



WAV GROUP

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WAV Group
www.wavgroup.com

805-473-9119
marilyn@wavgroup.com
Waves.wavgroup.com

**Top 10 Ways an MLS
or Association can Go Green**



Why Go Green

The topic of going green is everywhere. We are getting bombarded with “greenness” by everyone from our bank to our grocery store. Why is everyone talking about it? Why should MLSs and Associations care?

While it may not be the “sexiest” topic for some, the numbers speak for themselves. Green organizations benefit from reduced costs, more loyal staffs and more satisfied customers. With ever-increasing competition from fellow real estate organizations and third parties, going green provides a whole new competitive advantage.

Smart green strategies help a company save money and eliminate waste while attracting new customers and creating a competitive advantage. Going green is a win-win for all involved.

Real Estate’s Contribution to Our Environmental Crisis

There is another very simple reason why real MLSs and Associations need to go green: *because it is the right thing to do*. We all hear the shocking statistics about how quickly we are consuming the world’s resources while destroying our forests, the air we breathe, and the water we drink.

The real estate industry is contributing to the problem. In fact, it only takes about 12 sales to consumer a tree.

More Than 2,000,000 Trees Consumed

Since 2005 the real estate industry has killed more than 2 million trees just with the paperwork needed to process residential real estate transactions!

More Than 1.5 Billion Gallons of Gasoline

Travel to clients, properties, open houses, home tours and conferences accounts for usage of approximately 1.5 billion gallons of gasoline a year.

More Than 1.8 Billion Gallons of Waste Water Created

The production of just one piece of paper produces 13 ounces of wastewater. To produce 26 million real estate transactions, our industry has created more than 1.8 billion gallons of waste water.

Real Estate Consumers Value Green

The *BBMG Consumer Conscious Report* finds that seventy-seven (77) percent of Americans agree that they “can make a positive difference by purchasing products from socially or environmentally responsible companies.”

Nearly seven in ten (67%) Americans agree that “even in tough economic times, it is important to purchase products with social and environmental benefits,” and half (51%) say they are “willing to pay more” for them.

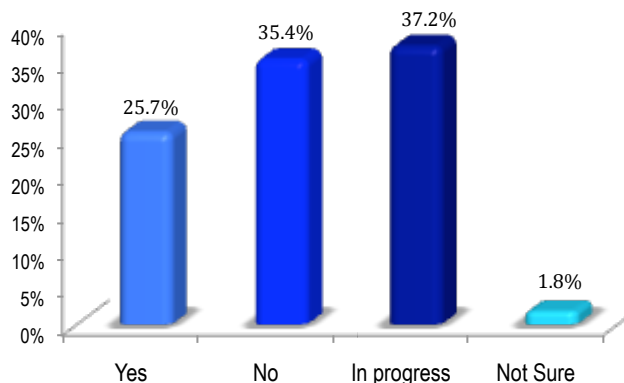
MLSs and Associations can help their subscribers by offering green services they can leverage to attract consumers committed to green companies.

Employees are Loyal to Green Companies

Going green can be another tool in a company’s strategy to retain and attract employees. According to the Society for Human Resource Management’s 2008 Green Workplace Study, green programs increase morale by 44 percent and employee loyalty by 16 percent. Work can be a lot more satisfying when an employee feels the company they are affiliated with exists for more reasons than to simply make money.

Going Green is Growing Among MLSs and Associations

Nearly two-thirds of respondents have implemented or are in the process of implementing a green strategy.



2009 CMLS MLS Operations Benchmarking Study

Top 10 Ways for MLSs and Associations to Go Green

1. Reduce paper

There are many of ways to save money by going green. If you want to get an idea of the amount of savings possible by going paperless, click on the [MLS Savings Calculator](#), available on the Instanet Solutions website, and complete to determine the approximate amount of savings possible for your organization.

This tool will help you calculate potential savings from eliminating paper bills, paper-based training materials, membership renewal forms as well as the somewhat hidden cost of off-site storage, filing cabinets, labor costs, etc.

Since paper is arguably the largest output from an MLS or Association, reducing paper consumption is a key method for creating savings for both the organization and its members. When an MLS or Association provides its members with tools that enable them to process transactions online, both parties can save money in a variety of ways. Tools like electronic faxing, document management, digital signatures and transaction task management are very valuable tools in the quest to go green.

Paper and Toner Costs

First, think of the paper used by MLSs for a variety of administrative tasks. How much paper does it take to send out paper bills, newsletter or event invitations? How many trees are cut down to fill the training binders for just one year?

