

A Vision for ARES in the Twenty-First Century: The Virtual Community of Real Estate Thought Leaders

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Abstract. In the twenty-first century the American Real Estate Society (ARES) is a virtual community of real estate thought leaders, electronically interconnected and linked through the International Real Estate Society to counterpart organizations on all major continents as well as numerous country-specific societies. ARES growth is attributable to its emphasis on rigorous applied microeconomic decisionmaking and an inclusive, open style. The initiatives of the Strategic Planning Task Force, whose report was enthusiastically endorsed and implemented at the 1996 Lake Tahoe meetings, have led to an expansion of activities and services. Further, the “Great Water” location strategy continues to attract strong meeting participation, which meetings emphasize special tracks for the corporate space user, global portfolio investing, micro property strategies and transactions, property analytic advances, improving cognitive skills to overcome bounded rationality, and learning innovations as well as ethical and aesthetic issues, property rights and quality of life topics. As valuable as the electronic access to critical real estate research resources is, the ARES Annual Meeting continues to be the one *must attend* gathering for real estate thought leaders throughout the world.

The date is 2020. Twenty-five years, a quarter century, have elapsed since the American Real Estate Society’s (ARES) celebration of its tenth anniversary. ARES functions as a dynamic, vibrant, virtual community, electronically linking the thought leaders of the real estate discipline, both academic and practicing professionals, in a real-time present exchange of information and ideas that promotes informed, responsible, effective real estate decisionmaking. The ARES fundamental values—particularly the focus on micro real estate business decisions, and an inclusive, rather than elitist, ethic of participation and opportunity—continue. But the means by which these pivotal values are implemented have changed dramatically. Cyberspace—virtual reality—has itself become both used by ARES, and also an object of real estate ventures.

The 1994 tenth anniversary ARES meeting was notable for the high visibility of international topics on the program as well as the formal organizing of the International Real Estate Society. Indeed, the 1994 meeting featured a panel discussion and four sessions on international real estate topics as well as a number of papers in other sessions, with attendance drawn from some fifteen countries. By the twenty-first century, *international* is no longer noted on the program or as an organizing theme, since the global orientation of society and the real estate markets that serve society are the norm. Instead, the geographic theme of sessions, to the extent there is one, crosses—figuratively and literally—national borders.

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The real estate markets have experienced a revolutionary transformation, from simple to complex, limited to broad, basic to sophisticated, predictable to discontinuous. The extraordinary changes in key attributes of the real estate markets of the late twentieth century compared to the early twenty-first century real estate markets are highlighted in Exhibit 1. In this period of dynamic change, global perspective, and market discontinuity, the information, education and research that ARES makes available to its members have become crucial to effective participation in the twenty-first century real estate markets.

In the twenty-first century the International Real Estate Society, of which ARES was the founding impetus and continuing major initiator, has expanded to embrace the European Real Estate Society, the Pacific Rim Real Estate Society, the African Real Estate Society, and the Central and South American Real Estate Society, as well as numerous country-specific societies, in addition to ARES for the United States, serving China, India and other countries. The American Real Estate Society now includes Mexico and Canada.

The thrust of the decision priorities of the twenty-first century are reflected in the emphasis of ARES members, their business strategies, their research priorities, their paper presentations, their consulting/transactional activities, and their conversations. Accordingly, early twenty-first century critical questions include: Which country? How does real estate fare in an environment where location has become less critical? Which real estate security? The decision emphasis is on strategic location, investment policy, due diligence, creative marketing, and financial management. There is greater emphasis on the psychology of decisionmaking, particularly incorporating advances in behavioral research and the greater priority placed on value-based systems of resource allocation together with the nonequilibrium economics and other emerging approaches reflecting the general rejection of rational choice theory. Increasingly, property rights issues dominate the intellectual debate. In real estate decisionmaking, complexity mandates an emphasis on sophistication, strategic insights plus “rocket science” applications, as well as credibility (Roulac, 1994).

Real estate decision tools and information resources have evolved significantly from earlier times (Roulac, 1994). In 2020, the scope of property market coverage is global, since economic and demographic data have advanced from a local orientation to coverage of multiple countries via global on-line databases. Property market data and capital market data are on-line. Significantly, investment evaluation methodology features sophisticated on-line real-time market comparison and reproduction cost models, with the more advanced professionals explicitly applying decision models premised upon probabilistic analyses, sophisticated simulations and/or chaos theory (Peters, 1994), neural networks, and longer term global strategic concerns.

