

WHITEPAPER

THE BLUEPRINT for BOARD MEMBER SUCCESS

The 6 Most Important Elements for Running Your Board Like A Pro

A partial view of the architectural floor plan from the top left, showing the lower right portion of the unit with rooms and dimensions.



DIFFERENT COMMUNITIES. ONE SUCCESSFUL PLAN.

Every community association is unique. However, the path for becoming the best possible volunteer board member is always the same.

This in-depth whitepaper details what every board needs to enrich their volunteer experience and improve the operation of their community association.

Inside, our Vice President of Development, Debra Warren, PCAM®, CCAM®, CMCA® draws from her more than 25 years of experience in the community association industry to explain the definitive standards that will help board members lead a community well.

Specifically, she reveals the six most important elements of board success so you can align your priorities with what works, streamline operations for more efficiency, and follow step-by-step instructions for strategic planning and smooth implementation.

Are you ready to lead your community with less friction and better results?

READ ON FOR THE BLUEPRINT!

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1. PREPARATION



**THE FIRST STEP TO BUILDING A SUCCESSFUL COMMUNITY IS
UNDERSTANDING AND EMBRACING THE REQUIREMENTS OF IMPORTANT
COMMUNITY FUNCTIONS.**

ASK THESE KEY QUESTIONS.

1. Do you understand the legal structure of your association?

This first question focuses on the foundation of your community and your role as a board member. You must have a basic understanding of the specific requirements needed to comply with your governing documents as well as state and federal law. Without this basic understanding, you cannot form the basis for your decision-making process.

2. Do you understand the financial condition of your association?

The objective of this question is for you to look at the big picture, not at how much it costs to change a light bulb. You will need four documents to provide you with the necessary information: the most current month's balance sheet and revenue and expense report, along with this year's budget and the most recent reserve study.

Reviewing the current year's balance sheet will reveal:

- 
- How much cash you have;
 - How much money is owed to the association; and
 - How much the association owes to vendors and/or lenders
- 

The current revenue and expense report will tell you if you are operating within budget for the current fiscal year. The current budget will provide information on all of the services and projects funded for this year. The cash flow schedule in the reserve study will inform you of the funding required over the next 30 years to keep your association's common elements properly maintained.

3. Do you understand the human resources available to your association?

Allocating human resources, including the time of the volunteer board of directors, is just as important as the financial resources. Therefore, it is essential to be aware of the services outsourced to professionals versus the services that are absorbed by volunteers. Do you have a professional management firm? Will you be delegating projects to volunteer committees? Every association is different so a quick assessment of human resources will be helpful to the planning process.



4. What is important to your members?

If improving the landscaping is important to you, it is likely that you will be most familiar with others in your community who share the same desire. As a decision maker for the entire community, it is necessary to have some form of outreach to clearly understand the priorities and needs of all the members in your community. Ask your committee representatives for their perspective on needs, conduct an annual survey, or develop a task force to ask members what is important to them.

5. What conditions are present in your general community?

Conduct some general research into your surrounding community to determine factors that will impact your association and its members. Gather information about the status of the employment and housing market in your community. Keep track of plans for new development or other changes to property use in your area. If there are other community associations in your neighborhood, develop a process for exchanging information with them.

Investing time to learn about your community will not only create a strong basis for service to the association, it will also establish a solid foundation to begin the process of developing an effective plan.



2. PLANNING



Most successful businesses have embraced the concept of strategic planning, and the results attained drive the direction, resources, and decisions made in the daily course of doing business.

Strategic planning guides leadership and unites employees and partners through common goals and objectives. Since the benefits of developing a strategic plan are generally positive, why don't community associations enthusiastically proceed along the same path? One answer is that many community association volunteers believe that the 30-year reserve study is their plan. While this financial tool is an important part of a comprehensive plan, it does not include many factors that contribute to the overall health of the community. Some of these factors are changing demographics, local economic conditions, and aging landscaping and design elements. A complete plan will also consider the needs and wants of the individual community members.

**Creating a plan for your association
is neither complicated,
time-consuming, or costly.**

Let's first tackle the perception that creating a plan is complicated and requires a lot of time and money. If we look at some of the examples used in the business environment, SWOT, team alignment, or scenario planning, this might be a true statement. But we can take the essence of these models and apply three simple steps – preparation, development, and implementation – and we now have a process that can be used by any community association.

