



FirstService
RESIDENTIAL

How to Increase Board Effectiveness

*Alignment, Planning
and Training*

This guide outlines how education, alignment, planning and resources are pivotal to community success.

How to Increase Board Effectiveness

Alignment, Planning and Training

Communities like yours thrive when the board of directors is aligned, with new and existing board members working toward common goals. When you and your fellow members understand your responsibilities and commitment to serving the community, you can successfully work together.

Without a formal training process, resources to educate new board members and develop long-term members, or comprehensive training, volunteer board members can become overwhelmed and either quit or experience burnout.

That is why it is beneficial for your board to take advantage of all the resources available to you through your partnership with FirstService Residential. FirstService Residential lays out a comprehensive development program with structured guidelines that define what a board member can encounter when serving their community.

This guide will explore the makings of a high-performing board by outlining how education, alignment, structured planning and management resources are pivotal to success and why your board should rely on the assets that FirstService Residential — your partner in property management — provides.

CONTENTS

Alignment &
Unified Vision

1

Planning for Success

2

Management's
Role & Resources

3

Board Education

4





Alignment & *Unified Vision*

Residents join their community board for various reasons, but ultimately, board members should understand that their first responsibility is managing the community's success. You and your fellow board members should establish the community's immediate needs and then align as a team to meet those needs.

A misaligned board has difficulty reaching consensus, has unproductive meetings and doesn't have a unified vision or strategy. A high-performing board makes decisions as a team, and that consensus enhances the property's finances, protects owners' interests, safety and improves the quality of life for residents.

"The most significant difference between an effective board and those that aren't is whether the members are in alignment," says Sherman Britton, Lifestyle Vice President at FirstService Residential. "We recommend that board members discuss as much as is necessary, but they need to align on a decision when it is made collectively."

Developing a high-performing board means ensuring that members have a clear idea of what they want to accomplish and what resources are at their disposal to achieve their shared vision. An aligned board is more likely to cooperate and reach a consensus on decisions expeditiously when it comes to large projects and improvements to the community. Alignment should be a top priority as soon as new members are voted in.

"It is best to talk about alignment right after elections," said Edwin Lugo, Vice President of South Florida High-Rise at FirstService Residential. "We give the new

members educational materials and onboard them and then immediately have a strategy session where we determine goals and try to gain alignment. Board members must understand that they have a fiduciary obligation to act in the property's best interest, often setting aside any personal preferences or agendas. It's imperative to align the board toward common goals at the beginning and give them a timeline to accomplish those goals together."

Making sure you and your fellow board members are aligned also includes addressing the community's expectations and keeping open channels for proactive resident communication. When a board disregards the community's opinions and cannot reach a consensus, projects are delayed, and the price of this misalignment is time, money and more delays down the line.

Whether by survey, email or mail, the board should communicate with owners and get feedback about potential projects and future improvements. Getting direct responses from the community can often shape a board's long-term goals and give a timeline for implementation. It can also open an ongoing narrative between the board and the residents, further strengthening the balance between individual residents' wants and the collective wishes of owners.

"When our communities have written out a plan, they can adhere to it through various terms," says Britton. "Even if a new board is elected, they can maintain that vision statement and stay aligned."



Planning for *Success*

Once your board has aligned toward a shared vision, setting policies and developing a plan that drives a collective strategy is necessary for long-term success. Your board should have an outlook from one to five years down the road to be efficient and make informed decisions. Whether those decisions or policies revolve around restoration projects, reserve funding or capital improvements, they are critical to maintaining and increasing property values.

“The three main functions that we coach our board members on are how to create effective policies, approve new projects and how to oversee the property’s financials effectively. A high-performing board should be committed to protecting the interests of the property and owners, maintaining and enhancing all common areas, and improving the quality of life for residents. By creating a strategy, they can manage all these functions,” said Peter Willding, Director of Management, FirstService Residential.

The process of setting new policies can seem daunting, especially if new board members are not clear about what their roles entail. A disorganized board will find it difficult to both create working policies and implement them. That is why you can depend on the resources that your partnership with

FirstService Residential makes available to your board. With solutions to mitigate the obstacles for both new members and seasoned members who want to make impactful changes, FirstService Residential can help you create a thriving community.

Setting effective policies requires reviewing financial strategy, vendor contracts and community needs and remaining true to the goals set forth by the unified board. Adopting new policies can be facilitated with the help of your management team at FirstService Residential. Your management team can conduct an operational alignment assessment to make sure that all the systems, processes and procedures are in place and working correctly before setting policies. With this kind of strategic planning, your community achieves operational alignment and can progress confidently.