Document Storage and Retrieval

Associations and MLSs need to store all kinds of documents. What if you could reduce the number of paper files you stored in your office and off site? How much administrative time could be saved by automating processes, speeding access to documents and even eliminating processing paper completely? How much more time could be spent working directly with your subscribers on more important issues?

2. Help Your Members Go Green

MLSs and Associations can deliver a new type of value to their members if they can help them eliminate paper in their daily business. By moving to a paperless office, brokers can create significant cost-savings by eliminating paper, toner, equipment, storage and labor costs. MLSs and Associations can also share the [brokerage paperless savings calculator](#) available from Instanet Solutions to encourage brokers to learn how much money they can save by going paperless.

Document Management

Document management is at the heart of a green transaction. Document management is, in essence, an online folder where an agent can create a file for a property. Within that file she can add, edit, distribute, and store all of the documents attached to that home. By using each of the components of a green transaction, an agent will be able to virtually eliminate all of the paper associated with a transaction by turning paper files into electronic ones.

It is important to look for a document management provider that provides the ability to integrate electronic forms, electronic faxing, document management, electronic signatures and transaction task management into one easy to use system. It is also important to purchase a document management system that seamlessly integrates with the MLS system to make it easy to initiate a transaction folder directly from a listing.

Once the files have been completed, they can easily be emailed individually or as a group to interested parties.

Online Forms

Online forms are a great place to start the process of creating a green transaction. They allow you to eliminate all of the paper and cost of purchasing printed forms.

The integration of forms with the MLS listing data has been proven to significantly increase usage and satisfaction levels of online forms.

According to the WAV Group 2009 Document Management Study, satisfaction levels are much higher when forms auto-fill, saving the agent time and money, and insuring that data on all forms is always up to date.

Many MLSs now have online forms integrated with the MLS system. These forms automatically “populate” form fields. When specific values are entered into a field, it causes other fields to fill without requiring additional data input. In many systems, a correction or change made on one form will be automatically updated on all forms associated with that transaction.

Online forms save agents considerable amounts of time and effort by eliminating many repetitive tasks and reducing the volume of paper traditionally associated with real estate transactions.

Electronic Faxing

Manual faxing is one of the most time-draining and frustrating activities in a real estate transaction. Many times the quality of the fax is poor, especially when the document has been transmitted multiple times. Sometimes fax image quality is so bad that an agent is required to begin the process again.

When electronic Internet-based faxing is used, a document transmits cleanly, clearly and can be easily read by all parties. With Internet faxing, files are stored in an electronic transaction folder. No printing or additional faxing is required. This eliminates a majority of paper, toner and telecommunications costs.

In member satisfaction studies WAV Group has conducted with several large MLSs, Internet faxing satisfaction levels are consistently higher than any other technology offered.

It is important to look for electronic faxing that easily integrates with comprehensive document management systems.

Electronic faxing also saves money while improving the broker’s ability to keep track of legible documents, reducing his/her transaction risks.

There are standalone internet fax services available for MLSs and Associations, but some of the vendors have expanded the fax offering built into their document management and transaction management offerings. The best ones offer a variety of faxing functions including outbound document faxing, standalone fax to email modules (in addition to the integrated functions), and mobile device faxing.

Electronic Digital Signatures

Once an electronic form has been created and added to a transaction folder, it can be signed electronically without having to print a hard copy.

Digital signatures are particularly helpful with out of town clients. The process can expedite document signing and removes the need for printing or faxing. It enables the agent to provide clients with executed copies of the documents in a very timely manner. The process can actually reduce potential liability for brokerages because the systems create a paperless audit log of all activities within the signing process. Leading digital signature technology providers in real estate have built proper security protocols to ensure the safety and authenticity of electronic signatures being used through their systems.

Because digital signatures eliminate the need to print out or fax contracts and documents for signing, they reduce or eliminate associated telecommunications, paper and printing costs. Electronic signatures also eliminate the need to mail documents to consumers, saving brokers and agents money on printing, postage and transportation costs.

Look for digital signature solutions that are fully integrated with a forms, document management or transaction management solution. Also keep in mind the real estate-specific features of a digital signature solution. Real estate transactions often require the signature of more people than most transaction types and therefore benefit from a more tailored solution.

Transaction Task Management

Once an agent becomes comfortable with creating, executing and storing their documents online, many proceed to the next step—managing all of their tasks from within their online folder. They order the property inspections, send documents to mortgage brokers and title agents, and manage all of the tasks required to complete a transaction.