The growing cadre of securities analysts and managers of securities portfolios represent an increasingly influential group of professional analysts who have a strong commitment to an objective assessment of an investment's probable future performance, if not an adversarial relationship, at least to some degree, to the promoter of that investment. Consequently, the traditional game of “how to make the most favorable presentation of the deal prospects to get access to capital” has been at least somewhat neutralized by the ongoing analytic scrutiny by the real estate securities analysts of the investment managers. Still, the pressure to do deals, whether good or bad, continues, although the abuses are less egregious than in earlier times.

The decision systems utilized reflect property-specific variants of virtual reality, advanced expert systems, with highly sophisticated integrated quantitative methods and

Exhibit 1 Changing Real Estate Markets

Attributes	Late 20th Century	Early 21st Century
Focus	Transaction	Strategy, Policy
Economic environment	Solid growth	Uncertain, dynamic
Change predictability	High	Low
Change pace	Slow, long lead time	Fast, dynamic
Communications	Slow	Instantaneous
Market structures	Stable	Fragmented, fluid
Business space market condition	Balanced	Shifting
Business space market demand	Strong, predictable	Volatile
Tenant orientation	Passive, unsophisticated	Aggressive, strategic, sophisticated
Tenant mobility	Stable, limited	High
Capital access	Residual user	Primary, direct access
Finance source	National	Global
Investor source	Local	Global
Investment form	Direct	Securities
Investor sophistication	Low	High
Investment orientation	Entrepreneurial deal mentality	Fiduciary, institutional
Manager orientation	Opportunistic, deal making	Strategic, value creation
Professional service providers	Local	Global
Property market data	Local	Global
Analytic tools	Calculator	Computers
Information sophistication	Low	High
Information availability	Modest	Overwhelming
Capital market data	Nonexistent	Global
Databases	Simple, minimal	Sophisticated, extensive
Documentation	Short, simple	Lengthy, complex
Financial analysis	Simplistic	Sophisticated
Regulation	Straightforward, predictable	Highly complex, shifting
Building scale	Small	Large
Building complexity	Simple	High
Academic programs	Modest, limited, rigid	Extensive, flexible, responsive

This exhibit is adapted from S. E. Roulac, ARES: A Cost-Effective Research Resource for Changing Real Estate Markets, *Real Estate Finance*, Winter 1993, 75–78.

graphic display. Computers, readily adaptable to voice, script character recognition and scanning input, have become ever smaller, more powerful and easier to use. Computers linked by the internet support ARES in a virtual learning network of worldwide conversation.

ARES is no longer simply an organization that one belongs to, receives publications from, and periodically attends the annual meeting, but an integral, even essential, resource for the dedicated twenty-first century real estate thought leader. In the twenty-first century ARES is unequivocally recognized as the dominant organization serving the educational, information and research needs of the thought leaders of the real estate discipline. The ARES community in the twenty-first century embraces academics from multiple disciplines, consultants, corporate real estate executives, investment managers, researchers, Wall Street securities firms, and public sector officials, as well as leading

professionals from allied disciplines such as law, planning, architecture, and accounting. Through Electronic ARES, inaugurated in 1996, ARES thought leaders interact regularly, as the opportunity now exists to take the initiative to tap into information on a real time basis, rather than just receiving it in a response mode, such as characterized the hard copy world in which ARES existed in the mid-1990s.

Significantly, in the 1990s most trade associations that served the information, educational and research needs of their members found themselves constrained by declining resources, at the very time that their members most needed guidance and assistance to cope with chaotic, discontinuous market conditions. Declining membership levels usually led to cost containment, and the sharp curtailment and even elimination of many key activities. During this time, contrary to the pressures of these daunting market conditions, the American Real Estate Society continued to grow in membership and services provided. As corporations moved towards worldwide distribution and flexibility, ARES discovered new markets by integrating virtual reality concepts into issues concerning real estate holdings.

