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TIP OF THE MONTH

Creating Transparency Decreases Board Burnout
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As property management consultants, one of the biggest complaints we hear from Boards—especially from self-managed associations—is the time invested by board members in the management of their property, which can create a phenomenon we like to call *Board Burnout*. There are usually one or two board members that devote the most amount of time and often it is spent reinventing the wheel year after year. When Board members are dedicated and proactive, they are often afraid to leave the Board for fear that everything will all fall apart upon their departure. And, unfortunately, many times their worries do not go unfounded!

It sounds simple, but the best way to decrease time spent by the Board is to increase efficiency and transparency. All associations should have protocols in place to address the three aspects of every property: 1) Administrative; 2) Financial; and, 3) Physical. Obtain the appropriate training and understanding for each aspect above and implement using the following ideas:

Make it a process, not a project. Obtain or create a form that will save time when performing the same task again in the future. Once the protocol has been created and is in place, document it so it doesn't have to be created again. And, be prepared to revise the process to meet the changing needs of the association. What worked years ago may no longer apply today.

Align yourself with the applicable professionals. Determine which industry professionals will help to make the Board's job easier and hire them. If the association is too small to afford professional management, consider outsourcing certain tasks such as your financials, maintenance/repairs, and management consultation for on-going guidance. Legal issues should be directed to a condo attorney, especially for developer turnover, litigation and collections issues. Somebody needs to perform the needed tasks effectively and timely. If ignored, they will not just disappear, will expand with time and likely cost more money in the long run. If the Board lacks the knowledge or time, then the association needs to pay for the needed service from a qualified and reliable source. Consider it an investment in your largest asset and budget accordingly.

Create an Operations Manual. All well-run businesses have a manual identifying how it should be managed and your association should be no exception as it is a corporation probably worth a few million dollars at the very least. Your Operations Manual should include, but may not be limited to, the following: 1) Annual Calendar; 2) Owner's Roster; 3) Emergency Contact Information and Protocols; 4) Vendor Contact List; 5) Declaration/Bylaws; 6) Rules & Regulations; 7) Pertinent Association Information to answer condo questionnaires for unit sales or refinances; 8) Annual Budget; 9) Insurance; 10) Procedures & Protocols. This binder of key information should be in the hands of or available to every board member and manager, updated annually, and passed on to new board members. In an emergency, it may save valuable time and money. And, it will help in training a new board and/or manager.

Increasing efficiency and transparency will save the Board time while decreasing liability. It may take considerable effort to set up, but will be well worth the time and money invested in the long run. This process may also help in getting owners to participate on the Board as the time needed for future boards may be lessened once assembled. That will eliminate the need to stay on the Board forever, assured that all the hard work has paid off and the processes will continue!