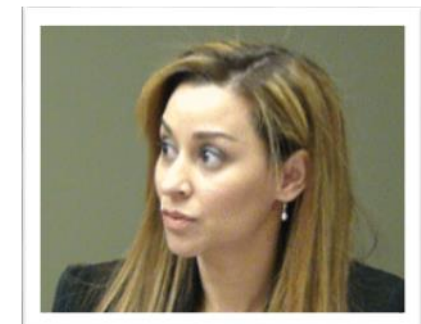
Andy - Board Member & Marketing Committee Chair



Frank - Board Member & Public Affairs Committee Chair



Michelle - Board Member



Lisa - Staff Member

HOW DO CHAIRS HANDLE DIFFICULT SITUATIONS?

Activity Worksheet

SCENE 1

The Marketing Committee Chair asks the Board of Directors during one of their meetings to add an item to the Agenda. He wants to get some initial feedback on proposals being received for a promotional campaign.

What is the issue faced by the Chair?

What would you do as Chair?

SCENE 2

The Board of Directors is discussing a proposed renovation project. They are in the process of coming up with a motion that they can vote on.

What is the issue faced by the Chair?

What would you do as Chair?

HOW DO CHAIRS HANDLE DIFFICULT SITUATIONS?

SCENE 3

The Finance Committee Chair is reporting to the Board of Directors on the committee's work to review the financial position of the association.

What is the issue faced by the Chair?

What would you do as Chair?

SCENE 4

The Nominating Committee is reporting to the Board of Directors on their progress.

What is the issue faced by the Chair?

What would you do as Chair?

HOW DO CHAIRS HANDLE DIFFICULT SITUATIONS?

SCENE 5

The Public Affairs Committee is reporting to the Board of Directors on their Stakeholders Consultation Process and Survey.

What is the issue faced by the Chair?

What would you do as Chair?

NOTES

HOW DO LEADERS HANDLE DIFFICULT QUESTIONS?

Challenging Questions

Why didn't you address this issue sooner?

Why are we getting so many complaints? What's going wrong over there?

So what do you plan to do about it?

Questions like these, whether from volunteer leaders, brokers, agents, vendors or members, can easily throw us off guard. We stumble and stutter as we attempt to find the right answer. Sometimes we don't even know the right answer.

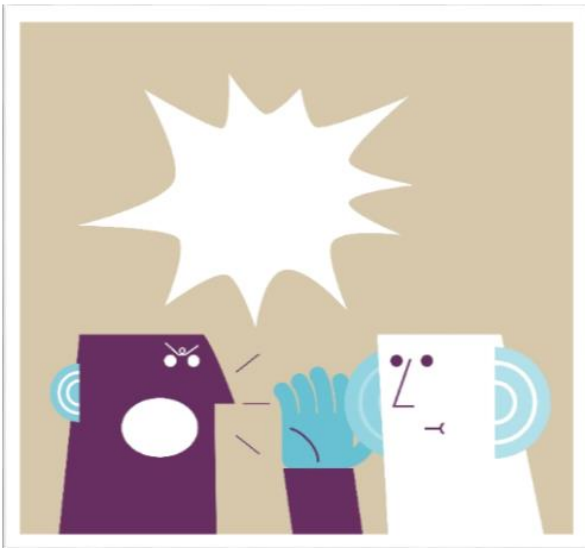
Answering Challenging Questions

As leaders we have a responsibility to respond to questions in a thoughtful and accurate way. Successful communicators have learned that often the worst thing they can do is try to answer a question too soon. By answering right away, they run the risk of contradicting the person, sounding defensive or even answering the wrong question.

People rarely ask a question without a reason, so it's very helpful if you **understand why** they are asking their questions before answering. It may be that they disagree with a decision that was made, or they have a point to make of their own, or they simply don't understand something and need clarification.

No matter what the reason, you'll be better able to provide information and address their needs if you take a moment to **ask a few questions** of your own before launching into an explanation.

Successful communicators have learned to **get more information** and clarify their understanding before answering questions. In this way they ensure they are on the mark with their answers.



***Don't attend every argument
you're invited to.***

HOW DO LEADERS HANDLE DIFFICULT QUESTIONS?

Answer with Impact

Here's an easy **3-step approach** you can use to ensure you answer with impact. It buys you time to think, shows respect to the person asking the questions and ensures that you fully understand what is being asked.

