

# RESO

## Strategic Action Plan

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REVISED FROM THE RESO BOD CALL ON 2-4-2011

REVISED FROM THE RESO BOD DISCUSSION ON 2-15-2011

### **CORE PURPOSE**

Definition: The organization's reason for being.

*RESO leads the industry in the development, adoption and implementation of open and accepted data standards and processes across all real estate transactions.*

### **VISION**

Definition: The organization's long-term dream.

*Accepted data standards and processes are utilized by all professionals in the fully automated real estate transaction.*

### **MISSION**

Definition: The organization's primary pursuit.

*Provide an environment for the development and implementation of data standards and processes that facilitate innovation, insure portability, eliminate redundancies and obtain maximum efficiencies for all parties participating in the real estate transaction.*

### **GOALS**

**GOAL# 1:** Establish a governance structure that facilitates achieving the organization's purpose, mission, vision and goals.

**GOAL# 2:** Create common data standards and related business practices that are accepted and evolve with the changing needs of the industry.

**GOAL#3:** Communicate effectively with the industry and establish great relationships with stakeholders and related standards organizations.

### **ASSUMPTIONS**

- Standards do not restrain companies in the ways they operate their businesses
  - The standards will constantly evolve.
- Standards will add value to all industry participants.

## **NEED FOR INDUSTRY STANDARDS**

The participants in the planning process identified the following as the reasons why the industry needs standards:

- Allows tools to be built for members practitioners to do business and those building it can depend on data in a format they can count on and do not have to redo it for each property listing organizations from which they need to access data.
- Efficiencies and cost savings for brokers, agents, MLSs, software developers, vendors:
  - Data mapping
  - Plug and play software
  - May minimize set up fees for new software
  - Reduce broker cost for different feeds
  - Base cost of creation of a product then allows you to leverage it across all brokers and keeps the per unit cost lower
  - Syndication
  - Data sharing
  - Eliminates redundancies
- Allows brokers to be more competitive
- Lowers barriers of entry for software vendors from technical standpoint which provides more potential innovation and more varied product offerings
- Data analytics (to include data definitions)
- Portability
- The following parties benefit from standards:
  - Residential and commercial brokers and agents
  - MLSs
  - Appraisers
  - Property managers
  - Anyone involved in the real estate transaction

## **DEFINITION AND SCOPE OF DATA STANDARDS**

The following were identified as what should be encompassed in data standards:

- Adaptable and adoptable property definition
  - Uniform format, mandatory fields, data definitions
  - Incorporate different data sets with different property types
- Facilitates transactions
- Provides transport mechanism utilizing current technologies
- Best practices of dealing with the data
- Aggregated format for every property in the United States
- Incorporates all data, all property types and other transaction related data:
  - Listing
  - Office and agent
  - Appraisal
  - Property management
  - Lenders
- Ensure that the standard evolves in a direction that does not require more resources than justified or is too expensive and difficult to implement

## **GOALS, STRATEGIES AND OBJECTIVES**

- 1. Create common data standards and related business practices that are accepted and evolve with the changing needs of the industry.**
  - a) Create a roadmap that provides the capability to establish priorities and complete tasks in manageable pieces within acceptable timelines (Compare to existing roadmap and post to RESO forums. Jason Normandin accepts this action item)
    - i) Data mapping
    - ii) Identify what standards
  - b) Define the stakeholders, their corresponding business practices, and how they should be incorporated into the standard
    - i) Document the standards and related business practices
    - ii) Create a common list of fields that fulfills the requirements of the business cases, and considers the ability and costs associated with mapping data.
    - iii) Create a data dictionary that reduces the effort needed to interpret data.
    - iv) Create feedback processes with stakeholders to ensure proposed standard and/or changes meet business requirements.
- 2. Communicate effectively with the industry and establish great relationships with stakeholders and related organizations.**
  - a) Mary Frances responsible for communications. Other Directors will volunteer for subcommittees and assign goals
  - b) Create an education program for the industry that includes the concept of “RETS for Dummies”.
  - c) Formalize communications among all involved in setting real estate standards (MISMO, OSCRE, etc.)

- d) Work with MISMO to standardize the 25 fields the organizations have in common
- e) Motivate the industry including MLSs to adopt the standards
- f) Establish excellent relationships with practitioner organizations which also have a vested interest in standards. (IREM, CCIM, etc.)
- g) Create a marketing and communications plan to keep the interested community up to data on the process.

**3. Establish a governance structure that facilitates achieving the organization's purpose, mission, vision and goals.**

- a) (A Governance subcommittee has been assigned by Rebecca to include: Lesswing; Toothaker; Carter; Wright)
- b) Create a governing structure that has a balance of approximately 13 key stakeholders at the table including the decision makers from the MLSs, industry vendors (MLS and client software), large broker, franchisor, commercial, NAR and independent director.
  - i) Must have senior business executives participating on the Board of Directors
  - ii) Directors must have a high level of commitment
- c) Establish the role of the Board of Directors as policy, strategy and financial oversight
  - i) Coordinate, assign resources, appoint committees and workgroups
  - ii) Approve major decisions or those with strategic impact
  - iii) Maintain great relationships with other organizations
  - iv) Stay up to speed on where the industry is going and constantly evaluate if RESO is meeting member needs
  - v) Maintain a long terms strategic plan
  - vi) Determine if there should be an executive committee
- d) Establish the initial role and composition of the committees and workgroups as follows:
  - i) Create an architectural oversight committee to ensure that the work being done in workgroups is all synchronized
  - ii) Determine if there should be a business case committee or if it should be the role of the Board of Directors
  - iii) Assign work groups as necessary which are tasked with a specific goal in line with the tactical plans in line with strategic plan
  - iv) Determine when volunteer resources are necessary to complete a project and when paid resources are required
  - v) Implement a clear unambiguous process for implementing standards that includes documentation, accountability and project timelines

## **OUTSTANDING ISSUES**

(We will observe these issues over time)

1. Hold an additional planning meeting to:
  - a) Determine if there should be an executive committee and if so, what the role of the committee would be
  - b) Identify how industry players become members in the organization, if member fees should be charged and on what basis they should be charged
    - i) Determine what should be included in a membership agreement
    - ii) Review how other organizations have done and consider adopting the best of what they have to offer
    - iii) Determine if others besides NAR should share in the ownership of RESO, and if so, on what basis
    - iv) Determine how the organization will obtain operating funds
  - c) Define the necessary committees and workgroups with a clear definition of the roles and responsibilities of each and make assignments
  - d) Determine if the organization should become a legal entity

Rationale for each was discussed as:

<b>Reasons to be legal entity</b>	<b>Reasons not to be a legal entity</b>
Obtain liability protection	Increased operating expenses
Easier to raise money	More complex and cumbersome
Licensing	Licensing
Ownership	Ownership

2. Create a joint intellectual property agreement for all who participate
3. Create the budget for the organization
4. Address if and how RESO compliant software should be branded and if RESO has the responsibility to vet software that says "RETS Compliant"