

Mulcahy Memo – April 2016

Published for clients and friends of the Mulcahy Law Firm, P.C.

by Beth Mulcahy, Esq.



Spring is here! This is the most beautiful time of year in Arizona. I hope you get time to enjoy this glorious weather!

This month, our Mulcahy Memo discusses the topic of how to be a better leader for your association (scroll down to read the article). After almost 20 years of representing community associations, I've noticed that one of the main differences between a successful association and a struggling association is leadership.

As you know, our "Brunch with Mulcahy" seminar earlier this year was a huge success. We had over 230 board members and managers present to learn more about community association law. We are excited to share the video clips of the entire seminar! Please visit our <u>YouTube</u> channel to view the videos.

We are closely following the 2016 Arizona Legislature. Last week, the first community association bill was signed by Governor Ducey (HB2172, Design; Architectural Committees; Review). Under HB2172, a board or an architectural committee's approval of construction projects, architectural designs, plans and amendments shall not be "unreasonably withheld". However, the Arizona Legislature failed to define "unreasonably". It is our opinion that once this law goes into effect, boards and architectural committees should strive to approve or disapprove construction projects, architectural designs, plans and amendments within 30 days of receipt to meet the intent of this new law.

This week we are closely watching SB1449, SB1498, HB2106, HB2382. All four of these bills are very close to passing in the legislature and could go to the Governor in the next week or so for signature.

We will continue to update you weekly with any developments on any community association bills.

For a listing and summary of the pending bills, please click here.

Our firm has six (6) more FREE educational classes being offered in Chandler, Glendale, Phoenix and Peoria in the next 60 days. These classes provide education on the laws that govern associations and are for board members, homeowners and managers. We hope that you can join us for one of these upcoming classes. A full listing of the classes can be found by clicking <u>here</u>.

<u>Follow us on Facebook!</u> Our law firm has a very active page with free tips and legislative updates for board members, managers and owners that is updated weekly.



Thank you!
Sincerely,
Beth Mulcahy, Founder and Senior Partner
Mulcahy Law Firm, P.C.

How to be a Better Leader for your Association By: Beth Mulcahy, Esq.

What makes one community association successful while another struggles?

After almost 20 years of experience working with community associations, I have come to the conclusion that one of the reasons is leadership. This article will define leadership, talk about the importance of leadership, characteristics of a good community association leader and how boards can lead at a higher level.

What is the importance of leadership?

Strong leadership gives and organization guidance, stability, continuity from year to year and a unity of purpose.

There are many definitions for leadership:

Drea Zigarmi, in his book The Leader Within, defines leadership as "the act of arousing, engaging, and satisfying the motives of followers - in an environment of conflict, competition or change - that results in the followers taking a course of action toward a mutually shared vision."

What are some of the characteristics of a great community association leader?

- 1. A leader must be moral and ethical
- 2. A leader engages in proper behavior
- 3. A leader has read, understands and follows the governing documents and the laws regarding community associations
- 4. A leader is educated on community association topics and procedures
- 5. A leader follows the advice of professionals who are hired to help
- 6. A leader is respectful of other board members and community members
- 7. A leader places the good of the association as a priority and encourages others to do the same
- 8. A leader encourages mentoring and support of board members
- 9. A leader can conduct an efficient and effective board meeting
- 10. A leader sets a good example
- 11. A leader arouses others in the community to step up and help the community and to follow the association's documents

If leaders are not respected by their members, they can never effectively lead an organization.

Leadership is often divided into 4 styles. What type of leader are you?

Directing leaders give specific instruction and closely supervise group tasks; they show exactly what they want others to do and how to do it.

Coaching leaders direct and supervise tasks but they also explain decisions, ask for suggestions and encourage those they work with. They will encourage all to contribute when deciding what to do and how to do it.

Supporting leaders share in the decision-making. They facilitate and support the group members' efforts. They might say to the group, "I will be here to help if you need me."

Delegating leaders give all decision and problem solving responsibility to the group members.

The president of a board of directors may be one style, or a combination of the leadership styles. Additionally, he or she may use a different style depending on the desired outcome or the makeup of the committee or board he or she is working with.

Community Association Boards Leading at a Higher Level

Leading at a higher level is defined by Ken Blanchard, the business leadership guru, as is "the process of achieving worthwhile results while acting with respect, care, and fairness for the well-being of all involved."

According to Ken Blanchard, in order to lead at a higher level, boards need to do the following:

- 1. Set sights on the right target and vision. (Develop goals at the beginning of each year to make your community association better and work toward accomplishing those goals);
- 2. Treat homeowners' right (treating all fairly, with respect and in accordance with governing documents and community association law);
- 3. Treat fellow board members right (working together to accomplish the goals of the association and acknowledging their support of the association).
- 4. Be the right kind of leader (adhering to the characteristics of a good leader).

I believe leadership and education are intertwined so I hope that you will continue to learn as you lead your communities toward excellence.

Please contact Mulcahy Law Firm, P.C. for additional information and help with this issue.