Interest



Step One: Show interest

This puts you on the same side as the questioner rather than in an adversarial position. It also buys you time to gather your thoughts. Be sure to sound natural and unruffled. There are many ways you can do this. Here are some examples:

That's a good question. (praise)

I can understand why you would have that concern. (empathize)

I agree that something needs to be done. (agree)

Questions



Step Two: Ask questions

The more you understand about the question the better you are able to address it. Use open questions that require more than a yes or no answer (that start with *who, what, where, when, why* and *how*). Here are some questions that get you important information:

What specific information would you find helpful?

It sounds like you have some ideas about what should have been done. Would you share them with me?

Can you tell me more about your concerns?

Info

Step Three: Provide information

As soon as you have confirmed that you understand what the person is asking, you're ready to share information in a non-defensive, helpful manner. Explain things in terms that are easy to understand and relate to what the person has said.

Now that I understand your question better, let me tell you about our new policy on....

Thanks for clarifying what you're looking for. I'd be happy to tell you more about...

The clearer you are about my perspective, the more willing and able I am to be open to yours.

- Barry Johnson

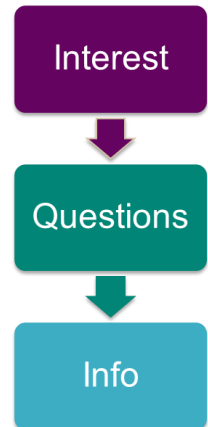
HOW DO LEADERS HANDLE DIFFICULT QUESTIONS?

Answer with Impact Large Group Practice Session

Select one of these questions for each of your role play practice sessions. Use a different question for each session.

Questions

1. Why do I have to be a member of NAR and a local and state association?
2. Why is the local association involved in community service charitable events?
3. From what I've seen the board of directors doesn't do much. It's just an old clique. Isn't that pretty much what you've found?
4. You say you want member involvement but I've applied to be on a committee at our association several times and nothing happens. Do you really want new volunteers?
5. Why isn't there a requirement that directors must be active in real estate, rather than appointing people who do only one or two deals a year?
6. Directors spend an awful lot of money going to conferences. Don't you think it's a waste of money?
7. We seem to be paying a lot for our association dues. Don't you think they are high?
8. What do you mean I can't talk about commission rates with my competitors?
9. Why is our association supporting candidate X for mayor? Are you guys out of your minds?
10. I received an email from the association yesterday that encouraged me to get involved with a "call to action." Why do you need us to do your work for you? You should handle the political stuff.



Leadership Attributes Checklist for Leaders



✓ Check to see how you are doing as a leader. Then make a plan to help yourself become more successful.

	People Management	Yes	Somewhat	No
1.	Clearly communicates expectations			
2.	Recognizes, acknowledges and rewards achievement			
3.	Inspires others to perform in ways they would not without the leader's support and direction			
4.	Puts the right people in the right positions at the right time with the right resources			
5.	Persuades/encourages people to achieve the desired results for themselves and the association			
6.	Looks out for people's well-being as well as the association's well-being			
7.	Identifies signals of impending conflict and deals with the sources effectively			
8.	Holds people accountable			
9.	Encourages and values leadership development in the association and allocates sufficient resources to this endeavor			
10.	Encourages people to stand up for and express their beliefs			
11.	Creates an environment where all persons can speak the truth as he or she sees it without concern for retaliation			
12.	Empathizes with those he or she leads			
13.	Demonstrates strong commitment to diversity and change improvement			
14.	Is innovative and open to new ideas			

checklist continued...

Checklist for Leaders (continued)

	Strategic Management	Yes	Somewhat	No
15.	Treats people fairly. Respects and values their opinions and ideas.			
16.	Is flexible. Can adapt to changing circumstances			
17.	Sets, with input from all stakeholders, the long-term direction for oneself and for the association.			
18.	Understands the environment, social trends, competitors, members and all stakeholders			
19.	Correctly analyzes the risks of all decisions			
20.	Correctly analyzes the returns of all decisions			
21.	Develops and implements strategies to improve organizational strengths and combat the weaknesses			
22.	Identifies appropriate partners, strategic alliances and outside resources to help further goals			
23.	Demonstrates strong commitment to diversity and change improvement			
24.	Always looks for improvements - never satisfied completely with the status quo			
25.	Can articulate the association's values and develop strategies consistent with the core values			

Improvement Plan

Signs of a Productive Association – Self Assessment

- ✓ Assess how productive your association is and what you can do to improve



		Often	Sometimes	Seldom
1.	We use a clear mission, vision and core values to help us make better decisions and achieve our objectives.			
2.	We understand who our members are and listen to what they have to say.			
3.	We understand the nature of change and work together to make change a positive experience for all.			
4.	We redefine the volunteers' roles and responsibilities, recognizing the natural decline in volunteerism.			
5.	We clearly define the roles of paid staff and volunteers.			
6.	We look at the 'big picture' when making decisions and implementing services.			
7.	We take a professional, businesslike approach to running our association.			

