



Experience with the FutureSM

Consolidation Survey Results

A survey was sent to every local REALTOR® Association Executive requesting responses to questions if they had participated in a consolidation of Associations in the past seven years. The vast majority of the comments were positive on the final results.

One question listed the most common reasons for consolidating associations and asked for a ranked response on degree of importance. The strongest support on reasons (in order) as “Very Important” or “Important” was for:

Cost savings in combined internal administration (91%)

Elimination of duplications of processes for members in multiple Associations (85%)

Better communications capabilities, methods and platforms (85%)

Perceived increase in value of the larger Association to the member (77%)

Increase in the quality of programs, products and services (75%)

Ability to move quickly on new ideas and concepts (72%)

The least important items ranked highest as “Not Important” and “Not Important at All” were:

Ease of use and efficiency of a single MLS (60%)

Overcoming the loss of physical presence of previous Associations (47%)

Preservation of history and traditions of merged Associations (43%)

I did a cross tab on the question of dues increase after merger compared to size to see if the number of Associations involved made a difference. The two larger numbers had small increases or decreases. The largest percentage dues change was with merger of two Associations.

Attached are the results as well as all the open comments to three questions.

“Experience with the Future” is a Trademark of Gerald W. Matthews.



Association Mergers

Results Overview



Date: 8/2/2010 5:02 PM PST
 Responses: Completes
 Filter: No filter applied


1. If you completed a merger of Associations in the past seven years, what was the eventual end result of your merger?

Successful - Still substantially in place		19	90%
Not Successful - Fell apart		2	10%
Total		21	100%

2. What year was the merger completed?

2010		4	27%
2009		3	20%
2008		1	7%
2007		0	0%
2006		2	13%
2005		2	13%
2004		3	20%
Total		15	100%

3. Number of Associations merged into one?






2		15	75%
3		1	5%
4		0	0%
5		3	15%
6 or more		1	5%
Total		20	100%

4. Have any of the original Associations in the merger since left the merger?








No		20	100%
1 has left		0	0%
2 have left		0	0%
3 have left		0	0%
4 have left		0	0%

5 or more have left		0	0%
	Total	20	100%

5. What was the greatest dues differential among the merged Associations prior to merger?

More than 20% difference		7	33%
11 % to 20% difference		3	14%
6% to 10% difference		2	10%
0% to 5% difference		7	33%
No difference		2	10%
	Total	21	100%

6. Immediately after the merger how did the dues amount change relative to the average dues among the separate Associations?

More than 20% Increase		1	6%
11 % to 20% Increase		1	6%
6% to 10% Increase		0	0%
0% to 5% Increase		3	18%
No difference		4	24%
0% to 5% Decrease		4	24%
6% to 10% Decrease		2	12%
11 % to 20% Decrease		2	12%
More than 20% Decrease		0	0%
	Total	17	100%





7. This is a list of the most common reasons to merge Associations. On a scale of 1 to 5, with 1 being the most important, please indicate how important each was in your merger.

Top number is the count of respondents selecting the option. Bottom % is percent of the total respondents selecting the option.	Very Important	Important	Neutral	Not Important	Not Important at All
Increase in number of programs, products and services	8 40%	5 25%	5 25%	1 5%	1 5%
Increase in quality of the programs, products	9 45%	6 30%	3 15%	0 0%	2 10%

