

Manager's Perspective...



Russell Munz

SELF MANAGEMENT: INVESTIGATING THE HYBRID MANAGEMENT OPTION

By Russell Munz

Self managing your community can be a good way to save money. However, sometimes the size or complexity of a property or the projects at hand may become too much for a volunteer board to handle on its own. If your community is having difficulty dealing with issues you may want to consider a “Hybrid Management,” solution.

At any particular point in time, the conditions and overall satisfaction at a community association will be the result of the mixture of three key ingredients – past and present:

1. An ever-changing mix of management skills;
2. Board member ability and dedication; and
3. Upkeep of elements that continually wear out.

Each of the three is always in a state of change, i.e., different problems arise, people move on and physical elements continue to deteriorate over time.

When your community lacks the required specialized expertise and Board members or other volunteers do not have the time, knowledge, skills or dedication for the job, you are ready to consider a Hybrid Management solution.

The Hybrid Management solution combines Board and community volunteer resources with outside vendor help. You may want to consider these specific services to help run your community:

1. **Financial** - Common charge collection, bill payment & bookkeeping services;
2. **Maintenance** - Property maintenance services, responsive help for repairs and 24-7 emergency service;
3. **Management** - Property Managers as consultants, hired on an hourly basis, utilizing experience to help guide Boards with difficult problems; and
4. **Construction / Project Management** – hiring specialists to help with problem identification, material specification, and supervision on an as needed basis.

The services listed above can help free up a Board's time to work on other projects, fill a gap when an important volunteer moves out of

the community or get through the more difficult problems associated with managing a property.

What are the pros and cons of Hybrid Management?

The five main advantages of combining community resources with outside vendor help are:

1. **Continuity** – even when Board members change the vendors can continue service;
2. **Attention** – get the paid consultant's attention rather than waiting for a volunteer;
3. **Cost effective** – pay only for what you need;
4. **Speed** – reduce the learning curve and get things done faster; and
5. **Quality** – ensure ability and competence.

The main disadvantage of Hybrid Management is cost. Outside help costs more than volunteers. However, self management can be deceptively more costly than other forms of management if the association volunteers do not follow generally accepted management principles. There are many instances when outside vendors who are



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more familiar, market pricing, new services, collective purchasing can save money. Additionally, they can reduce the chances of doing a poor quality job that needs to be done again saving the association money and aggravation.

In conclusion, if a property is facing challenges that require too much time or specialized expertise that the Board and volunteers do not have, maybe Hybrid Management is for you. For information and useful contacts to help you implement the Hybrid Management solution at your community feel free to email me at russell@pyramidREgroup.com. Or see my seminar at the CAI Southern CT tradeshow on November 5, 2005 in Stamford, CT. ■

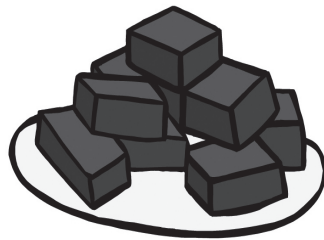
Mr. Munz is a former US ARMY Captain where he learned the importance of providing clear guidance and delegating to teammates. Prior to military service, Cornell University business programs taught him the importance of focusing time on tasks that have the greatest impact. Now he works with Pyramid Real Estate Group. He is also the Chairperson of the Southern Connecticut Trade Show Committee.

Recipe File

Crème de Menthe Brownies – Yummy!

Brownie layer:

- 1 cup sugar
- ½ cup margarine or butter
- 4 eggs
- 1 cup flour
- ½ teaspoon salt
- 1 16-ounce can chocolate syrup
- 1 teaspoon vanilla



Mint Layer:

- ½ cup butter or margarine
- 2 cups confectioners' sugar
- 2 tablespoons green crème de menthe

Chocolate Topping:

- 1 6-ounce package chocolate chips
- 6 tablespoons butter

To make brownie layer, combine all ingredients and mix well. Pour into a greased 9-by-13-inch pan. Bake at 350 degrees for 30 minutes. Cool.

To make mint layer, mix together butter, confectioners' sugar and crème de menthe with an electric beater until of spreadable consistency. Add a small amount of milk if mixture is too dry. Spread over brownie layer and cool.

To make chocolate topping, melt together chocolate shps and butter over low heat. Let mixture cool slightly and spread over crème de menthe layer. Chill, then cut into squares. Brownies can be frozen.

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Did You know?

CAI-CT Fact:

The estimated value of homes in all community associations is more than \$2.25 trillion (with a capital "T")—at least 17% of the value of all US residential real estate.

Source: CAI National