



Business partners are critical to well-maintained and properly managed community associations. Follow these strategies to develop—and preserve—successful relationships with your service providers.

RELATIONSHIP ADVICE



Relationships between community associations and their service providers go beyond contracting for work to be fulfilled. The reality is that business partners—whether they provide landscaping, accounting, maintenance, repair, reserves analysis, insurance and risk management, or myriad other services—are critical to successfully managing a community. It is nearly impossible to run a secure and well-maintained association without them.

BY KATIE ANDERSON, CMCA, AMS, PCAM

THINK OF BUSINESS PARTNERS as an extension of your community: Their work will be representative of your reputation. If you don't have trustworthy service providers working with you, or worse, you don't have any professionals providing assistance, it will be your community's board of directors that takes the hit and quickly become a nightmare for everyone involved.

Having reliable service providers ensures that property values are sustained, crucial work is completed, and the manager or management company and association's board meet their responsibilities to the residents. Reaching out to a service provider may be the first step, but it takes effort to build and maintain a strong bond that benefits the community. Follow these strategies for successful relationships with your business partners from the start.

CHOOSING IDEAL PROVIDERS

Picking the service providers you intend to work with should be a careful process. Here are some things to consider.

Do your research. Vetting service providers is one of the most important things when looking for the right individual or company to lend their skills and expertise to a community. Conduct research by looking at their history, reviews, and speaking directly with previ-

ous clients to learn about their experience. If your choice of service providers hold up to the initial investigation, take a look at the community's budget and proceed to reach out and begin a conversation toward a suitable agreement.

Avoid bargain hunting. As the saying goes: Buy cheap, buy twice. Hiring the best service providers doesn't mean selecting ones with the cheapest labor or fees, as they could be more likely to have subpar quality in their work, difficulty meeting deadlines, and cause issues for management and the community. All of this will blow back on the community, not the service provider.

If the work isn't done correctly, you'll have to restart the process of vetting and hiring another service provider to come in and fix it—a costly mistake that often means charging twice the amount, or more, for a project that should have been done right the first time. If you've done your initial research correctly, the ideal service provider will have evidence of their quality of work offered at a good price.

Hire locally. Choose local service providers when possible, since they are more likely to complete a project in a reasonable timeline and also are in a unique position to have worked with management.

In addition, service providers poten-

tially have direct lines of contact that management can't capitalize on through its own means.

Have a wide selection. The more business partners you can choose from, the more the board will benefit. Limiting your selection will only hurt the community in the long run.

Service providers often are specialized, but some may take on projects outside of their usual scope of work. This may seem like a great way to build a better relationship, but most of the time, it's not going to be a good idea. Always pick the provider who is the best fit for the work at hand.

CRAFTING THE CONTRACT

Contracts with service providers are the foundation for the new business relationship that will benefit the community. The right service providers need an appropriate, clearly outlined contract. Unfortunately, the contract is a common source of problems.

Before writing the contract, it's a good practice to send out a request for proposal, which indicates what the association needs from its service providers so they can send bids. At a minimum, it should include the following in writing:

- Detailed scope of work
- Start and end dates of the contract
- Terms of payment
- Insurance requirements
- Site plan
- Contact information

Proposals that are detailed and customized to a service provider will establish the community's expectations of the work it anticipates receiving and how it should be accomplished, making it much easier to craft the right contract. Do not expect the service provider to take care of everything, and do not expect them to teach you everything either. It should be the responsibility of management or the board to figure out what is needed from the service provider and how to express that to them.

A major pain point for service providers is when they've requested a proposal to complete a project, yet little to no information is offered. Not only will this prolong the amount of time it takes for



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the project to be completed, but the business partner will recognize you as a problem client. The more information you can give them, the smoother the project will go overall.

Without a clear contract, deadlines are missed, tasks are left uncompleted, arguments over pay arise, and other issues will pop up left and right. This will negatively impact your relationship and flow over into dissatisfaction in the community.

MAINTAINING RELATIONSHIPS

Community association boards and the community's manager take it upon themselves to serve in the best interest of their communities. However, it's important to understand when to step back and allow the service professionals to take the lead—while still having some involvement to make sure the work is getting done. Monitoring, not micromanaging, is key to a fruitful relationship with your business partners.