Where you answered "sometimes" or "seldom", there is opportunity for improvement. Ask yourself, "What could I do?" Write down a few ideas of how you could help your association become more productive.

Additional Resources

Strategic Planning	
Bob Harris on Strategic Processes	www.rchcae.com/strategic-planning-downloads
NAR Strategic Planning Resources Toolkit	http://www.realtor.org/ae/manage-your-association/strategic-planning-resources-toolkit/strategic-planning-resources-toolkit
Make Strategic Planning Implementation Work 6-part series: by Susan M. Heathfield	http://humanresources.about.com/od/strategicplanning/1/
High Impact Tools and Activities for Strategic Planning: Creative Techniques for Facilitating Your Organization's Planning Process by Rod Napier	www.amazon.com or your local book store
NAR Organizational Alignment Core Standards	http://www.realtor.org/corestandards
Meeting Management	
Parliamentary Procedure Online: full-text keyword search of the Fourth Edition of Robert's Rules	http://www.rulesonline.com
101 Boardroom Problems and How to Solve Them by Eli Mina	www.elimina.com
Presiding Like a Pro: Just-in-time Learning video series	www.orea.com/learn
Communication	
Are You Really Listening?: Keys to Successful Communication by Paul J. Donoghue, Ph.D. and Mary E. Siegel	www.amazon.com or your local book store
Charity Village: Various articles on communication	https://charityvillage.com/topics/communications
OREA Communication Audit Kit	https://www.orea.com/Leadership/Leadership-Library/Communication
Association Management	
REALTORS® Excelling in Association Leadership – no cost, online course for volunteer leaders	http://www.realtor.org/courses/realtors-excelling-in-association-leadership-real
Fiduciary Duties Owed by Directors of Associations video (video by NAR General Counsel Katie Johnson)	http://www.realtor.org/videos/fiduciary-duties-owed-by-directors-of-associations

Appendix

- ▶ Key Financial Questions for Directors
- ▶ Mitigating Risk
- ▶ Steps for Strategic Planning
- ▶ Handling Main Motions
- ▶ Handling Amendments
- ▶ Dashboard - Sample

Key Financial Questions for Directors

- ✓ Ask these questions when discussing financial issues to ensure due diligence and keep the focus on the big picture. Remember to review the agenda and any financial reports prior to attending meetings where finances are discussed. Ask questions prior to the meeting to avoid spending time at the meeting on clarifying details.



Key Questions	
<input type="checkbox"/>	<i>Are there significant variances from the projected expenditures? If so, what are the reasons for these variances? Is any action required?</i>
<input type="checkbox"/>	<i>Is the revenue coming in as expected? If there are shortfalls, what action needs to be taken?</i>
<input type="checkbox"/>	<i>Do proposed expenditures support the strategic plan?</i>
<input type="checkbox"/>	<i>If there is additional money, how does the association want to deal with a surplus?</i>
<input type="checkbox"/>	<i>Is the cash on hand sufficient for the association's needs over the next three to four months or whatever period the board has established?</i>
<input type="checkbox"/>	<i>Is the association currently in surplus or deficit?</i>

Mitigating Risk

Leaders act cautiously. They anticipate the consequences of their actions both personally and collectively. They understand the impact of the decisions they make.

In addition to the care that leaders take in fulfilling their roles, there are protective measures that individual leaders and associations take to minimize the exposure to risk.



Liability Insurance

Liability insurance can provide a leader with financial protection in situations where there has been a breach of standards of care or certain statutes. State regulators may require an association to provide some type of liability-related coverage, such as Errors and Omissions (E&O) insurance. It's important to know what insurance policies protect your association and its leaders, and the nature and scope of that protection. If you serve on a board of directors, you will also want to review whether you are covered with directors and officers insurance to protect your personal assets and to defend against any actual or alleged claims arising from the actions and/or decisions as a board member of the organization.