Although the role of information in real estate decisions was earlier identified as a growing priority, few in the market in the early 1990s had effectively embraced the concept through operationalized information systems (Roulac, Castle and Lynford, 1990). In the early twenty-first century, however, the critical role of information and research in real estate decisions is broadly recognized. Whereas some in the real estate industry back in the 1980s and even before had promoted the idea that "information plays a critical role in our decisions," such representations too often were self-serving attempts to cloak a promotional sales statement in the garb of valid, legitimate information. In the twenty-first century, however, increasingly the significance of information is recognized more in the reality than as mere hyperbole.

Participants in real estate markets, irrespective of their size, sophistication or strategy, uniformly recognize the imperative of basic research insights and related information to guide real estate decisionmaking. As a data center—having a central information resource that researchers can plug into—ARES has become the cornerstone for every real estate enterprise committed to thoughtful participation in challenging markets by providing a starting point of access to basic information through its publications, directory of information resources, professional opportunity linkages, and related services.

Given the hard copy costs of publications and limited library budgets, the organization and dissemination of information on research is mostly electronic through computer networks. For example, instead of publishing a directory of members, the Secretary/Treasurer maintains a computer file than can be called up via modem by any member (but which cannot be changed except by the Secretary/Treasurer) and printed out or accessed on each member's computer.

Whereas ARES in the mid-1990s was just becoming known to private sector real estate organizations, by the twenty-first century real estate firms proudly and assertively displayed their ARES affiliation. Those firms that have the strongest research capabilities highlight their significant roles within ARES and the contributions that the research professionals employed by them make, as well as the significant research ideas that result from their direct financial support of ARES.

Other organizations, seeking an alliance with a research perspective, but lacking the strength of their own internal full-service research departments, point to the strategic advantage of the extraordinary access to research and intelligence concerning the real

estate discipline that their ARES memberships provide them. Certainly, some of these representations concerning ARES affiliations are more cosmetic than substantive.

Still unresolved, however, is the attempt by many to keep property-level, investment performance information secret so as to preserve a perceived market advantage. Researchers continue to be frustrated by those managers who refuse to release data on the performance of individual assets, as firms with large databases perceive they have a competitive advantage.

The composition of ARES membership in the twenty-first century closely reflects the evolving structure, dimensions and emphases of the real estate discipline. With a substantial amount of real estate, especially nonoccupant-owned institutional grade property, now owned in the securities form, the role of real estate securities analysts has been elevated accordingly. Consequently, a meaningful proportion of ARES members work in evaluating real estate securities. Consultants advising on real estate transactions, particularly those involved in property analytic services, also represent a significant share of ARES membership.

While corporate real estate became an increasingly popular topic in the 1990s, most of the coverage involved academics addressing their research to an audience largely comprised of other academics and consultants, with only a handful of corporate real estate executives attending ARES meetings. But by the twenty-first century, with the corporate real estate function elevated to an important and significant status within the business organization, and an elevated sense of professionalism characterizing that function, many corporate real estate executives are actively involved in ARES. They, like their colleagues in other segments of the real estate discipline, particularly appreciate that the ARES meeting represents a marketplace of ideas, which emphasis stands in stark contrast to other professional associations that are dominated by marketing and sales types, whose presentations are often less than distinguished by their intellectual content.

In the late years of the twentieth century, involvement in ARES by investment management organizations was primarily limited to the research departments of a select group of more forward-thinking investment management firms. However, in the twenty-first century, numerous senior and many middle-level employees of real estate investment management organizations are actively involved in ARES. Similarly only a few information and data providers participated in ARES in its early years. But in the twenty-first century, the senior management, marketing executives, and economic and technical research specialists of numerous organizations involved in providing information, data and research services participate actively in ARES. Increasingly, ARES serves a data clearinghouse function for those wanting to access information to support micro-level real estate decisions.

Looking back, reasons for ARES' growth and leadership are attributable to four primary forces, including market conditions, competitive advantage, location strategy, and initiative. Each is addressed more fully below:

- *Market Conditions.* The confluence of daunting property market conditions, a transformation of the capital markets from an emphasis on direct participation to securitization, and an extraordinary revolution in the structure of the various real estate service sectors, combined to complicate and challenge the market intelligence function for real estate participants.

In the years prior to the 1990s, when markets were primarily local, the amount and pace of innovation were modest, as were the quantity and accessibility of

information. The research needed to track market conditions and identify new concepts that might improve future real estate performance was very straightforward. But in the twenty-first century, global markets, discontinuous business relationships, revolutionary innovation, and an explosion of information compounded the research challenge. Market participants needed a better way of addressing the market intelligence function and ARES aptly filled that need.

