

OOPS!

I'M A LEADER



A Guide to
Getting Started
in Association
Leadership

EVAN FUCHS

ABR, CRS, GRI, RENE, RSPS, SRS, e-PRO

Dedication

To my girls, who are endlessly supportive, encouraging, and loving. They make me want to be better.

A special thanks to Michelle Lind, who taught me much of what's in this guide.

Introduction.....	4
The guide I wish I'd been given 20 years ago.	4
From Accidental to Intentional Leader	5
THE REAL ESTATE BUSINESS	5
THE REAL ESTATE ASSOCIATION BUSINESS	6
OOPS! YOU'RE A LEADER.....	6
What the Fiduciary?.....	7
UNDERSTANDING FIDUCIARY DUTIES.....	7
FIDUCIARY DUTIES IN ASSOCIATION LEADERSHIP.....	8
Who's the Boss?.....	10
POLICY GOVERNANCE.....	10
MAKE YOUR TEAM AAA STRONG	11
Read the Manual	15
GOVERNING DOCUMENTS.....	15
Staying Sane	17
KNOW YOUR PERSONAL MISSION.....	17
SCHEDULE YOUR PRIORITIES	18
LEARN TO SAY NO... SO YOU CAN SAY YES.....	19
Closing Thoughts	20
About the Author	21
EVAN FUCHS ABR, CRS, GRI, RENE, RSPS, SRS, e-PRO	21
Disclaimer.....	22

Introduction

The guide I wish I'd been given 20 years ago.

I've been serving Associations at various levels for nearly my entire career, and I've always felt it takes too long to get a handle on things when taking on a leadership position. This is especially true for new volunteers at the local level.

"What is my job?"

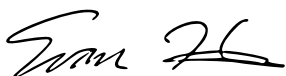
"Who do I answer to?"

"When do I get to use the corporate jet?"

My goal as a leadership trainer is to help leaders prepare themselves to do their *Best Work*, which I define as leveraging their strengths and resources to effect meaningful change in the careers and lives of those they serve. After all, if your participation isn't meaningful and doesn't result in change, do you really want to bother?

So I wrote this guide to address many questions that come up in my work with associations across the country, and I also include plenty of opinions, advice, and tips from lessons I've learned myself over the years.

Whether you're new to Association leadership or you've been at it awhile, I hope you'll find this guide helpful.



Evan Fuchs

From Accidental to Intentional Leader

THE REAL ESTATE BUSINESS

You Probably Got Here by Accident.

Most agents (including me and probably you, too) didn't jump from high school or college directly into real estate. Their entrepreneurial spirit, and often a passion for people and houses¹, led them to real estate from another career or line of work, almost by accident. That's not a dig, by the way. It's quite fitting with the whole "American Dream" thing. Besides, it's not the path so much as what you do once you arrive that determines your success. But here's the deal: businesses do not succeed by accident.

Accidental Agents

The trick then is to work intentionally. To be an Intentional Agent, not an Accidental Agent². Intentional Agents think long-term, not short-term. Intentional Agents have a career, not a job. Their business is relationships, not transactions. Intentional Agents are proactive. Accidental Agents are reactive. Do a quick mental scan of the industry and I think you'll agree we have a lot of Accidental Agents out there. And while they may not doing themselves any favors, how they run their business is, well, their business.

¹ I routinely ask agents in my classes why they got into real estate. The most common answers are "I love working with people" and "I love houses." True story.

² Big thanks to Larry Kendall, who introduced me to the concept of "on-purpose" and "on-accident" agents and got me thinking about working intentionally in my own business.

THE REAL ESTATE ASSOCIATION BUSINESS

Accidental Leaders

Real estate associations are driven by volunteer and staff leaders. On the staff side, their path typically involves learning about a job opening, submitting an application, going through some sort of interview process, deciding to accept the position, and so on. But how does one become a volunteer leader? You guessed it... by accident!

One minute you're showing up at a committee meeting to ~~complain~~ learn about something, next thing you know you're *on* the committee and on the path to Association leadership.

OOPS! YOU'RE A LEADER

Intentional Leadership

First of all, *thank you*. Organized real estate depends on volunteers like you in order to function.

Second of all, congratulations! Association leadership is a great opportunity to learn, contribute, make friends, and grow your business...

But remember, success doesn't happen by accident. When you accept a leadership position you begin making decisions on behalf of others and you *owe it to them* to become an Intentional Leader. Let's get started.

What the Fiduciary?

