MLS & ASSOCIATIONS

'Apologize' and 17 other common-sense ways to begin reforming NAR

Even before the courts resolve how agents are compensated, the National Association of Realtors has an opportunity to set a course for victory ahead of further disruption, Brad Inman writes.

BY BRAD INMAN

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Here are a few of my ideas for reforming the National Association of Realtors.

What are yours?

- 1. Adopt an association manifesto that clearly defines the purpose and vision of the organization and an action plan that every member understands and is willing to pay for.
- 2. Show courage with a mea culpa a sincere and unqualified apology to NAR members for actions that damaged the industry.
- 3. Humility, action, and service should define a new organizational culture. Build on positive steps that interim NAR CEO Nykia Wright has taken to restore morale internally.
- 4. Reach out proactively to well-intended NAR critics. Encourage and don't punish legitimate whistleblowers.
- 5. Break up the three-way agreement between NAR, state, and local associations.
- 6. Push aggressively for MLS and association consolidation and take steps to assist local leadership in making it happen.
- 7. Diligently enforce the mandates from the commission lawsuit settlement and future FTC and DOJ edicts.
- 8. Help agents and brokers change their real-estate business practices to conform to the new rules. Expel those who don't comply.
- 9. Overhaul NAR governance, including ending the defacto tenured leadership track, decreasing the size of the board of directors, and commit to complete transparency in all association business.
- 10. Invite qualified independent directors to join the NAR Board of Directors.
- 11. Help reduce the costs of intermediaries that capture too many commission dollars.
- 12. Sell the NAR real estate holdings in Chicago and Washington, DC, and find more appropriate office space. Edifices are expensive symbols of excess that only a few NAR members benefit from.
- 13. Use NAR influence to lead a crusade to bring down housing costs. Collaborate, partner, and lobby for national and state policies that work. Infuse the organization with a new passion for a larger public purpose.
- 14. Conduct a top-to-bottom strategic audit of the sprawling organization. Spin off or sunset those projects, positions, or businesses not core to the mission.
- 15. Adopt a brutal new conflict of interest policy that prohibits NAR leaders and the association from benefiting from opaque relationships with industry vendors and outside business interests.
- 16. Create a transparent policy for perks and travel to end boondoggles.
- 17. Rebuild trust with the membership through meaningful actions that elevate the profession. After an association overhaul, make plans to reduce member dues.
- 18. Only slow down the reforms when members are proud once again of their national trade association.