and services						
Greater political influence locally and regionally	4 19%	10 48%	4 19%	0 0%	3 14%	
Stronger influence in the Realtor organization – local, state and national	4 19%	9 43%	6 29%	1 5%	1 5%	
Appreciation of a single Association by firms / agents with large market footprint	6 29%	5 24%	3 14%	4 19%	3 14%	
Ease of use and efficiency of a single MLS	2 10%	4 20%	2 10%	1 5%	11 55%	
Possible decrease of expenses to members	5 24%	9 43%	5 24%	1 5%	1 5%	
Greater influence in member professionalism	4 20%	8 40%	6 30%	1 5%	1 5%	
Increased influence in the business community and the media	1 5%	10 48%	8 38%	2 10%	0 0%	
More effective and efficient Professional Standards administration	3 14%	9 43%	6 29%	0 0%	3 14%	
Better communications capabilities, methods and platforms	4 20%	13 65%	2 10%	0 0%	1 5%	
Freedom from artificial boundaries or service areas by members	2 10%	11 52%	4 19%	1 5%	3 14%	
More perceived external clout in all areas	3 14%	12 57%	5 24%	0 0%	1 5%	
Elimination of duplications of processes for members in multiple Associations	11 52%	7 33%	2 10%	0 0%	1 5%	
Cost savings in combined internal administration	9 43%	10 48%	1 5%	0 0%	1 5%	
Perceived increase in value of the larger Association to the member	10 48%	6 29%	4 19%	0 0%	1 5%	
Ability to quickly move on new ideas and concepts	5 24%	10 48%	5 24%	0 0%	1 5%	
More resources for community outreach and charity	3 14%	11 52%	5 24%	0 0%	2 10%	
Preservation of different history and traditions of merged Associations	1 5%	6 29%	5 24%	5 24%	4 19%	

Overcoming the loss of physical presence of previous Associations	3 16%	0 0%	7 37%	4 21%	5 26%
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11. What is your overall opinion of the success of the merger?

Highly successful		12	57%
Successful		5	24%
Neutral		2	10%
Somewhat unsuccessful		0	0%
Highly unsuccessful		2	10%
Total		21	100%

Association Mergers

Cross Tab Report: number vs dues change



Date: 8/2/2010 5:26 PM PST
 Responses: Completes
 Filter: No filter applied

Immediately after the merger how did the dues amount change relative to the average dues among the separate Associations?						
	Total*	Number of Associations merged into one?				
		2	3	4	5	6 or more
	17	14	1	0	2	0
More than 20% Increase	1 5.9%	1 7.1%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
11 % to 20% Increase	1 5.9%	1 7.1%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
6% to 10% Increase	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
0% to 5% Increase	3 17.6%	2 14.3%	0 0.0%	0 0.0%	1 50.0%	0 0.0%
No difference	4 23.5%	4 28.6%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
0% to 5% Decrease	4 23.5%	2 14.3%	1 100.0%	0 0.0%	1 50.0%	0 0.0%
6% to 10% Decrease	2 11.8%	2 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
11 % to 20% Decrease	2 11.8%	2 14.3%	0 0.0%	0 0.0%	0 0.0%	0 0.0%
More than 20% Decrease	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%

*Total = The number of respondents for the entire survey who answered the Row question and, if a filter is applied, meet the filter criteria.

Association Mergers

Results Overview



Date: 8/2/2010 5:03 PM PST
Responses: Completes
Filter: No filter applied

#	Response
8.	What was the single most positive result of the merger?
1	Critical. Mass, greater political influence, larger pool of leaders.
2	Services increased and costs decreased for the members.
3	Larger membership base results in greater resources to provide professional and meaningful services. Dues stability -- dues have not increased since merger.
4	Smaller association that merged with larger association now had administrative and organizational support.
5	Bringing two group together in a single region for the better good of the industry. Stronger Realtor voice.
6	Member benefits enhanced.
7	Cost efficiency and service
8	One MLS in Brooklyn
9	We are just completing the merger, but the best result will be working together rather than competitors.
10	lower dues for the smaller association. merger took place in 2002. 2002 was not an option in your pull down question.
11	Increased numbers and combined staff talent pool has allowed greater advances in member services, especially education, training and help desk.
12	Better service to all members.
13	Economies of scale allowing two of the smaller association participants to maintain community presence under the larger umbrella.
14	More programs, communications and membership benefits. A professional staff.
15	Agents from large area only had to join one Assoc.
16	More professional services
17	larger organization offering more benefits to all members
18	Increased services and reduced costs
19	Many of the most firms that were most outspoken negative toward the merger are now the most outspoken positive. Many have said that wish they would have moved forward with the merger years ago.