UNDERSTANDING FIDUCIARY DUTIES

With Great Power Comes Great Responsibility

Association leaders owe their Association certain fiduciary duties, which are similar to those duties agents owe their clients. Since these duties are the very core of the relationship, let's start here by defining exactly what they are.

Fiduciary Is a Strong Word

Here's how Cornell University Law School defines "Fiduciary":

"A legal duty to act solely in another party's interests. The individuals to whom they owe a duty are called principals. Fiduciaries may not profit from their relationship with their principals unless they have the principals' express informed consent. They also have a duty to avoid any conflicts of interest between themselves and their principals or between their principals and the fiduciaries' other clients. A fiduciary duty is the strictest duty of care recognized by the US legal system."

We'll dig into the specific duties in the next section, but pause for a moment to consider that last line, "A fiduciary duty is the strictest duty of care recognized by the US legal system." Okay, thanks.

FIDUCIARY DUTIES IN ASSOCIATION LEADERSHIP

Now that we recognize that fiduciary duty is a big deal, let's unpack some of the specific duties related to Association leadership.

Above all, Association leaders should always act in good faith and make a genuine and diligent effort to advance Association interests. Put another way, they should take care of Association business as they would their own business.

Specific fiduciary duties include Care, Loyalty, Obedience, Accounting, and Confidentiality. Here's a quick summary of each duty:

Care

- Be responsible, attentive and diligent.
- Prepare for, attend, and pay attention at meetings.

Loyalty

- Act in the best interest of the Association.
- If a proposal is good for the Association, but not helpful to your business, you must support it.
- Avoid and disclose conflicts of interests. Identify them early and resolve them so that you don't receive, or appear to receive, unique benefits at the expense of the Association.
- If you learn of a business or personal opportunity, you may pursue it only if the Association has elected not to do so.
- If you are serving multiple organizations, you must ensure missions do not conflict (refer to your Association Conflict of Interest Policy).

Obedience

- Abide by bylaws, policies, governing documents.
- Support decisions of the Board, even if you vote against it (no badmouthing).

Accounting

- Safeguard and preserve Association assets by ensuring proper procedures and controls are adopted and followed (Learn how to read financials).

Confidentiality

- Don't disclose or share non-public information learned as result of your leadership position.



Check Out: National Association of REALTORS® has a great video on the subject that is short and sweet: [Fiduciary Duties Owed by Directors of Associations](#).

Who's the Boss?

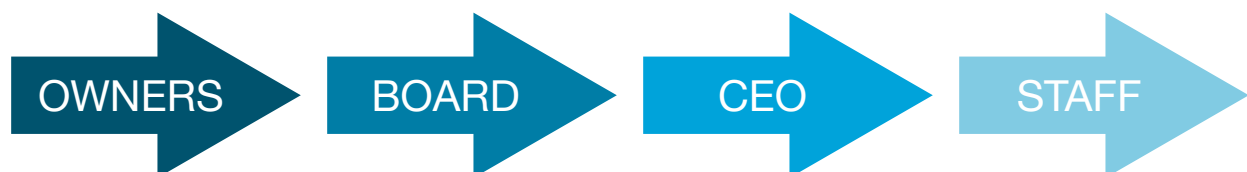
In the agent-client relationship, the client is the boss. And while the Association won't be texting you at 11pm on a Saturday night to ask you to measure for carpet, the Association is the boss in this relationship nonetheless.

POLICY GOVERNANCE

Most Associations follow some variation of Policy Governance¹, which gives the Board of Directors authority *and* holds it accountable to carry out the mission or purpose of the Association.

Chain of Command

Healthy Associations follow a clear chain of command, which looks something like this:



- **Ownership:** The Owners set the purpose of the organization. *Why does it exist?* Members are effectively the Owners in the Association world.
- **Governance:** The Board of Directors serves and leads the organization, and is accountable to the Owners for its success.

¹ Policy Governance is a trademarked term coined by John Carver, whose model consists of 10 principles. In my experience, Associations use the term to mean they are governed by written policies, whether or not they adhere to Carver's principles.

- **Operations:** The Board has authority over operations, which is typically delegated to a Chief Executive Officer (CEO) or Association Executive (AE) by written agreement such as a contract and job description. In this case, the CEO's delegated authority is balanced by accountability to the Board of Directors, which empowers the CEO to manage operations and holds him or her *indirectly* accountable to the members via the Board of Directors.