- *Competitive Advantage.* Traditional real estate organizations, emphasizing development, public policy, theoretical economics, and dubious valuation procedures or transactions, were more and more viewed as lacking in focus, organization and relevance. The extraordinary changes in the real estate markets were basic as to why ARES in the twenty-first century appeared as a dramatically different organization than the informal confederation of twenty or so academics who gathered in the mid-1980s to put together an alternative to the monopolistic American Real Estate and Urban Economics Association (AREUEA), which organization was not providing adequate stimulation, access and opportunity for many involved in the real estate discipline. The ARES emphasis on rigorous applied microeconomic decisionmaking was to AREUEA what the Financial Management Association, emphasizing rigorous applied financial research, was to the American Finance Association, an academic organization that emphasized theoretical and increasingly inaccessible research.
- *Location Strategy.* Some asserted that one of the reasons ARES expanded so in the first decade of its existence was tied to a superior location strategy. AREUEA selects its meeting sites by following the lead of the American Social Sciences Association (ASSA), and accordingly ends up in large metropolitan convention meeting facility locations. As an independent organization with a progressive and creative site-selection strategy, ARES visits attractive resort areas that other conventions generally, and those attracting academics specifically, do not favor. Accordingly, the ARES “Great Water” location strategy provides a meaningful competitive advantage over the AREUEA “follow the ASSA” location approach.

Those who think strategically about such subjects suggest that this dichotomy of site selection is in fact a powerful metaphor for the difference in the emphases of the two organizations. The micro-focus of ARES features considerable sensitivity to members’ desires and to siting the meetings in places that will most appeal to the target market. AREUEA, by contrast, follows the lead of a monolithic, industrial, some would say outmoded, location strategy paradigm, with the result that meetings are in places that are often aesthetically less attractive. Because of the ASSA dominance, there is minimal sense of community at the AREUEA meetings.
- *Initiative.* In the mid-1990s ARES successfully made the transition from an entrepreneurial startup venture to a major world class national/international professional organization. ARES leadership boldly embarked upon new initiatives, expanding service offerings, enhancing membership benefits, and extending the outreach of the organization, while preserving the core values— inclusion, proactivity, relevance, and application—that were the basis upon which ARES was initially created.

The Strategic Planning Task Force report, enthusiastically endorsed by the ARES

Board of Directors at its 1996 meeting in Lake Tahoe, charted a course for ARES in the twenty-first century that emphasized increasing financial resources to fund expanded member services; continuing to introduce new services to enhance the value, relevance and utility of ARES membership, and addressing issues of administration and governance in a way that institutionalized the ongoing functions of ARES while preserving its distinctive entrepreneurial ability to get things done.

Responding to the needs of the markets with entrepreneurial initiative, ARES grew rapidly in number of members served and in services delivered to its members, while concurrently providing a stimulating force for the revitalization of other professional associations serving the interests of those involved in real estate. ARES has artfully expanded its scope, maintained its sense of community (Etzioni, 1994), and translated its members' energy and expertise into action that enhances the quality of decisions concerning society's relationship to the built and unbuilt environment.

In the mid-1990s both the Clinton Administration and the new Republican House leadership championed the idea of the information highway, raising the roles of technocrats, computer nerds and cyberspace cadets to a priority that their proponents might never have dreamed. Yet, for many, the much-promoted information highway was at best a rough footpath. Progress was step by step, not by jet-powered vehicle. The surface was narrow, uneven, winding, and at times, discontinuous, rather than smooth, wide and straight, as envisioned by some in the 1990s. This made the journey anxious and frustrating for many, but enthralling for all. Many seeking to navigate or merely cross the information highway found they were run over by the speed and mass of technological innovation. Some fled the information highway, others ended up as road kill. But the incontrovertible fact was that major economic competition showed that the value of the media world was approaching that of tangible properties, equivalent to the total assets of a real city.

Looking back on the mid-1990s, the more technologically advanced members of ARES were frustrated by an information delivery system that they viewed as primitive relative to the potential. Paper presenters lugged to the annual meeting heavy loads of research papers, verbally conveyed their findings to an audience who scrambled to get as complete a collection of these papers as possible (running back and forth before and between paper sessions), and then lugged home a heavy suitcase containing said papers.

