



**Category: Management Innovation**

**Subcategory: Human Resources**

## **INTRODUCTION**

“nyhomes” consists of New York State’s three housing agencies—the Housing Finance Agency (HFA), the State of New York Mortgage Agency (SONYMA) and Affordable Housing Corporation (AHC)—which employ more than 200 professionals with a broad range of administrative, legal, financial and program responsibilities. For all staff, our mission remains the same: to expand affordable housing opportunities for low- and moderate- income New Yorkers. Keeping sight of our collective mission and explaining how individual staff members can contribute to this mission can be difficult for the average “nyhomes” employee. In an effort to address this issue, we developed an internal weekly newsletter that provides current market and housing industry information.

The *Monday Market Update* (“MMU”), produced by the debt issuance unit, helps educate and engage the interest of staff not typically involved in programmatic and program funding decisions in key market factors affecting our activities. The resulting increase in staff awareness and commitment has, in turn, fostered a stronger team environment.

## **DEVELOPMENT**

As the largest issuer of housing bonds in the nation for the past two calendar years, “nyhomes” is frequently in the bond market. To assist with the pricing of our bonds, the debt issuance staff has historically compiled and analyzed a variety of market indicators prior to pricing a bond issue. While having market information at the time of pricing is crucial, we determined it would be most effective to constantly monitor the market. To that end, the debt issuance unit developed a weekly market update to keep bond finance staff abreast of current market conditions.

Although the newsletter was initially intended for this limited use, we decided the newsletter was an excellent way to distribute market information to staff not involved in the pricing of our bonds. As a result, the weekly market update is now made available to all employees interested in the newsletter. Initially, staff was sent a draft of the market update and asked to reply via e-mail to request inclusion on the weekly circulation. The response was overwhelming with approximately 50% of our employees asking to receive the newsletter. They noted the document’s usefulness in performing their daily activities and that it provided a general understanding of market factors affecting the Agencies’ operation.

**DESCRIPTION**

The MMU, launched in March 2009, includes a variety of information pertinent to the overall state of the market and the financing activities of “nyhomes” and other housing and New York issuers. The MMU reports information as of the close of business on Friday of the previous week, including: 5, 10 and 30-year treasury yields, MMD rates and SWAP rates; the average yield on HFA and SONYMA bonds; the SIFMA and JJ Kenney indices; 1 and 3-month LIBOR rates; and General Market, AMT and New York weekly and daily variable rate resets.

Also included are the results of recent “nyhomes,” housing and comparable issuer transactions, the amount of municipal supply slated to come to market for the week, municipal bond fund inflows and outflows and small blurbs highlighting significant market activity of the previous week.

**STAFF GROWTH**

The development and circulation of the MMU is helping to inform and educate our staff. The benefits to our operation have been threefold: 1) aiding staff in setting interest rates for our single-family mortgages; 2) professional development for new staff working on bond transactions; and 3) engaging the “nyhomes” staff on issues affecting our operation and fulfillment of our collective mission.

The MMU also provides our management with easy access to view market trends, which aids in our market-related and programmatic decisions. This is particularly useful when we set interest rates for our mortgages. The MMU is an efficient, focused information source of current market conditions that helps us make informed decisions.

New hires and interns are provided with the MMU to acclimate them to frequently used terms and market indicators affecting our operation. The information aids staff charged with training these individuals by accelerating the learning curve and shortening the time period when they can become productive members of our team. In fact, a new hire helped in the MMU’s development and is now responsible for editing it. This task has proven to be an effective training tool and the individual has shown tremendous knowledge growth since taking on these responsibilities.

Finally, our staff has collectively become savvier about and more engaged in the market in which we operate. Staff members note that, in light of recent market turmoil, the MMU has been extremely helpful in providing financial data which would otherwise be difficult for them to digest in layman’s terms. One staff member said, “With the economy being what it is today, the MMU is helpful because it summarizes market fluctuations in relatable terms.” Another said, “I look forward each week to reading the Monday Market Update. It’s well presented, relevant financial information expressed in language that I can understand - and all on a SINGLE page!”



## MONDAY MARKET UPDATE

August 7, 2009

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Staff members who would otherwise not be involved in program or market details now feel like active participants in our activities. Though this can only be measured qualitatively, many staff members say that they feel more like they are a part of the “nyhomes” team, which has translated to greater interest in their respective duties. A member of our legal team said, “The MMU gives us an idea of how the current state of the market affects how the Agency sells bonds.” The MMU is a cost-effective investment in staff professional development. Staff’s skills are boosted and a team atmosphere is fostered.

Attached are several editions of the MMU.