Key Concept: There is no direct link in the chain of command between Staff and Members because Staff members do not report directly to individual Association members or even individual Board members. In most cases, Staff members are accountable to the CEO, who is accountable to the Board of Directors as a whole. The Board of Directors is then accountable to the Owners. Got it? Good.

MAKE YOUR TEAM AAA STRONG

Fancy terms like “Policy Governance” aside, when you mix paid staff and volunteers from all walks of life in leadership roles there will be challenges. Just ask the CEO with the micro-managing Board of Directors or the local AE whose President wants to be the new sheriff in town for a year.

The effective leadership teams I've worked with have overcome this challenge, and they all have something in common: they are AAA Strong. That is, they are really good at three “A” words which make them strong teams.

“A” is for Agreement

Whether it's a dispute over dollars, condition, or grandma's chandelier, nothing sinks a real estate deal faster than an unclear agreement. We (hopefully) use

clear, written agreements in the real estate transaction to get everyone on the same page, reduce miscommunication and misunderstanding, and increase the overall likelihood of success. But it's not enough to *have* the paperwork. Everyone needs to *read, understand, and agree* to what the paperwork says for a deal to be successful. The paperwork in Association leadership is called the governing documents, which we'll explore in the next chapter.

Beyond formal written agreements, checking in to confirm everyone is on the same page is a powerful team-builder. It can be as simple as a verbal or email recap following a call or meeting: "To recap... is everyone clear on the next steps?", then make eye contact, look and listen for confirmation. And by the way, that one guy on his phone needs a one-on-one after the meeting because you don't have agreement.

A great way to get team agreement upfront is with an orientation at the beginning of the year. This allows Presidents, Committee Chairs, or Association Execs and their teams to discuss the purpose or charge of the group, set expectations, answer questions, and review important stuff like the strategic plan, business plan, governing documents, and meeting calendar. It also provides a chance to get to know one another before the first official meeting. I highly recommend it, and I've got you covered with a [Sample Leadership Orientation and Worksheet](#).



Takeaway: Agreements clarify intentions and give teams focus.

"A" is for Accountability

Accountability is the promise that's built into every agreement. When we take on a task, we make a promise to the rest of the team that we will hold ourselves accountable to delivering on time. They can count on us.

When we stick to our promise, we prove to be trustworthy and our team gets stronger. Team projects move forward as individuals fulfill one promise at a time.

When the dog eats our homework, that's called a broken promise. The trouble with broken promises is they erode the trust that teams are built on. Without accountability and trust, we're just a bunch of people who get together every now and then.



Takeaway: Accountability drives action and builds trust in teams.

“A” is for Authority

A leader's formal authority is derived from the Association governing documents. For example, bylaws may designate the Board of Directors as the governing body; policies may authorize the President to serve as spokesperson; the CEO Job Description may give him or her exclusive authority to supervise staff.

Like the chain of command, understanding and respecting who is authorized to do what is critical to successful teams and organizations. If the President is the spokesperson, another member of the Board shouldn't speak on behalf of the Association. And if the Board of Directors has an issue with a staff person, they should take it up with the CEO.

Keep in mind that authority isn't just about what an individual *can* do, but also what they *cannot* do. Limitations of authority establish important “checks and balances” to protect the organization. For example, authority to spend money or sign contracts is often capped at a certain amount after which approval is required by the Board of Directors or even General Membership.

I love the “authority with limitations” approach to delegating because it empowers individuals to take ownership. It’s the opposite of micro-managing.



Takeaway: Respect for individual and collective authority strengthens teams.

Focus on the 3 A’s to build a strong leadership team. ASK:

- Do we agree about where we are headed, what comes next, and who is responsible for what?
- How will we hold ourselves and each other accountable to the plan?
- Do we understand everyone’s role on the team?

Read the Manual

This chapter is basically a list, but it does come with homework. You're welcome!

GOVERNING DOCUMENTS



Key Concept: The Association isn't a human with a mouth from which to speak. Its words are "said" in writing. It's your fiduciary duty to understand and abide by the governing documents of your Association.

Specific governing documents will vary, but they typically include bylaws, policies, and some sort of formal corporate or organizational document(s). The following list is a good place to start:

Governing Documents Greatest Hits

- Articles of Incorporation
- Corporate Charter
- Corporate Constitution
- Association and/or MLS Bylaws
- Policies and Procedures
- Meeting Minutes
- Job Descriptions
- Anti-Trust Statement
- Conflict of Interest Statement

Strategic Plan and Annual Budget

These two documents get their very own section because they are critical to Association operations and sustainability. They are also time-sensitive, and they are part of an ongoing process. They are not static.