Developing a strategic plan for your association will require a commitment by the board and each of its members. Each member should be prepared to invest 10 to 15 hours to complete the plan. Although this time commitment is divided into four specific tasks, it is important to move through the process as steadily as possible.

1. Determine Purpose and Values

Set aside one to two hours to discuss the purpose of your association and your core values. Every association is different and your values will be determined by your region, demographics, and size, so determine what makes your community different. The “Determine Your Community’s Unique Characteristics” Action Sheet included in this whitepaper is a great exercise to help kick off this discovery.

2. Develop the Agenda for the Planning Session

Select a time when all board members can attend and a location that offers minimal disruptions. It is recommended that you not conduct this session in conjunction with a board meeting at the end of a long day. Instead, opt for a Saturday morning, or a weekday when you can begin by 1:00 in the afternoon. The goal is to create four to six hours of uninterrupted time.

When developing the agenda you will also need to decide if a facilitator will be used to help with the discussion. A facilitator is a neutral party who is responsible for keeping the discussions on point and for making sure that everyone participating has equal opportunity to share ideas and opinions. You want to walk away from the session with a plan that was developed by all board members – not by the president, or the loudest voice in the room. The most sustainable plans are developed by all members sharing ideas and opinions.

3. Brainstorm the Master List

The first part of the planning session involves all participants sharing ideas, priorities, and projects. Make sure you have a current, mid-term and long-term perspective. What do you want to complete in the next year? Three years? Five Years? The goal is to have a master list that can be used for a detailed discussion. This is the portion of the planning session that benefits the most from the services of a facilitator because the facilitator can assure that all attendees participate, that differing opinions can be shared in an accepting environment, and that all ideas receive the same consideration. The facilitator may also use a variety of tools to create a list that is manageable as the group moves into the next phase of the planning day. The ‘Master List’ Action sheet included in this whitepaper will be useful to you or a facilitator to complete this task.

4. Allocating Resources and Prioritization

In this final step of the planning session, the group talks about each item on the list, estimates the financial and human resources required and assigns a priority to each item. Review the collection of items on the master list and ask these questions:

- Is this consistent with our values?
- Is this an obligation of the association?
- Is this a member need or expectation?

It is common for some items to gather support during the discussion and others to be eliminated as more pressing matters are identified. The plan will be based on the final list of priorities and is generally drafted after the session is completed. The most critical step in completing the plan, is to complete the plan. It can be tempting to get attached to creating a perfect document to post in the club house or on the community website. But, remember: an incomplete plan is not a plan – it’s just a wish list.



Action Sheet: Determine Your Community's Unique Characteristics

WHAT MAKES YOUR COMMUNITY UNIQUE?

1. _____
2. _____
3. _____

WHAT CHARACTERISTICS ABOUT YOUR COMMUNITY DO YOU WANT TO PRESERVE?

1. _____
2. _____
3. _____

WHAT ARE THE MOST IMPORTANT TO YOUR MEMBERS?

1. _____
2. _____
3. _____

WHAT ARE YOUR BIGGEST PRIORITIES?

1. _____
2. _____
3. _____



Action Sheet: Create The Master List

PHYSICAL PROPERTY

1. _____
2. _____
3. _____

COMMUNITY AND SOCIAL

1. _____
2. _____
3. _____

FINANCIAL

1. _____
2. _____
3. _____

GOVERNANCE

1. _____
2. _____
3. _____

COMMUNICATION

1. _____
2. _____
3. _____

OTHER

1. _____
2. _____
3. _____



3. COMMUNICATION



Communication is essential in all aspects of operating a community association.

The board must effectively communicate with their professional manager, business partners and service providers. We are going to focus our discussion on the importance of communicating with the association members.

The first step is to align expectations. It's important for the members to understand what services to expect, what major projects are expected during the year and how all of this will impact their families.

ONCE EXPECTATIONS ARE ESTABLISHED AND YOU HAVE A SOLID UNDERSTANDING, YOU CAN MOVE FORWARD.

This is where the real value of the planning process is realized. By publishing the plan and an annual calendar the members and the board are all literally on the same page. Once expectations are established and you have a solid understanding, you can move forward.