At the 1994 Santa Barbara ARES Annual Meeting, the program featured 178 papers presented in thirty-four sessions, plus eight panels, with as many as five concurrent sessions offered. The breadth, scale, diversity, and concentration of research presentations were intellectually exciting but frustrating at the same time. More and more, ARES members found they concurrently wanted to be in multiple sessions, or at the very least get access to the wealth of research presented. Only the most diligent and persistent could gain access to a meaningful portion of the thought leadership conveyed by presenters at the ARES meetings.

More than a few thoughtful members asked, "Why can't we have proceedings of the meeting?" Others insisted that the meeting should be available on disk. A few suggested that the physical papers could be dispensed with, since all the information could be electronically transmitted. Although not easy, and characterized by some detours and construction delays along the way, as ARES moved into the twenty-first century, it made the transition from a paper primacy of information exchange to the electronic

transmission of information in a real-time computer network environment. At the same time, it added computer conferencing so that the papers could be continuously discussed in open electronic conversation.

Craig Stanley's paper presentation at the 1994 Santa Barbara Annual Meeting to the "Teaching, Cases and Intellectual Frameworks" session offered a preview of what the ARES twenty-first century meetings would become (Stanley, 1994). In contrast to every other paper presented in that session, Craig did not stand in front of the room and talk to his audience, but rather sat in the audience with a laptop electronic device by which he demonstrated the application of a multimedia interactive learning technology that he was applying to teaching real estate. His session provided the audience a preview of an interactive multimedia education delivery system, similar to the CD-ROM technology. Another hint of advanced technologies was provided by Geoffrey Dohrmann in the "Strategic Applications" panel session, wherein he employed a computer-based system to transmit text, word and graphic information in the form of charts and outlines to the audience through a computer display projected onto a screen, rather than transparencies, slides, or some other more primitive presentation mode.

Recognizing the growing emphasis on specialization within real estate, as well as the continuing generalist nature of the discipline, the structure of the meetings has evolved into a combination of plenary sessions with real time agenda setting into special tracks, with the former attended by all attendees and the latter by those with particular interests in those areas. Among the most popular special tracks are corporate space user, global portfolio investing, micro property strategies and transactions, property analytic advances, improving cognitive skills to overcome bounded rationality, and learning innovations. Ethical and aesthetic issues, property rights, and the quality of life are priority topics that people pursue vigorously.

The companions' program, an innovation at the 1994 meeting, has expanded to a full set of sessions, organized by a separate program chair. In addition to sessions for companions concerning their perspective on the real estate discipline, a popular series deals with personal family, dual career, balanced life, and relationship issues. Also included are group tours and outings prior to and following the ARES meeting.

The twenty-first century ARES sessions are radically different from those that were the norm in the 1990s. In the early years of the twenty-first century, more and more presenters employ advanced communications technologies. Any ARES session that involves substantive information prepared prior to the session requires pre-meeting electronic transmission of papers to the interested ARES members, rather than distribution in hard copy format at the time of the presentation by the paper's author. Many have laptop computers, so that charts and numbers can readily be pulled up, without depending upon the speaker to use overhead transparencies, slides, or handouts. This information is transmitted to personal clip pads by infrared.

Some sessions feature discussants who summarize the high points of the paper in a couple of minutes and provide a critical assessment of the paper's significance, relevance and applicability. Then, authors have an opportunity to respond to the discussant's critique, which response is followed by a freewheeling debate involving discussant, author and audience. Such dialogues turn out to be stimulating, provocative and highly entertaining, in stark contrast to the rather stultifying and dull presentations that characterize so many traditional academic meetings.

While some advocate a teleconference format to dispense with travel to the meeting,

the importance of the social process and the dynamic interactions continue to favor the annual gathering. The overall tone of the ARES meeting is less formal, rigid and structured, and more informal, dynamic and interactive. Since the papers are readily available through electronic formats, the justification for the meeting has moved away from formal presentations to recognizing and emphasizing the personal interaction opportunities that the ARES meeting affords. Having the paper available (electronically or otherwise) before the sessions leads to more insightful discussion/questions and answers by the attendees. More and more, those attending the ARES meeting who have academic involvements are emphasizing participation in teaching effectiveness sessions and communications workshops, since the academic performance assessment priority at many universities has expanded from a research primacy to include learning enhancement effectiveness and knowledge dissemination productivity (Anderson, 1992).