When I'm asked to facilitate an Association's strategic plan, one of my first questions is "When is your budget due?" The budget funds the plan, so it stands to reason the plan should come first.

Association leaders should familiarize themselves with the planning and budgeting cycle so they are prepared to carry out their role, which includes safeguarding Association assets.



Homework: Find and read your Association's governing documents. Ask your AE/CEO. And while you're at, ask when the budget is due.

Staying Sane

Now for some tidbits you won't find in any manual. A few simple tenets that, if mastered, will make you a Yoda-level Association leader. But unlike Yoda, you won't get 900 years to figure them out. I'm just hoping to give you a 20-year head start by sharing them with you here.

KNOW YOUR PERSONAL MISSION

Companies have mission statements.

Steven Covey said to begin with the end in mind.

Simon Sinek says to start with “Why?”

It doesn't matter what you call it or what it looks like, but now - right now - is the perfect time to clarify your own intentions. Ask yourself:

- What is my “why”?
- What does my **Best Work** look like?
- Who do I serve?
- Why is this important to me?
- What fires me up?



Takeaway: Knowing your personal mission will make you more discerning, keep you on the Intentional Leadership path, and help you stay sane.

SCHEDULE YOUR PRIORITIES

Your personal mission will help you focus on what's important to you, which sounds so simple until life gets in the way. The more you take on, the harder it gets. I recommend literally scheduling your priorities:

Each year, I put the most important stuff in my calendar first. These are the events, appointments and commitments that will *hurt* if I miss them - business and personal. I'm talking about birthdays, family vacations, important meetings, speaking engagements, and so on.

They start in my calendar app, then get transferred onto a huge wall calendar that hangs right over my desk so they are always front and center. It's even color-coded, but whatever works for you is okay with me.

I treat my calendar as sacred space, which means I guard it with my life and only put in it things that I promise myself (and others) to do on time.

Speaking of scheduling, be sure to familiarize yourself with your Association's calendar and planning cycle. *When is the budget due? When are all the meetings? When is strategic planning held?* The sooner you know, the better you can plan. For a list of critical dates and deadlines to look into, use this handy [Leadership Timeline & Worksheet](#).



Takeaway: Getting the most important stuff in your calendar first will help you keep your promises, help you do your [Best Work](#), and help you stay sane.

LEARN TO SAY NO... SO YOU CAN SAY YES

This one is tough, but you have to figure out a graceful way to say “no” more often. The more you volunteer and lead, the more you will be asked to do it. Don’t let the honor of being asked derail you from your personal mission.

-
- **Takeaway:** Say HECK YEAH!¹ only to the things that align with your personal mission. Try your best to say “no” to the rest.
-

¹ Thank you to Derek Sivers for the **inspiration**.

Closing Thoughts

Thanks so much for reading this guide. I hope you enjoyed it and found it useful. And thank you for your leadership and commitment to our industry!

Closing Thoughts

- *I loved writing this guide for you.*
- *How can I help you?* I also love training, speaking, and collaborating with other professionals who want to do their Best Work. Please **reach out** if there's anything I can do for you.
- *Writing this guide was hard.* First of all, what gives me the right? Do I think I'm so amazing that I know it all? Nope, and those thoughts kept creeping in, trying to derail me from sharing. Fighting them off was hard, but I'm glad I did. Second of all, what falls under the category of "getting started" when there is so much to say? I left a bunch of stuff out so be sure to let me know and maybe look for a follow-up guide. Until then...
- *Keep doing your Best Work.*

Thanks,

Evan

About the Author

EVAN FUCHS ABR, CRS, GRI, RENE, RSPS, SRS, e-PRO



Evan Fuchs trains and speaks nationally on leadership, sales, strategic planning and team-building. A real estate broker and industry leader with over 20 years experience, Evan's keynotes, workshops, and courses inspire action by empowering individuals and teams to connect their goals with their passions.

Evan loves collaborating with passionate professionals who aspire to achieve their best work. He presents designation and certification courses such as ABR, CRB, GRI, RENE, and SRS, is a John Maxwell Certified Trainer, and he specializes in developing and delivering custom programs, such as the Arizona REALTORS Leadership Training Academy.

To learn more about Evan, visit: EvanFuchs.com

Disclaimer

This guide is for general informational purposes only, and there are no representations or warranties, express or implied, relating to the information it contains. Readers are advised to exercise their own due diligence and, if applicable, obtain appropriate advice from a qualified professional.

© 2018 Evan Fuchs. All rights reserved.