

8 BIGGEST MISTAKES

BOARD MEMBERS MAKE &
HOW TO AVOID THEM



BIG MISTAKES. BIGGER CONSEQUENCES.

Leading your community isn't an easy task, especially when you're keeping up with meetings, buzzwords, and best practices. While board members do their best to succeed in their roles, sometimes they still make big mistakes that can result in serious repercussions for themselves, the board, and the community.

At CMA, our teams have learned this truth and many more through our 35+ years of experience working with boards. Whether you're new to the role or an established pro looking to gain better understanding, we can help you discover how to avoid costly mistakes and become a more effective board member in the process.

We asked our leaders from around the globe to tell us the biggest mistakes they see board members make, and here's what they revealed.





1. NOT KNOWING THE GOVERNING DOCUMENTS

Governing documents are the documents that establish how an association runs, what's allowed, what isn't allowed, and how to make changes to the rules. The governing documents are unique to your community and are comprised of three key sections:

1. Bylaws
2. Rules and Regulations
3. Covenants, Conditions & Restrictions (CC&Rs)

Knowing your limitations and duties, as described in the governing documents, is key to successful leadership. While these documents can be overwhelming, they're in place to protect your investment, and learning them will help you make practical decisions and avoid violations.



Have you ever read the governing documents as a board member? You should! As a volunteer leader of the community, you need to set a good example, and to do that, you need to know what the rules, restrictions, and policies of your community actually are. Read through all the governing documents and if there's anything you need clarification on, ask your community manager."

- Community
Association Manager

2. INEFFECTIVELY COMMUNICATING

Effective communication is one of the most important tools available to promote a positive and cooperative spirit. Board members must frequently communicate information, goals, progress, and outcomes to the membership. It's crucial to educate residents about why a decision was made, explain the time and energy spent to review options, and listen to feedback. Regular and clear communication builds trust and prevents gossip from getting perceived as the truth.



Communication is at the heart of everything we do. It's the key to life, work, and relationships. Without effective communication, a message can lead to error, misunderstanding, frustration, or even disaster by being misinterpreted or poorly delivered. When everyone takes the time to communicate effectively, the relationship between the board, residents, vendors, and the manager will strengthen and elevate the levels of mutual understanding and cooperation in successfully reaching the community's vision and goals. When a board properly communicates with their community manager, it'll only make it easier to lead and represent their community."

- Executive Leader



3. IMPROPERLY DELEGATING

Serving on your association's board of directors requires a lot of time, effort, and resources. Governing and leading a community can be challenging, and as a part-time volunteer, it's hard to accomplish everything—there simply aren't enough hours in the day.

That's why establishing committees to help share and divide the workload is essential. With support from various committees, board members can focus on fulfilling their duties more efficiently. Committees also offer homeowners a way to get involved on their terms without assuming a board member's full responsibilities.

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You should try to engage the community by creating committees that can help draft policies or work on various projects. This allows others to get involved without the pressure of being on the board, while also reducing the board's workload. For example, if the board needs a new landscaper, they can appoint a committee to develop landscaping specifications and interview companies. Committees can also fight apathy by organizing events like National Night Out or a social for getting to know your neighbors, giving the association a way to build a sense of community and get people to meet each other.”

- Director of
Association
Management



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4. BEING A NO-SHOW

It's easy to get caught up in all the work that comes with being a board member; however, it's crucial to remember why you chose to serve on the board: to make your community a place where people love to live and want to stay. Regularly interacting and engaging with residents promotes transparency and lets them see how the board works to improve the community.



There's nothing like a harmonious community where people greet each other and actively foster a friendly environment. We also know that taking the first step to introduce yourself to your neighbour can be intimidating. By hosting a few casual, inexpensive events, such as simple barbecues and ice cream socials, you can build a stronger sense of community that motivates more residents to get involved and invested in the place they live."

- Business
Development
Manager

5. MISUNDERSTANDING THE TRUE FUNCTION OF THE COMMUNITY MANAGER

A critical relationship for every board member is the one with their community manager. Many board members are unaware of the community manager's true role and function, which can create friction and prevent everyone from doing their jobs correctly.

Your manager works for the corporation as an entity, advises on key aspects of your association's operations, and serves as your representative with other service providers. Building and maintaining a strong relationship with your manager can make or break the success of your community.

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Managers are professionals who advise board members and help them make the best and the most fiduciarily-responsible decision they can. Managers do the leg work, find solutions, educate, and execute.

The most common misconception is that the manager makes the decisions and controls the board. The exact opposite is true. Communities and associations are non-profit businesses that are run by a board of directors who makes the decisions. The manager is like a CEO who executes the decisions of the board and is the 'face' of the board to the owners and residents.”

- Community
Association Manager



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6. IGNORING THE ADVICE OF PROFESSIONALS

Boards will often make the mistake of not seeking or respecting the advice of professional partners and service providers, like the association accountant, lawyer, or community manager. It's essential to understand that these professionals are there to provide reliable information and insights. Remaining open to their guidance will ensure you're equipped to make sound decisions.

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Don't rely on your own expertise or lack thereof. The best board members realize they aren't the experts and that they must rely on the opinions of outside professionals to help guide them in their decision-making processes.”

- *Director of
Association
Management*

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7. LETTING PERSONAL AGENDAS GET IN THE WAY

One of the most common recurring board errors is members using their position to carry out personal agendas. This includes hiring friends as vendors, making choices that only benefit their home or their friends' homes, and taking feedback personally.

An HOA is a non-profit corporation designed to run as a business. That means leaders have a duty to act in the best interest of the association—not themselves. You must separate yourself from any personal views and conflicts, as they can get in the way of making the right choice for the community. Make fair and consistent decisions based on standard practices rather than emotional opinions and preferences.

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I believe the most important skill for a board member to possess is objectivity. You need to look at all positions and then select the path that provides the greatest good for all members of the association. This may not be the path that benefits you the most, but benefits the group. We call this the 'no personal agenda' approach to being a board member.”

- Community
Association
Manager





8. INADEQUATE BUDGETING

Two prevalent board practices regularly land on the list of major no-nos, and they usually go hand-in-hand: not raising assessments and deferring maintenance.

While no one likes making the [unpopular decision to raise assessments](#), as a board member, it's your duty to budget wisely. That means protecting, maintaining, and enhancing the community—all things that cost money. You can't wait for items to fail; you must be proactive and set realistic budgets for repairs and necessary maintenance. Deferring maintenance because you don't want to raise fees will cost your association in the long run.

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I recommend that boards look into taking a proactive approach rather than a reactive approach with community maintenance. Being proactive results in cost savings, improved safety, increased efficiency, and protection of common assets—benefits that all go a long way toward supporting property values and making your community a pleasant place to call home.”

- *Regional* Maintenance Manager



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