What was introduced on a small-scale basis in 1994—table space for publishers to display their latest offerings—has evolved by the twenty-first century into four major marts, covering technology, information innovation, knowledge and learning, and professional opportunities. The Technology Mart features the latest thoughtware to facilitate real estate decisions, including software, systems and hardware for the access, communication, storing, organizing, and manipulating of information of all sorts in all formats.

The Information Mart features offerings that embrace both original proprietary data as well as creative packing and arraying of data derived from multiple sources. While some information technology purveyors enjoy active positions in both the technology and the information segments of the business and, therefore, participate in both the Technology and Information Marts, the majority of enterprises displaying their wares concentrate on one or the other.

The Technology Mart is particularly appealing to ARES members because it provides an opportunity at one place to gain access to demonstrations subject to stringent independent standards, administered by the ARES Methodology Integrity Panel. Responding to concerns about the great divergence in claims made by different software vendors, the ARES Methodology Integrity Panel provides assessments of the degree to which the software offered to the market employs logarithms and analytic methodologies consistent with contemporary research and generally accepted analytic practices. The ARES Methodology Integrity Panel assessments are implemented through alliances with specialist private sector vendors, as ARES provides an overall mantle of market outreach and third-party quality review.

A third popular feature of twenty-first century ARES meetings is the Knowledge and Learning Connection, which features the offerings of traditional publishers, who largely supplement traditional texts with interactive software programs that students use in their own computers, as well as innovative multimedia information products. The multimedia information products cover a broad spectrum of applications, ranging from basic, core educational offerings, which supplement hard copy textbooks, to specialized continuing education and research reference resources to customized property due diligence applications. The hard copy products have grown absolutely but achieve a much diminished market share as libraries can no longer afford paper print books, so access is increasingly through electronic transmission.

Whereas in the mid-1990s the employment prospects for the traditional academic core constituency of ARES were less than sanguine, in the twenty-first century the ARES meetings are a popular place to create relationships for professional involvements

("networking"). What was once informal dialogue in the hallway, during cocktail parties, and over meals has blossomed into a dynamic Professional Opportunity Exchange. The system runs continuously on real time, with the ARES meeting providing an opportunity for both those seeking to retain and also those offering to provide specialized services to meet personally to extend discussions and close deals. Significantly, the professional opportunities discussed include not just full-time academic and industry positions, which by the twenty-first century account for a minority of the ARES membership, but also include a broad array of short course assignments, workshop and discussion leadership roles, contract research assignments, specialized one-time studies, and the like. Through the IRES Bulletin Board, members access the Professional Opportunity Exchange year round electronically.

The ARES publications program in the twenty-first century reflects considerable evolution. All articles appear on electronic databases, with notations of review and accepted status. *The Journal of Real Estate Research* now appears eight times a year and the *Journal of Real Estate Literature* has become a quarterly as has *The Journal of Real Estate Portfolio Management*. A new publication, *Journal of Real Estate Strategy*, modeled after the *Harvard Business Review* but covering the real estate discipline, serves the general interests of those with decisionmaking responsibilities. The *Journal of Real Estate Education and Practice* reflects the renaissance of teaching, as well as the pervasive recognition of personal learning responsibility. A new, highly popular ARES publication product is the *Real Estate Information Resource*, which concentrates on covering the proliferating information resources available to decisionmakers involved in the real estate discipline.

While publications continue to be available in hard copy format, their primary means of dissemination is through IRESNET, a network that links together the thought leaders of the real estate discipline that comprise the ARES membership as well as their counterparts in the other real estate societies covering Asia, the Pan-Pacific, Europe, Africa, and Central/South America. Although some of the original ARES founders advocated that the network should be named after ARES rather than IRES (the International Real Estate Society), the global vision prevailed. While recognizing that ARES was distinguished by its initiative in creating a functioning international real estate society, the leadership of ARES felt it was important that the real estate discipline be global rather than parochial in its orientation and include information from all the organizations that comprise the International Real Estate Society.