On a similar note, having clear lines of communication will benefit management, the community, and the service provider, especially those who work with minimal supervision or from an outside location. Having frequent check-ins, such as weekly virtual or face-to-face meetings, monthly progress reports, or quarterly site visits is a way for the parties involved to ask questions, address any concerns, and gauge how the relationship is going.

If any problems or complaints arise, resolve them in a proactive manner. Be aware that mistakes can occur, particularly if you contract with a new service provider. It's important to keep these in perspective; if the issue is rectified in a timely fashion without the provider being evasive or defensive, it can make the relationship stronger.

Trust is hard to gain but easy to lose. Even if you've been a great client initially, all it takes is one major screw up to destroy the relationship you've built. If service providers know working with you will be a pleasure, they will take on your project before a new client asking for similar services.

As with any relationship, mutual respect also will prevent a good partnership with service providers from deteriorating. Defer to their expertise but

also show interest in the work they do by learning some basic principles of the service they are providing. Treat them like a business partner instead of a hired hand. Offer some form of praise or recognition to let them know that their work is appreciated in the community.

The most common cause of lost trust with your service provider revolves around payment.

For example, if a community doesn't pay fees on time, that makes you a less favorable client to keep in their portfolio. A guaranteed payday is better than a questionable one. Other common problems are poorly drafted contracts, rushed deadlines, and misinformation.

Finally, just because a business partner has been providing services for a long time doesn't mean the relationship is healthy. It's important that management and the board ask themselves:

- Have requests for proposal to obtain new bids been submitted in the past few years?
- Is pricing on par with market rates?
- Has the business partner experienced changes in ownership or staffing that are concerning?
- Has there been a drop in the quality of work?

Depending on the response to these questions, it may be best to part ways with a service provider even after years of working together.

Long-lasting relationships with service providers are built through proper research and selection based on the scope of work, making expectations clear from the start, having adequate oversight, communicating frequently, and maintaining trust. Your association may have some tough learning experiences and decide to let go of certain providers but also may continue working with business partners who have been there from the beginning.

It becomes a breeze to get projects done when you choose the right business partners and maintain a relationship with them that ensures timely, quality work that a community will benefit from for years to come. **CG**

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SWITCH



When a partnership doesn't work out, it can feel overwhelming to start the search for a new service provider. Ensure a smooth transition between professionals with these best practices.

BY BETH GILBERT

There are times when a community association management company or board of directors will be faced with the decision to end a working relationship with a service provider.

Perhaps your community's maintenance requirements are having shortcomings or problems. Maybe the management software provider hasn't been listening to your needs for enhancements that will allow you more efficiency. It's possible that legal counsel is failing to give timely advice and proper assistance.

Coming to the realization that you need to transition from one service professional to another can be difficult, especially if you've been working with them for a long time. Whatever the situation is, you want to be smart about your decision and take the time to do the necessary work to make this change worth the effort. Hopefully, you can build a long-lasting, mutually beneficial relationship with your new service provider.

Here are six best practices to ensure a successful transition between service providers.

START A DOCUMENT

When you are about to transition from one professional to another, treat it like a project. Start a document where you can easily organize your thoughts and information; you can even use presentation applications to make the content visually appealing.

Turn this document into an easily shareable format so you can get buy-in and feedback from stakeholders. Depending on the professional service being evaluated, stakeholders might be key players on your board, committee members, management, or staff members.

When it comes to team involvement, consider adding a "RACI" chart to the

beginning of your document that identifies the stakeholders and their contribution to the project:

R—Responsible. This is the person on your team who is doing the groundwork and is the point person for the project.

A—Accountable. This may be the manager or director of the department who will, in the end, be the person held accountable for the decision on which professional service provider the community chooses.

C—Consulted. This is the person or people whose feedback needs consideration throughout the project. Perhaps it's the managers who will be directly working with the new service provider or accountants who will be working with a new software you're looking at acquiring.

I—Informed. Think of this as those who need to know what is going on but don't necessarily need to be involved beyond that. Perhaps you need to inform your boards of a change in professional service relationships but do not require their input or feedback to make your decision.

