



ATTRIBUTES OF A SUCCESSFUL MANAGEMENT RIGHTS OPERATOR

What is it that sets apart a successful Manager of a Management Rights Business from the “also rans”?

When I look at my clients who have bought in and out of these businesses over the years, I see a wide range of people from all walks of life. There are former School Teachers, Policemen, Farmers, Publicans, Real estate agents, Sales assistants, Nurses, Accountants and Public servants. Many people are suited to this job.

However not everyone is suited to be a Resident Manager of a unit complex. What are the attributes that set apart a successful manager from the rest? If you are considering the purchase of a Management Rights Business you need to be honest with yourself and ask whether you have these skills.

PEOPLE SKILLS

There are many people to keep happy in a unit complex. There are firstly the owners. Secondly there are the tenants. Thirdly, there are the many people that you come into contact with such as Service Providers and Tradesmen and the members of the Body Corporate Committee, particularly the Chairman. You need reasonable skills to get on with all of these people. However, you do not need the skills of Anthony Robbins the world famous motivator or Ray Martin, one of Australia’s leading media personalities. You only need reasonable people skills. Managers with even reasonable skills will stand out from the crowd and in most circumstances be assured of success within this industry.

LIFE SKILLS

In my experience, more than half the people who buy management rights businesses have never been in the industry before. Yet, they usually do very well and go on to own several Management Rights Businesses before they retire. Why is it that people with no experience in the industry do so well? Firstly you need to have at least half of the purchase price to buy the Management Rights Business. The industry therefore usually attracts mature individuals with some life skills and experiences who have been financially successful.

The average buyers of Management Rights Business are a Mum and Dad team who have bought and sold one or two houses, are at least half way through raising their family and have been in and out of a few jobs. These life experiences suite them very well to being Managers of a unit complex where they have to deal on a daily basis with most of life’s issues. Their own life experiences stand them in good stead to deal with these issues.

☑ POLITICAL SKILLS

These skills are probably better described as diplomatic skills. You need at all times as a Manager to keep the support of at least 51% of the owners. If you do there is much that you can achieve within the complex.

The support of more than half the owners will allow you to arrange for improvements to the complex for the benefit of all occupants. Such support will also allow you to extend the term of your agreement or if it appropriate to do so, even ask the owners to give you a salary increase. It is important therefore, to make sure that you maintain this level of support within the complex and if you are unable to do so then you should not become a resident manager.

This does not mean to say that you need the political skills and charm of Bill Clinton. Remember, all you need to do is retain the support of at least 51% of the owners. There will always be several people at least within the complex for whatever reason that you can not get along with. This does not matter as long as you retain the majority support.

THE DOWNSIDE OF BEING MANAGER

When I have a bad day at work, I retreat to my home where I sit out in the garden and enjoy a Chardonnay with my family. If you have had a bad day as a manager it will seem at times that there is nowhere to escape as you will still be on site with all the 'problems' around you, and even above you. It may seem at times that there is no escape. You need the personality to be able to live with this issue.

You should also appreciate that as the Manager you are in reality the servant of the Body Corporate. You are there to serve the needs and demands of the owners through the Body Corporate. However, as Bob Dylan said " We all have to serve somebody". I travel to work every day to serve the needs of my clients and so do many other people who serve this related industry. You need to be comfortable therefore with this concept if you want to become a successful manager.

YOUR SUCCESS – SOME EXTRA TIPS

Success also depends upon you developing a good working relationship with all of your owners and having a good relationship with each of your tenants and guests.

You should also appreciate that the job involves a lot of book keeping and at least one of the Management team should be good with books and figures.

Remember also to keep your owners informed about developments and activities within the complex and they will retain confidence in you and you will receive their co-operation in return.

Keep your guests happy and make sure they enjoy their time at your complex. If you manage a Holiday letting complex they will return and tell their friends and others to join them.

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