Association Mergers

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Results Overview: Open Ended Responses

Filter: No filter applied (20 Response(s) Returned)[« Return to Results Overview](#)[Print](#)Display Per PageDisplaying 1-20 of 20 Responses Select Page: [First](#) | [Previous](#) | [Next](#) | [Last](#)

#	Response
	9. What was the single most negative result of the merger?
1	Merging different cultures.
2	Push back from members due to an "us and them" attitude.
3	It is challenging at times to be sure we "touch" and engage members in the more remote areas of our jurisdiction. Always seeking opportunities to reach-out to these members.
4	Members are having a hard time understanding the merge.
5	Overcoming egos and blending into one office instead of a new location.
6	None!
7	Location of the merged associations. Another small association is located between the two associations so all members didn't join the larger merged association.
8	NONE
9	Loss of some of the advanced procedures and proeducts.
10	the 1400 members of the smaller association felt they were abandoned when their headquarters was move to the larger asociation
11	Not any ongoing negatives. Biggest one was the amount of time it took to make sure everyone was informed and aware of services available in their geographic area.
12	To be expected, lots of whining by old timers, plus having to deal with a 19 members Board of Directors (will decrease each year forward)
13	One association was (unreasonably) upset over the loss of their building.
14	More done via technology and less face to face time.
15	Really none, It went very well.
16	loss of control, bickering, political positions, accounting for business property,
17	new rules and regulations that new members have to learn to follow and do different
18	Thinking that one could take two financially struggling associations and make one successful, financially strong one while increasing services to all members.
19	Selling of previously owned locations
20	There has been a minor loss of identity for the merged associations as it relates to their market area.

Association Mergers

Results Overview



Date: 8/2/2010 5:04 PM PST
 Responses: Completes
 Filter: No filter applied

#	Response
10.	What was the biggest challenge in the merger process?
1	Having older members excepting new enity.
2	Getting both boards of directors to agree to the initial meeting.
3	Working through the "give and take" mentality. Needed to remind the task force that it was about balance and reasonableness, not perfection. Lastly, establishing the name of the organization caused angst among the group. The name was agreed upon when they recognized that the organization becomes the name, the name does not form the organization.
4	Communicating to members that there has been a merge!
5	Once the powers that be agreed to let boundaries go, the merger was easy. Year of bad blood. Took the retirement of both AE's.
6	Our consolidation attempt failed because of cultural differences in our leaderships, fear of loss of power/control ("smaller" association felt they were giving up too much) and unwillingness to give up traditions.
7	Earning the trust of skeptics...which we did.
8	Preception of lost identity and consolidation of leadership. We focused on "consolidation" rather than "merger". We didn't want the members of the smaller association to feel that we being taken over by the larger.
9	Educating members of merged association new MLS system
10	Setting aside all the small stuff and just concentrating on the reason for the merger. Also, choosing a CEO without conflict. This required one CEO to voluntarily step down for the good of the Realtors.
11	really none - it was an easy vote on both sides
12	Communication, first with prospective merger members and then afterwards with all members to understand and take advantage of the benefits.
13	Erasing the fact that the "large" association is "taking over the small association". Both went away and a new association/corporation was formed.
14	Really none. It went smoothly with very little opposition.
15	Getting a few members/leadership to realize what they didn't know.
16	Where Assoc. would be located. 5 cities and we found the center which turned out out to be the east side of Beverly Hills.
17	Not having crystal clear separation or roles and responsibilities of new and old staff and programs.
18	the small number of opposition from the Assiciation merging
19	Resistance to change Lack of vision
20	Maintaining local market identity (MLS caravans, social events,etc) Did that through self funded area councils
21	Combining and managing the many egos from the two organizations.