

Self Managed... Why?

Self-Managed vs. professionally managed has long been debated in the association industry. Serving on a Board for six years in my own community, it always comes up right after new Board Member elections. The driving factors behind the discussion are: we could save so much money doing it ourselves; we're intelligent, dedicated people and frankly, this management stuff doesn't look so hard; we're going to lose control of our association. Wow, what misconceptions!

Let's address the first statement – we could save so much money doing it ourselves. Professional managers bring with them years of negotiating contracts in this specific industry. They know who the right vendors are to recommend and who to avoid. They get volume discounts for purchasing on behalf of all of their clients. Our own association wound up saving substantial funds on our insurance by going through our new management company instead of purchasing a policy on our own!

We're intelligent, dedicated people, we can do it ourselves! Yes, you're probably right, but why? Many people look at the total amount that Professional Managers charge for their expertise instead of looking at the cost per unit. Recently, a friend of mine really put this into perspective for me. Most associations have just three or four dedicated people doing the work. She said, here we are, the dedicated few working for the greater good and what do we have to show for it. Three "friends" who no longer speak to me because "I" sent them a letter about having to paint their homes, two neighbors with liens on their homes for not paying their assessments and me having to coordinate with the attorney!, calls because the bathroom in the common area is not working and a tennis match is scheduled for that day. In our neighborhood, the cost per home is less than \$10 per unit. \$10 per month is certainly worth it to me if I don't have to deal with these types of issues!

Another case has been made around control. Losing control of the association is actually the opposite of what occurs. A professional manager helps you gain control: of your finances, of your budget, of your reserves, of your covenants, of your committees. The manager is able to look at your association in the big picture, understands where you should be and works WITH your board to get you there. Procedures are not dictated to the board but rather suggested as a way to get the end results. Working with a professional manager gets your community to a higher quality of life.

As we said in the beginning... Self Managed Why ?

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