IRESNET represents a means of blending the information transmission of the ARES/IRES publications with the personal interaction of the ARES/IRES meeting. ARES in the twenty-first century is a dynamic, living exemplar of the implementation of Marshall McLuhan's trenchant observation a half century earlier:

Rapidly we approach the final phase of the extensions of man—the technical simulation of consciousness, when the creative process of knowing will be collectively . . . extended to the whole of human society much as we have already extended our nerves by the various media. (McLuhan, 1962)

With such phenomenal increases in the speed of ideas exchanged, ARES membership reflects the rich diversity of the modern business world. As a marketplace for ideas, the views from differing perspectives are not merely tolerated, but encouraged. ARES is not a social club, but rather a world club. Most simply, in the twenty-first century ARES is actively and aggressively committed to extending the creative process of knowing about real estate broadly to the global society.

Those ARES members primarily affiliated with an academic institution no longer perceive themselves as teachers but rather as learning facilitators. A slight number of ARES academics still organize and communicate information and knowledge similar to conventional twentieth century methods. However, most students access the twenty-first century equivalent of lectures, now in the form of dynamic, interactive multimedia learning products, through their own computers. Few real estate academics lecture, in the traditional sense. Instead, the majority of ARES members in the academic community lead discussion groups, either case courses or focused tutorials that reflect strong student participation, both to develop problem solving skills for unstructured decisionmaking, as well as to address the need for real time social interaction.

Increasingly, the traditional distinctions of *industry* or *academia* no longer apply. More and more, those with senior and research positions in business organizations have superior academic credentials, it being fairly common that a senior research executive possess a Ph.D. And, the idea of someone being in a teaching role without having outstanding training and experience in communications, plus experience in the practical application of what he/she is teaching, is viewed as a curious reminder of the mistaken emphasis of the pre-twenty-first century, almost like the short-lived bell bottoms and Nehru jackets popular in the 1960s (which incidentally had made a comeback as a fashion statement in the twenty-first century).

Real estate knowledge workers of the twenty-first century increasingly make a living through the entrepreneurial pursuit of a portfolio of activities by packaging together a collection of relationships bridging a diverse array of private industry segments, public sector clients, academic institutions, and various individual contractual work activities (Handy, 1991). Few ARES academics have pure teaching jobs at a single institution; rather, they may offer a mix of courses in both the university and corporate training environments as well as engage in contract research. The organizational relationship concept of "ad hococracy," popularized by Tom Peters' *Liberation Management* (1992), increasingly characterizes the way thought leaders work. Rather than committing themselves to concentrated full-time involvement with a single organization over an extended time horizon, the primary thought leaders employ multiple organizational affiliations to implement their work.

Interestingly, the model employed in real estate construction of bringing together disparate specialist talents to implement a particular project more and more characterizes knowledge work. Thus, like agrarian contract farm laborers and construction workers, who moved from job to job and place to place, itinerant knowledge workers, no longer tied to one place or an institution, in the twenty-first century do the same. While IRESNET facilitates such connections, the ARES meeting represents the crucial opportunity for personal face-to-face interaction, so important for extending rapport and sustaining relationships.

The ARES meeting has become the one must-attend meeting for all consulting organizations, who require active involvement in and completion of the ARES School of Real Estate program for certification and to meet continuing education requirements. The ARES School of Real Estate is jointly offered with the Institute of Certified Real Estate Analysts, an organization that offers the CREA designation, which is increasingly expected of those who are seriously involved in real estate analytic undertakings. While numerous educational opportunities are available through a variety of multimedia sources, many real estate organizations favor sending their professional staff to the ARES meeting for the opportunity to interact with other leading consultants, academics,

research specialists, senior executives, and especially the organizations that retain their services. Thus, the specialized short courses, offered before and after the primary ARES meetings, are both an integral element of the professional development program of the consulting organizations and a substantial source of revenue for ARES.

Indeed, in the twenty-first century ARES in action aptly exemplifies Howard Rheingold's definition of virtual communities:

social aggregations that emerge from the Net when enough people carry on those public discussions long enough with sufficient human feeling to form webs of personal relationships in cyberspace. (Rheingold, 1993)

In the twenty-first century ARES members benefit from being part of a virtual community of real estate thought leaders. The ARES community both enhances their professional effectiveness, and also contributes to their personal growth, their shared commitment to advance the real estate discipline, and extraordinary personal relationships in both electronic cyberspace and face-to-face interaction.

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