The National Association's Professional Liability Insurance Policy provides coverage to the national association, its affiliates, institutes, societies, and councils, and to state and local associations. A critically important aspect of such insurance is that coverage is provided only if the entity seeking coverage (a local association being sued, for example) is in compliance with the mandatory policies promulgated by the National Association's Board of Directors. Directors, officers, committee members, and staff acting in such capacity on behalf of the insured also are covered.

Independent Advice

When leaders are expected to act in an area where their expertise is not sufficient, it is appropriate to seek advice from an independent, qualified source. It would be appropriate, for example, to obtain independent advice from a corporate tax specialist to clarify the implications of changes to tax regulations. Lawyers, accountants and financial planners can all provide the independent advice that leaders need to mitigate risk for the association and themselves.

Due Diligence

Taking action to reduce a risk of liability before an incident occurs is the best protection. Leaders must know the scope of association activities and what team members are doing. They must also be active in attending meetings, reading documentation, discussing issues with other leaders and ensuring they are compliant with applicable legislation.

The skills and experience of each leader will be different. There is no mandatory education required to qualify an individual as a leader. Each one brings different talents and skills to the table and works to the best of their ability. Together leaders support the interests of the organization and its clients/customers or stakeholders. However, leaders are expected to exercise their skills to the level of their competence. For example, an accountant is held to a higher expectation of exercising his or her financial literacy than someone else without that specialized training.

Conflict of Interest Policy

Associations are well-advised to have a conflict of interest policy in place, and all leaders (staff and volunteers) have an obligation to avoid conflicts of interest.

A conflict can occur when a leader would gain financial or other benefits from an association decision in which the leader participates. A conflict of interest does not necessarily involve an individual personally. If a leader has a relative, friend or co-worker who would benefit from the association's actions, the leader must place the association's interest first at all times.

A ship in harbor is safe – but that's not what ships are for.

- John A. Shedd, Salt from My Attic

Steps for Strategic Planning

Sample Strategic Planning Process

Scan the external environment and analyze the data.



Evaluate the association's strengths and weaknesses



Identify external threats and opportunities



Determine and prioritize the critical issues impacting the association



Define the association's key competencies



Use formalized planning tools and processes (such as scenario building) to develop strategic goals and actions



Define a common mission and/or vision



Develop a strategic plan that is approved by the association's board

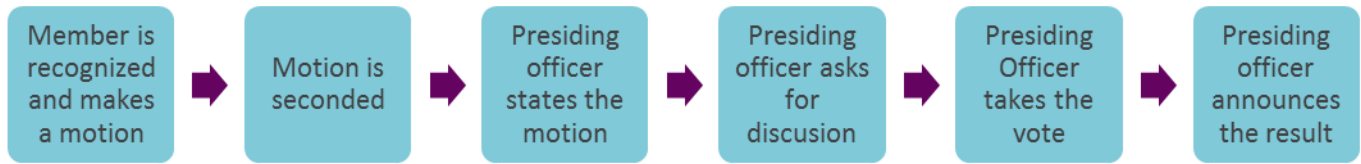


Implement the plan throughout the association's activities, measuring the progress of achieving those strategic goals based on established "success criteria"



Establish a schedule for monitoring, review and updating

Handling Main Motions



Step		Language	Pertinent points
1.	A member makes a motion	“I move that _____” or “I move that the following resolution be adopted: Resolved. That _____”	<ol style="list-style-type: none"> 1. Make sure the motion is concise, complete and unambiguous. 2. It is good practice to require motions to be submitted in writing.
2.	Another member seconds the motion.	“I second the motion” or “Second”	Seconding does not mean endorsement of the motion, but only agreement that it should be discussed.
3.	The Chair states the motion.	“It is moved and seconded that we____. Is there any discussion?”	<ol style="list-style-type: none"> 1. The Chair may rule it out of order (giving the reasons) or ensure clarity before stating the motion. 2. Ownership becomes collective (from now on withdrawing or amending the motion requires the group’s permission).
4.	Debate and amendment	See rules of debate and decorum.	
5.	The Chair puts the motion to a vote.	“There being no further debate, we will proceed to the vote. The motion is that _____. Those in favor of the motion say aye (or raise your voting cards). Thank you. Those opposed say no (or raise your voting cards). Thank you.”	<ol style="list-style-type: none"> 1. Ensure clarity by repeating the motion before taking the vote. 2. There is no need to call for abstentions, since they are not counted (unless the statute or the by-laws suggest otherwise). 3. Except when the result is close, it is not necessary to count the votes.
6.	The Chair announces the outcome.	“The motion is adopted” or “The motion is defeated”	

Handling Amendments

An amendment is a motion to change the wording of another motion before voting on it. The proposed amendment sets the main motion aside. If pursued formally, amending requires the same six steps as main motions do (see previous page).

