



Transitioning an Association from Self-Managed to Professionally Managed

If you are on the board of a self-managed association, the discussion of remaining self-managed versus hiring a professional management company has likely come up with your fellow board members. Over the past few years there has been an increase in self-managed associations transitioning to professional management. The primary reasons cited by the associations that have made the changes have been as follows:

- Project and vendor issues
- Personnel issues
- Operational inefficiencies
- Board over-involvement.



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Obtaining Campbell Property Management after being self-managed for several years has lifted the burden off the Board in multiple areas of strife. Campbell has, and continues to navigate through the arduous territories we are up against on a daily basis, including taking on a \$3 million dollar concrete restoration project. Employees have been placed in key areas of the building's departments which makes the building functions run efficiently.”

- Kenneth Handler, Board President



Project and Vendor Issues

- Recent project failures are one of the primary motivators for self-managed associations to consider professional management.
- Self-managed boards regularly realize they may have avoided major time and cost overruns, scope of work errors, poor contractor selection, or other issues if they had better guidance and oversight from a management company.
- By hiring a professional management company, the board is relieved of employer/personnel burden, the task of service vendor selection and supervision, as well as cost savings during selection of vendors.
- Large management companies have relationships with vendors in all fields with whom they can secure substantial discounts that are passed onto the association.
- The management company will only recommend experienced, proven vendors who have a good track record with the management company at other associations.

Personnel Issues

- In a self-managed community, the board becomes an employer and must deal with the resulting personnel issues including staffing levels, performance, accountability, and responsiveness.
- A self-managed board may have difficulty finding and retaining the appropriate combinations of skill and experience in employees to coincide with the existing budget.
- Management companies are better qualified to hire, train, develop, and when required, terminate employees than a volunteer board.

Operational Inefficiencies

- A management company can implement procedures and systems to streamline operations and ensure accountability, customer service, and proper maintenance of the building common areas and infrastructure.



- Operational inefficiencies may be costing a self-managed association more than initially thought as well.
- Legacy processes that are paper-based or manual systems create bottlenecks and inefficiencies that end up costing the association.
- One of the most common benefits for self-managed condominiums that hire professional management are the improvements in communication, efficiency in operations, vendor management, and automation of previously manual processes.
- IT issues are also fixed much more quickly, with information being made more visible through digitization of records and costs savings being realized on insurance and other areas.
- Most board members and property managers don't have the expertise or scale to implement the procedures and systems described above, while a management company should be able to address these challenges effectively.
- Leading management companies like Campbell have support teams available at any given time to assist the on-site manager and the board of directors or committees as needed.
- The support teams are available to assist in developing policies, holding annual election meetings and special meetings, preventive maintenance plans, front desk procedures, enhanced financial management, and more.

Board Over-involvement

- The degree of board involvement can also be an issue in some self-management associations.
- There may be board members who are too involved in day-to-day operations by micromanaging the manager.
- This could result in difficulty in establishing priorities due to conflicting input or taking away focus from major common area issues that impact property values.
- If you let the community manager manage, the time involvement for the board will be lesser and the responsibility of accomplishing property tasks will be on your new management company and its staff.



Self-Management to Professional Management Success Stories

Recently, it was a pleasure to host a round-table discussion with three presidents of condominium associations in South Florida who moved from self-management to professional management with Campbell Property Management in 2019.

The three high-rises were:

- Seagate Towers in Delray Beach
- Sky Harbour East in Fort Lauderdale
- The Carlton in Boca Raton

It was decided that two years later was a good opportunity to check in and discuss the transformation they each experienced with professional management.

All three presidents of these associations agreed that making the change from self-management to professional management was a great decision. The transition to professional management resulted in cost-savings, improved vendor relations, more efficient project management, and an improved quality of life for the board members.

If your Board is considering making the change from Self-Managed to Professional management, consider the items discussed above to assist in the decision-making process.

The round-table discussion covered the following topics:

- The reason for considering the change from self-management to professional management
- The selection process of professional management companies
- Overcoming objections from owners over the change
- New changes in management and services
- How their role as a board member changed after the transition.

Round-table Discussion Video

Are you ready to see the difference professional management can have for your association? Watch now!

[Click here to watch](#)