



Dan Fried, RCM, CSM
CEO, Transition Team Leader,
Capital Integral Property
Management



Yawar Khan, RCM
COO,
Capital Integral Property
Management

The (R)evolution in Condo Management

Heraclitus, a Greek philosopher, is most famous for saying “change is the only constant in life.” In the world of condominium management, change certainly has been the norm since November 2017. With the vast number of changes inflicted on us since that time, condominium managers (CMs) have had to evolve very quickly. In condominium management, the 3 Ps of property management – People, Process, Product – have always been skewed towards the first P, People. This is even more apparent now. CMs used to have the edge in their relationships with people since they always had more information than anyone else. They were the most knowledgeable about the law, the building and what was going on at any given time. The Internet and increased transparency rules have reduced that gap in knowledge significantly between owners and CMs. This change has forced

CMs to develop new strategies to manage their communities. Using skills founded on relationship building, creative problem-solving and emotional intelligence are required to manage the relationships efficiently and successfully.

Condominium owners are more knowledgeable and sophisticated than ever. There is an increasing number of investor-owners who are real estate professionals; owners are also more diverse than ever in age, language, gender, ethnicity, education and socioeconomic status. To manage the new client demographics, CMs have to spend more time and energy building relationships with a wide array of people that have very different mindsets and goals. The digital age has pushed many of our interactions to email, text and other digital communications. This means that they spend less time face-to-face with their condominium communities. Relationship

building means getting to know someone, spending time with them and ultimately understanding their needs. This community development side of management is often forgotten. Community socials such as barbecues or other summer mingler events have fallen by the wayside.

In the winter, many residents leave Canada for warmer climates and again the CM has less opportunity to develop those important client relationships. More and more communities are keeping annual general meetings (AGMs) to a business meeting format without a social component. The socials, however, allowed the CM and the community at large to interact and discuss matters that were not addressed at the AGM but valued by the participants. And for managers, they were viewed as an effective platform to learn more about ownership issues and worries. Over time,



these in-person interactions grow credibility and confidence for both parties.

Improving technology, digitization and the complexity of condominium management are forcing the CM to come up with creative solutions to difficult problems, in some cases, with less information due to limited communications exchanges. In addition, other new concerns include rising insurance costs and deductibles, which in itself is an increasingly complex area. In the past, deductibles were \$5,000; now we are regularly seeing deductibles in the \$25,000 to \$50,000 range. This means that condominium corporations are self-insuring against all but the most catastrophic situations. If the corporation also has an insurance deductible bylaw, it can become complicated to determine who is responsible for what in certain situations. Recently adopted legislation, legalizing the smoking and growing of marijuana is forcing CMs to deal with this issue in addition to cigarette smoking and the migration of smells. Rising utility costs are forcing CMs to review new technology purported to reduce energy consumption. In some cases, there is very little evidence to support these technologies while others are well known. All of the above calls for the manager to exercise creative problem-solving (CPS) skills in the management of these issues. Arguably the single most important step of CPS is identifying the core problem or goal. This may seem easy but very often what a CM believes to be the problem is not consistent with the view of the condominium board and owner. The CM tries to solve the issues by asking

important questions such as “why is the owner/board concerned about a particular issue?” or “what is the best outcome from the point of view of the governing board or the owner?” These remain at the forefront of their mandate to ensure that priorities are addressed. Following that, she must research the problem, come up with ideas, combine multiple ideas to create a solution and of course implement it. Easy, right?

Emotional intelligence (EI) is becoming a necessary factor for success. Emotional intelligence has been defined, by Peter Salovey and John Mayer (co-creators of the emotional intelligence theory), as “the ability to monitor one’s own and other people’s emotions, to discriminate between different emotions and label them appropriately, and to use emotional information to guide thinking and behaviour”. This definition was later broken down and refined into four proposed abilities: perceiving, using, understanding and managing emotions. So many of our issues are laced with emotion – the leak that occurs just before Christmas, dealing with the elderly resident who keeps locking himself out of his unit or the noisy family whose kids yell and scream in the corridors – that knowing how to manage one’s own emotions and those of others is just so important. Unlike our counterparts in commercial property management, we deal with people’s homes otherwise referred to as their oasis or their sanctuary! Who can argue that a good CM needs emotional intelligence? Can EI be taught? We firmly believe that it can. We all start from different places but we can learn to

improve our emotional quotient or EQ and increase it.

Our experience in condominium management over the past years has confirmed that the toolbox that CMs need to be successful needs some additions, namely, relationship building, creative problem solving and emotional intelligence. A continued commitment and focus on client-centred services. These three, in particular, have become increasingly important as our environment shifts due to technology, demographics and legislation. CMs will need to pay particular attention to their ongoing professional education needs and seek out opportunities to learn more about these skills and the needs of their clients. Always being able to bring value and information for decision-making is a primary goal as in most other professions that offer specialized services. ■

Dan Fried, RCM, CSM is CEO, Transition Team Leader of Capital Integral Property Management, an ACMO 2000 certified company. He sits on the CMRAO Discipline Appeals Committee and the Taron Consumer Advisory Council.

Yawar Khan, RCM, is COO of Capital Integral Property Management. He oversees property management operations and also manages properties directly. He specializes in budgeting, financial reporting and reserve fund studies. Yawar is also a frequent public speaker at various condominium management conferences and seminars. cimanagement.ca



SERVING THE GTA SINCE 1991

New Water Plumbing Inc.

Plumbing & Mechanical Services

1 - 866-575-2355

905-731-2066

www.newwaterplumbing.ca

Exclusive Condominium Services

- PRV service & replacement
- Mixing Valve service & replacement
- Kitec replacement
- Bent Heating Riser repairs
- City Backflow testing & installation
- Kitchen Stack cleaning
- Sanitary & Storm Pump service
- Drain video
- Catch Basin & Pit cleaning
- In-Suite Service & Repairs

24-hour Emergency Service 365 days/year

"High Rise Specialists"

In trouble-shooting & correcting problems with Domestic Hot Water Systems

Servicing the GTA for over 25 years with over 30 service vehicles



"Where water flows - NEW WATER goes"