Main Methods of amending

1. By inserting or adding text.
2. By deleting text.
3. By replacing text.

Number of amendments

- A **Primary Amendment** changes the wording of the Main Motion.
- A **Secondary Amendment** changes the wording of the Primary Amendment.

Under strict rules of order, only one Main Motion, one Primary Amendment and one Secondary Amendment may be pending at the same time and a third level amendment is not allowed.

The amending process can be **de-formalized**, as long as the proposed changes are clearly articulated and the group's wishes are ascertained.

Making things less confusing

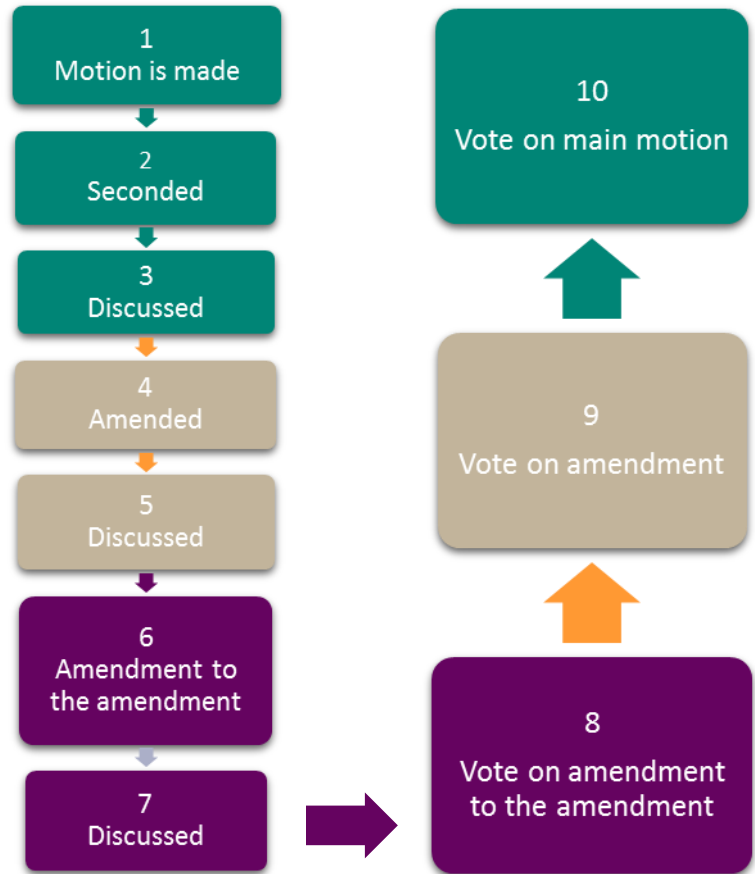
- State the amendment and its impact (clearly), e.g.:

It is moved and seconded to amend the motion by adding the words: 'at a cost not exceeding \$1000'. If the amendment is passed, the motion will read: '_____'. Discussion is now only on adding the words 'at a cost not exceeding \$1000'.

- Non-contentious amendments may be approved by unanimous consent:

Is there any objection to inserting the words _____?

- The group may opt to suspend the rules, deal with one aspect of the proposal at a time, and then consolidate the consensus into one motion.



Dashboard

The purpose of the Dashboard is to provide an at-a-glance summary of each strategic goal as approved by the board and highlight major risk areas which require monitoring



Strategic Goal: To provide representation and advocacy for membership through timely and effective communication strategies

RESOURCING

Actions	Outcomes	Managed By	Start	End		Comments
Vendor Selection (to upgrade database fee schedule)	4 proposals received	CEO	July	August Ongoing (see comments)	■	All submissions over planned budget, reviewing and contacting vendors to determine if pricing reduction is possible will bring recommendation to next meeting
Members informed via bulletin	Bulletins issued on schedule	CEO	June	August	■	5 calls received within 24 hours: 3 requesting clarification and details of specific new dues applicable, 2 expressing concern re: ability to pay, value for money
Membership Outreach Strategy	Achieve "buy-in" Retain membership	President, CEO	September	November	■	Availability to speak or meet with members directly established via special calendar, members will be scheduled in as required

This sample document is intended for demonstration purposes; the content is fictitious.



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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