Next, initiate ongoing communication by providing regular updates in the form of newsletters, web postings, and association meetings. The most effective boards are transparent in their actions, while still maintaining confidentiality and protecting the privacy of their members. Providing status updates on the annual plan, especially when there are deviations, is part of the process.

Most associations today provide a member's forum before or after the board of directors meeting. In some states it is mandatory. These forums, when managed properly, are a great way for the board to get feedback from the members. Other methods to gather feedback include surveys and town hall meetings. Regardless of the method you use, publish the results and any actions taken by the board based on the feedback.

Board members set the example for the tone of the meetings and communications. Treat everyone with respect, including each other.



4. COMMITMENT



Implementing your strategic plan occurs over a period of time, and requires your commitment.

Incorporating the results of your plan into your reserve study and the operating budgets for future years is critical. Generally speaking, you should begin or reevaluate your plan six months before the beginning of your fiscal year so that the planning results can be included in your next budget.

Challenges may arise when the needs of the community change or additional opportunities become available during the year. While it's tempting to want to stray away from the plan, it's important to focus on executing the current plan. This is not to say that you should ignore emergencies or issues of life and safety, but all other distractions should be pushed to a future year of the plan.

Successful implementation also requires regular review. Schedule a portion of every board meeting for reviewing progress, monitoring outcomes, and reallocating resources or deadlines. Complete the review by communicating the results to all stakeholders.

Your board will experience many benefits when the community is guided by a strategic plan. Most notably, the board's actions will be consistent because they're based on priorities clearly established in the plan.



5. CONSISTENCY



Communities that are successful have boards of directors who understand that their role is to make policy and then apply those policies consistently across the association.

Neighbors and friends don't get special treatment, and owners that challenge board decisions aren't ostracized.

Once a new policy is adopted, a community association manager is charged with implementing the policy as written. Rules, regulations, and collection policies are all applied uniformly to all owners. This won't eliminate all potential conflicts, but it is an important step in the right direction.

Another way to demonstrate consistency is through communication practices, specifically by maintaining confidentiality, and speaking as "one voice."

Confidentiality is required to protect the privacy of members, as board members have access to financial information as well as enforcement actions in process. For example, the association will receive notification if a mortgage holder files for foreclosure or if an owner files for bankruptcy. Maintaining confidentiality of this information is a duty and a sign of respect. Confidentiality is also necessary when the association is involved in a legal matter of any kind. The board has a duty to protect the association and all of its interests. Sharing information with others who do not have that requirement could negatively impact the outcome of that legal matter.

THE BOARD MUST SPEAK WITH ONE VOICE.

Once debate is concluded and a decision is made, each board member should support the decision and communicate it in the same way. **This validates the decision-making process and maintains the consistency of the operation.**



6. CELEBRATION



No matter how diverse your community residents are, you all have one thing in common – where you live.

Celebrate this commonality and have some fun. Move through your business in an organized and efficient way, and then celebrate accomplishments and acknowledge volunteers. Celebrate at the end of your board meetings, celebrate at the annual meeting and celebrate by hosting special events.

Need team-building activity ideas for your association board?

[CLICK HERE TO DOWNLOAD](#)

**BOND WITH YOUR BOARD: 7 ACTIVITIES TO HELP
YOUR COMMUNITY ASSOCIATION BOARD SOLVE
COMMON COMMUNICATION PROBLEMS AND OPERATE
AS A TEAM**

COMMUNITY. INSIGHTS. ASSOCIA.

**Developed by industry professionals.
Designed for association board members.**

For nearly 40 years, Associa has been the partner of choice for some of the most complex, innovative and amenity-rich properties in the world. Our best-in-class technology, products and services are designed to add value to your community. And, you'll find that nobody has the expertise that we do when it comes to helping you achieve your community's goals. Because of our commitment to community, we've become an industry leader positioned to provide actionable insights that deliver results for our client communities.

What really differentiates us, though, is our people. With nearly 300 employees holding their PCAM® – the highest professional recognition available to community association managers – you can trust that your Associa team has the knowledge and resources to help your community plan, manage, maintain and grow. From our community managers and service partners to our financial professionals, executives and many more, we are committed to helping you achieve your community's vision.

CLICK HERE TO REQUEST A PROPOSAL!