Agents can pre-populate the system with their favorite vendors and brokerages can pre-load affiliated or partner companies as well, such as title and mortgage companies. The system also helps an agent manage the timeliness of a closing by sending out reminders when a task is due or overdue.

Transaction task management can also be used to enhance relationships with clients by providing them with more transactional transparency. Many transaction task management systems allow the homeowner to view the progress of their transaction. When the transaction is complete, the documents can be emailed to the client or burned on to a CD. When integrated online transaction task and document management is adopted, the need for paper files and storage is virtually eliminated. Task and contact management software such as Microsoft Outlook also becomes unnecessary. One central location contains every detail of a transaction.

Again, it is important to look for a document management provider that provides transaction task management as part of an overall document management system. They need to be really easy to use and integrated to ensure agents will continue to learn how to get the most out of these robust systems.

Tight integration with an online forms system is also important. Many of the documents to be managed are created by agents using a forms system. Having one system containing forms, documents and the transaction management functions in one platform is the ideal.

Toner

Printer and fax machine toner can cost anywhere from \$30 to \$250 depending on the type of equipment used. If a small brokerage buys one less toner cartridge per month at an average price of \$80 per cartridge, the company saves nearly \$1,000 per office. For a large brokerage with 100 offices using one toner cartridge per month per office, the savings could be as high as \$8,000 per month and nearly \$100,000 per year.

Document Storage and Retrieval

Real estate brokerages are required to keep their documents for up to seven years in some states. A brokerage that completes 600 transactions per year will need to store documentation for approximately 4,200 transactions.

A brokerage interviewed by WAV Group stated that it stores documents at a cost \$225 per month, or \$2,700 per year. Brokers believe this cost is a necessity because they are uncomfortable storing documents on CD media that may have a limited lifespan if not stored properly. If they needed to retrieve archived information toward the end of a CD's life cycle, that information may not be accessible.

However, with archival DVDs and CDs now available that is a non issue. Many disc manufacturers are now rating their archival CDs and DVDs at a 100 year lifespan.

By storing documents online via a document management system, brokers can eliminate the cost of storage. Their files are "safe" at a remote location not subject to the same environmental concerns they may face in their own market. The files are also backed up in another location, so the odds of losing any data is highly unlikely.

When they would like to access files, there is no need to dig through dusty boxes. Simply call up the folder name and all of the data will be there in seconds.

While documents are rarely retrieved from storage once they are archived, there are times when a

broker needs to locate a file. Since there are no clear-cut locations for each file, an administrative person needs to sort through the dusty boxes to locate a transaction record.

3. Green Fields Within the MLS

Many MLSs are now offering fields within their MLS system that highlight the green features within a home. Traverse Area Association of REALTORS®, led by Kim Pontius, was one of the first in the country to add fields to help subscribers promote green features in a home. Because consumers are very interested in homes with green features, this is one of the key ways an MLS can help its subscribers. NAR's *Green Resource Council* has collected information from several MLSs that provides a place to start when integrating green fields into your MLS.

4. Recycle/Reduce Consumables

Many municipalities charge less for recycling pick-up than regular trash service. Providing every employee with a recycling can under their desk to encourage the recycling of paper, cans, glass and plastic can result in considerable savings.

Reduce Paper and Plastic

There are some other ways to eliminate the use of paper by providing every employee with their own coffee mug and reusable water bottle, such as a *Camelbak*®.

Eliminate the Styrofoam and plastic cups from conference rooms and provide washable, reusable dishes in the lunchroom instead of paper plates and plastic utensils.

5. Electronics Recycling – “ecycling”

Many municipalities have programs for recycling electronics such as computers, monitors, and other peripherals. *ElectronicsRecycling.org* defines the concept of “ecycling” and provides a search engine that finds “ecyclers” near any zip code.

Some companies will even pay you to recycle electronics. For example, *OPRA (Office Products*

Recycling Associates) buys empty toner cartridges, ink jet cartridges, used cell phones, iPods and laptops. You can do the right thing *and* make a little bit of money.

6. Reduce Energy Usage

The Federal Energy Management Program has outlined a comprehensive list of simple changes you can make in your office to reduce energy consumption. Many of them are simple and inexpensive changes that can help you save significantly on your energy bills.