“When it comes to helping the board establish policies and bringing new members up to speed, we start with the basics,” said Lugo. “We give them a board member tool kit, go over the roles and responsibilities of each officer, plus committees. Usually, we orientate the new members with their manager, and then we have an alignment and strategy session to set forth what they want to accomplish in their one-year term.”



Management's Role *and Resources*

Your partnership with FirstService Residential can help you and your fellow board members execute the board's decisions, helping you achieve the goals you set for the community.

"A board's responsibility should be overall governance, and that's something that we speak about a lot," said Drew Kanter, FirstService Residential's Managing Director. "A manager aligned with our best practices will instill confidence in the board and help them achieve their vision."

A strong manager lends expertise in various ways, from overseeing client communications to facilitating day-to-day operations. Additionally, they serve as a liaison between the board, the community and building staff, freeing up the board's time to create and implement new policies.

"Boards need to be policy-driven. They need to develop policy and not get caught in the weeds," said Britton. "If they follow the model FirstService Residential sets forth for them, your board should function more effectively because they won't be caught up in the day-to-day grind of the community. These smaller tasks are time-consuming and take them away from bigger projects that require more of their time."

While the board focuses on establishing a plan and policies for the community, FirstService Residential implements that plan, giving the board the bandwidth to effectively oversee the community's needs.

Suppose your board is overwhelmed or your new members are not up-to-speed about the tasks of governing a community. It highlights the importance of your partnership with a robust management company like FirstService Residential, given the access to resources to help take on those tasks.

Our property management team brings many resources and services to the table, ultimately alleviating your board from day-to-day operations and administration. Is your board taking advantage of all of the services and assets that your partnership with FirstService Residential offers?

"Board members drive the culture of the community," said Britton. "We make it easier for them to shoulder that responsibility by helping them form a strategic plan, deliver timely and accurate communication, and set clear expectations. We help them fill in the gaps and keep them aligned with staff and their management by providing robust resources."



Board Education

When new board members are voted in, their primary goals should be to put the community's interests first.

When new board members are voted in, their primary goals should be to put the community's interests first, make decisions about policies that improve the quality of life for all residents, improve the property overall and protect the interests of the homeowners. These goals define the board member's responsibility to the community they serve and set a structure of continuous improvement. But board members should also learn about governance, rules and regulations, conducting meetings and all of the community's business ins and outs.

And while they have to learn about a broad spectrum of duties, they do not have to navigate those responsibilities alone. By relying on FirstService Residential for training, strategic planning and helping to navigate complex regulatory requirements, your board does not have to do all the "heavy lifting" by themselves.

"Partnering with FirstService Residential provides the board guidance

and peace of mind," said Lugo. "We can capture everything that a board wants to do and then demonstrate budget trends, savings and our recommendations."

FirstService Residential advises your board members about best practices, provides educational materials for training and onboarding and offers project coordination and preventive maintenance resources, too.

This extensive resource availability allows your board to function effectively and minimizes board turnover and member burnout by sharing the responsibility of running the association. With your trusted property management team at FirstService Residential, you and your fellow board members have more bandwidth to perform your duties. New members have a deeper understanding of their role and do not take on more than they should, but rather, can perform at a high level and remain effective.



FirstService Residential offers educational resources for you and your fellow board members, including:

- » Onboarding, ongoing development and educational guides
- » Information about capital improvement projects, insurance and emergency preparedness
- » Advisory board round tables
- » Updates on legislative policy and industry changes

Thorough education and the right resources lead to board alignment and less board member burnout.

Joining a community board bears a lot of responsibility, so the process of onboarding new members should be transparent, and information on what the role entails should be accessible. Thorough education and the right resources lead to board alignment and less board member burnout. That's why your board should take advantage of all of the benefits that FirstService Residential makes available to you. FirstService Residential has resources and services that can give your board back the time it needs to implement its community vision, effectively govern and transition into a well-aligned, high-performing team.

We hope this guide outlines how FirstService Residential gives your board the tools it needs to be even more effective and help your community succeed. As your partner in property management, we can help you develop a high-performing board by providing education, alignment, structured planning and management resources that are pivotal to success. At FirstService Residential, our goal is to be your partner in property management, serving you and your fellow board members and ensuring the continued success of your community.

About FirstService Residential

FirstService Residential is North America's property management leader, partnering with 8,500 communities across the U.S. and Canada. HOAs, community associations, condos and strata corporations rely on our extensive experience, resources and local expertise to maximize their property values and enhance their residents' lifestyles. Dedicated to making a difference, every day, we go above and beyond to deliver exceptional service.

FirstService Residential is a subsidiary of FirstService Corporation, a North American leader in the property services sector. Visit www.fsresidential.com today.



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