SET STANDARDS

You already know why you are terminating one professional service relationship in favor of transitioning to a new provider, so start there. What are the must-

haves from this new business partnership? A few things you might want to consider when setting your standards include response time, customer satisfaction, efficiency, cost, and experience.

Be specific on the things you will not compromise on versus simply what would be nice to have. Perhaps it's improved response time. Depending on whether your budget is locked or flexible, identify the boxes that need to be checked to consider this new service provider. Add a section to your project document that outlines all of this information.

Setting standards will make a good jumping-off point as you start to conduct research and meet with potential professional service providers. You want to ensure you're asking everyone the same questions and sharing the same details so you have consistent information to use when making comparisons moving forward.

CONSIDER MULTIPLE PROVIDERS

To come up with your shortlist of options, first ensure you're doing your due diligence. Research the individual or business by looking up online reviews on third-party sites as well as testimonials on their website and social media accounts.

As you carry out this research, go a



step further and think about the context of the reviews. People often leave negative feedback because they are caught up in the moment and want to take action. When you look at those reviews, do you see timely responses by the company or individual in question? Do they pay attention to reviews and comments and resolve outstanding issues? See how they handle comments on their social media accounts too. This will help get a well-rounded view of both the reviews being left and how they react to them.

Another great way to find new professional service providers and gather feedback is by attending industry events. Whether in-person or online, events can help your community discover even more options. Take time to listen to a variety of providers and ask around to see if others have anyone they'd recommend. Document all of your findings in one place so you can compare the various options you're researching. Having everything consolidated also makes it easier to share the information with your team and stakeholders.

While it may feel like you won a golden ticket when you have a great conversation with the first service provider you speak to, it doesn't mean you have to settle right away. Research and interview at least two more options before you make your decision. You may find that while your first option was great, other professionals might have more to offer. These are all things you'll want to consider and add to your research document.

ASK FOR REFERENCES

As you get closer to narrowing down your choices of new service providers, it's a great time to obtain references. Ask if they have any satisfied customers you can talk to or if they can share case studies that show how they've helped communities like yours, for example.

Word of mouth also can hold a lot of weight when it comes to the reputation of professional service providers, so ask around. A simple question like, "Do they listen to customer feedback?" can go a long way in finding the right professional.

Document all of this and be sure to include where the statement came from. Was it a conversation you had directly with one of their customers, or was it something you heard from someone who worked with them in the past? By having all of this input in one place, you can make a more strategic decision.

REVIEW LEGAL DOCUMENTS

After you've confirmed your new professional service provider options are highly regarded by their customers and the community, be sure to review all of their legal, compliance, and operating documents. This step often can be overlooked, but it's crucial to make sure the proper documentation is up to date and valid. If it isn't, your community could be held accountable in the event that something happens.

Once you finalize your decision, it also is important to take time to review and gain a firm understanding of any contracts you enter with a new service pro-

vider. For this step, it's recommended you have your legal counsel involved to ensure nothing goes unnoticed. When everyone is on the same page and in agreement, you can mitigate the potential for risk or issues down the road.

BE TRANSPARENT

While much of this decision is based on the new professional relationship you're bringing into the fold, it's just as important to ensure the new partner fully understands your community.

What is your budget? What are your goals for the year? Where do you see your community in one, five, or even 10 years? Will this service professional be able to keep up with your needs as they stand now and how you see them in the years to come? Knowing this will help you and the service provider understand if the partnership will be a good fit. Document all of this information as well, so it's easy and accessible for the conversations you have as you go through this process.

The relationships with your professional service providers can directly affect the success of your community. It's essential to take time to evaluate them at least on an annual basis. You need to ensure that you're getting the services you're paying for and a supportive, mutually beneficial partnership.

Transitioning to a new service provider can feel overwhelming, but you aren't alone in this journey. Keep stakeholders informed and ask for their opinions to help make an informed decision. Switching to a new service professional will ultimately impact everyone—board members, homeowners, management, and other services providers—so it's essential that you listen and gather their feedback.

If you follow these steps and document all of your findings, it will be well worth the time and effort you put in to the end result: a partnership that will support your community now and in the future. **CG**

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