They suggest several simple steps you can take, such as replacing incandescent light bulbs in desk lamps and overhead lighting with *compact fluorescent lights (CFLs)* or light-emitting diodes (LEDs). Using CFLs instead of incandescent bulbs can cut your lighting costs by as much as fifty percent. CFLs use only one-fourth the energy and last up to 10 times longer than traditional bulbs. Switch off all unnecessary lights and use *dimmers, motion sensors, or occupancy sensors* that automatically turn off lights when an area is not in use.

7. A Green Building

Green Building Materials

In addition to the energy saving steps outlined above, you can also make your building greener. While you may not retrofit your entire building, when you are considering a remodel or upgrade you can use green materials. For example, if you are going to be painting, you can use *low or no VOC paint*. If you have to replace a carpet, choose one that is made with *sustainable materials without toxic preservatives*. If you are considering a major remodel or a new building, you have a chance to choose green materials throughout. Green buildings create healthier work environments for your employees.

Green Cleaning Supplies

Many cleaning companies are already switching to greener cleaning supplies for the sake of their own employees, but you can request it from them just

to be sure. There are several *green commercial cleaning products* available now. You just need to request them.

Landscaping Supplies

Some of the most toxic chemicals are used outside your building on lawns and flower beds. It is easy now to find *fertilizers and natural pest control* so that you will not be leaching toxic chemicals into the water supply. Studies have shown that lawns and flowers actually respond better to natural, organic products because they treat the chemicals as “enemies” and spend their energy fighting them instead of producing beautiful flowers or lush lawns.

8. Telecommuting

Whenever possible, offering your employees the ability to telecommute can be a plus. First, some employees appreciate the ability to work with a flexible schedule and work location. There is also a significant cost savings. Fewer employees in the office utilize less water and electricity. Telecommuting also reduces the amount of oil and gasoline used because they do not need to drive to the office. There’s a site called *Undress4Success* that provides a calculator to demonstrate potential savings from telecommuting.

9. Promote Green Designations

ecoBroker led the way a few years ago by offering the first Green Designation designed specifically for REALTORS®. They have the most well-established program. It was founded by Dr. John Beldock, former director of the U.S. Department of Energy’s Environmental Analysis Program in the Office of Energy Efficiency and Renewable Energy. He has also taught courses in energy engineering, energy and environmental technologies, statistics and pollution prevention.

NAR also followed suit with their *Green Designation*. There are also several other green designations for architects and green professionals. MLSs and Associations can offer not only the REALTOR®-specific designations, and related designations to create additional revenue streams and to demonstrate their commitment to green real estate overall.

10. Buy Carbon Offsets

Another way to go green is to buy carbon offsets. Companies like *Terrapass* offer a method to offset the carbon impact of your organization by supporting the cultivation of oxygen-rich plants and the development of carbon-neutral energy supplies like wind and solar energy.

Conclusions

The time is right for MLSs and Associations to seriously examine their ability to go green. Consumers prefer to work with Green companies. Employees are more loyal. Potential employees are more attracted to your company. With all of that comes the ability to save cost, preserve natural resources and create a competitive advantage. Going Green can truly help you generate increased revenue and profits over time. It may even help you sell your company at a higher valuation.

Going green truly is a win-win for your company, your customers and the environment.

While you may not be able to implement all methods of going green right away, any step you take toward eliminating waste and saving natural resources will help you strengthen your company.

Give it a shot and see how well it works for you.

For More Information

For more information about how to Go Green in your business please refer to the following resources:

Go Green Books

Green to Gold by Daniel C. Esty and Andrew S. Winston

Greening Your Business – The Hands On Guide to Creating a Successful and Sustainable Business by Daniel Sitarz

Greening Your Office by Jon Clift and Amanda Cuthbert

Green REALTOR®

ecoBroker

Green Designation by NAR

Green Resource Council

Green Tools for Consumers

Agilewaves.com

GetHipGetGreen.com

TheGreenGuide.com

How to Understand Green Labels

If you would like to learn more about how to take your MLS green, below are the leading companies in document management along with their service offerings.

Need Product Matrix here

About the Authors



Group is a leader in providing technology consulting services and research to the real estate industry.

The company provides strategic direction and thought leadership to some of the industry's leading Multiple Listing Services, Associations, Technology companies and real estate organizations globally. The company regularly publishes studies and white papers on a variety of technology topics.

WAV Group has expertise in the areas of content development, market research, strategic planning, product development, distribution, marketing, and technology evaluation, selection and implementation.

The company also helps MLSs outline green strategies and programs.

For more information, contact Marilyn Wilson at marilyn@wavgroup.com.

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