

# Best Practices for Association Management

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## *Review The Basics*



This e-memo and those that follow throughout 2011 are meant to reinforce the basic elements of results oriented association management. Professional management companies have learned from years of experience that care of the community is directly correlated to board members' understanding of fiduciary duties, adherence to community legal documents, continued education of owners, board members and managers as well as care of the association's finances.

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## **Continue your Legacy**

Our frequent interaction with Board Members from communities throughout the region confirm one important fact – almost all Board Members serve on the Board in order to fulfill an individual sense of civic duty or to implement operational changes.

In both instances, we see volunteer homeowners invest their personal time and energy in an effort to effectively and efficiently govern the community for the benefit of all members.

What happens, then, when dedicated Board Members decide it is time to step down from the Board and let other homeowners have an opportunity to serve?

In these busy and challenging economic times, what happens is – not much.

It is often a struggle to find volunteers to serve on the Board and then for various reasons, some who submit their names may not be the best choice for the community. For instance, a homeowner with an outstanding architectural violation or dues delinquency who wants to change the rules isn't generally a great option.

Even more importantly, how can Board Members be sure that their diligent efforts aren't tossed aside as a new "regime" comes into office?

Of course, staggered terms are of some assistance; however, it is important that current Board Members develop a succession plan. And as business guru Stephen Covey suggests, "Begin with the end in mind."

- Before the "Call for Candidacy" is distributed, amend the Election Rules and establish requirements for eligibility. (The Bylaws may already

reference certain requirements.)

- When the Candidacy Application is generated, list the adopted requirements to serve. Requirements should include, at a minimum, no outstanding rules violations or delinquencies. Other solid considerations are to require an understanding of the Association's legal documents, a commitment to attend meetings and that personal or individual interests are set aside for the benefit of all members.
- Consider establishing a Nominating Committee well in advance of the Annual Election. Charge the Nominating Committee with finding interested homeowners who may have served on a Committee or attended past Board Meetings.
- Task each outgoing Board Member with the responsibility of finding a suitable Candidate that meets the eligibility requirements.
- Encourage new volunteers by being a good example. Some Board Members have the ability to dedicate a lot of energy to the overall community; however, an overzealous Board Member can give future volunteers the idea that serving on the Board requires hours and hours of time. With an effective and efficient Board of Directors, and strong management practices from the management company, serving on the Board does not have to resemble indentured servitude!

And finally, work with your manager to establish a program for smooth transition. Educate new Board Members with past policies and protocol. Verify that each new Member is brought up to speed with current operational issues and provided with past historical documentation, if helpful. See that the incoming volunteers get the resources they need to successfully carry out the legacy you worked so hard to establish.

Interested in a complimentary Board Member Orientation? Please email us at [info@waltersmanagement.com](mailto:info@waltersmanagement.com).

