

Sept. 2019

Strategic Planning
Professional Development
Marsha J. Parham, Vice President

Blue Ocean Strategy:

Following the Blue Ocean Shift strategy of moving the organization from cutthroat markets with bloody competition and moving to wide-open blue oceans, or new markets devoid of competition, in a way that brings people along.

During the planning session we determined that we need to make market creating moves (blue ocean strategy) and move away from market competing moves (red ocean strategy).

The Three Key Components of a Successful Blue Ocean Shift

The first component is adopting a blue ocean perspective, so that you expand your horizons and shift your understanding of where opportunity resides.

SPAG determined that the opportunity resides with offering Rental Assistance Demonstration (RAD) offerings in the form of technical assistance that would support the changing structure of affordable housing. Building on the expertise within our industry, membership, and partners to develop effective guidance for this Demonstration. NAHRO would become the “Safe Haven” for Executive Directors, CEO’s, and practitioners to come for guidance and support. NAHRO would be the “Gatekeeper” for interested participants; providing direction, leverage, and support along the journey to closing a RAD deal/transaction.

The second component, is having practical tools for market creation with proper guidance on how to apply them to translate a blue ocean perspective into a commercially compelling new offering that creates new market space.

SPAG further determined that this tool/engagement/training would help the thought process of an agency Board or Director to be able to make an informed decision. This offering would help answer the question(s) of Where do I start? What do I consider? Who will be my partner(s)?

Realizing that every State and/or Region operates with different rules and regulatory requirements that impact the structure of each deal. It is almost a case by case approach to providing adequate and appropriate training or guidance. There is not a true red ocean for RAD offerings within the industry. Many other entities provide surface level training that provides you with enough information to navigate the regulatory waters from the perspective of Housing and Urban Development (HUD), but no guidance at the jurisdictional level.

This new offering could be structured in a way that allows for individual assessment at the Regional or State level, which would be very attractive to agencies contemplating the RAD offering. NAHRO should develop a RAD Boot Camp. This Boot Camp would be led by proven industry leaders from Housing and Redevelopment Agencies, HUD, and Financial Partners. This list can be expanded as necessary. The Boot Camp can be a “traveling roadshow” that has a foundation in regulatory requirements, but is specialized for each State or Region. The resources for the Boot Camp will be experts from the different jurisdictions hosting the camp. Similar to any other type of Boot Camp, the program design has a general component as mentioned prior, but additional has a component a layered customized plan for each participant.

The third component is having a humanistic process, something we have come to call “humanness” in the process, which inspires and builds people’s confidence to own and drive the process for effective execution.

During our discussion it was noted that it is a common practice for agencies to seek our assistance from their fellow practitioners that have already journeyed into the world of RAD. The combination of the NAHRO faculty, HUD resources, and Agency Leaders will provide the “humanness” to the offering. The combination of resources and practical experience can help with the development of a Step by Step Guide designed specifically for the agency. This would be a follow on component to the Boot Camp. Offering NAHRO additional revenue opportunity.

