HOA guide

8 steps for going out to bid

Simplifying the bidding process

By aligning with fellow board members, determining your needs from the get-go and spending valuable time with potential management companies, you'll be well on your way to a confident (and no-regret) decision that will benefit your association for years to come. Here are the steps you need to take along with sample conversation starters to share with fellow board members.

Life, simplified.

Step 1

Decide to go out to bid

Start the conversation

“We’ve had several issues over the last year – and our management company isn’t acknowledging them, or even answering our calls. Should we take the next step and go out to bid?”

“I like the autonomy of being self-managed, but it feels like we’re missing out on resources and financial benefits. Can we research a few management companies?”

Come together

Aligning with other board members is critical for having a smooth decision-making process. Not everyone may agree, so communicate clearly and share what the ultimate benefit to your community or high-rise will be.

Top 3 reasons to go out to bid

Due diligence

When a contract is about to expire (1-3 years), your board should ensure that you are making the right choice by reviewing your current management or considering a new company.

Association or management problems

Is current management not meeting your association’s needs? Are you self-managed and potentially missing out on valuable resources (or getting over your heads)? Might be time for a change.

Going from good to great

There’s nothing “wrong” with your association. But could your community be even better? There’s no harm in exploring your options.

Step 2

Identify a problem

Start the conversation

"It feels like our manager is on their own. Do we need more support and resources to follow through on day-to-day tasks like board and resident requests and to handle bigger projects?"

No complaints?

Keep in mind that even if you aren't experiencing any immediate challenges, you may be missing out on opportunities that could take your association from good to great. Does your management company have the resources to take your association to the next level?

Step 3

Explore a solution

Start the conversation

"To really take our community to the next level, we need another layer of support from our management company. We don't have the time or expertise to handle everything ourselves."

Reminder

Not every solution is cut and dry – especially for complex communities. Speak with industry experts and review research to determine what best practices will help solve your association issues (or take your community from good to great).

Step 4

Draft a request for proposal (RFP)

Start the conversation

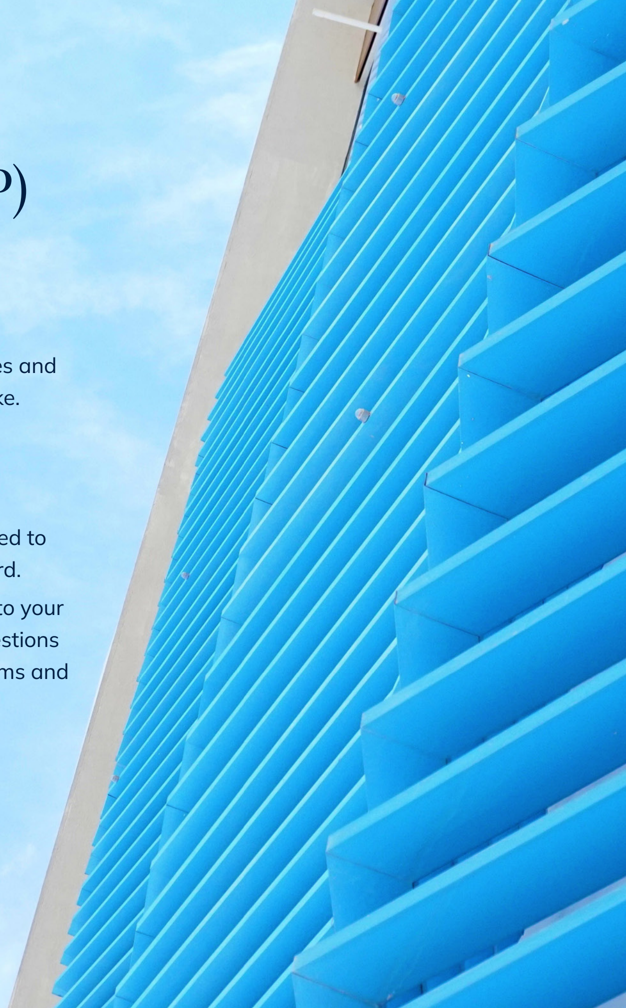
"Let's make sure that the things that matter the most to our board will be answered in the proposal. What questions should go into our RFP?"

Quality > Quantity

Before you get carried away with drafting a novel, pare down your RFP. What are the must-haves that will make or break your association?

Tips to draft an RFP

- Research industry best practices and determine what "good" looks like.
- Get aligned with your board on what you really need from your management company.
- Discuss what questions you need to ask in a meeting with your board.
- Narrow those questions down to your top 10 must-haves (i.e., the questions that are tied back to the problems and solutions you've identified).



Step 5

Schedule a discovery meeting and site visit

Start the conversation

"We should invite them out to visit our community, so that we can see if we are a good fit for each other and discuss some potential solutions."

Win-Win

Whether you go with the company or not, having them visit your community is incredibly valuable. Your conversation may uncover new solutions to your challenges or reveal opportunities for growth. Use this visit to your advantage.

Step 6

Visit management company's office and schedule a presentation

Start the conversation

"It's important to meet the local team who will be helping support our community. Can we schedule a visit to their office in the next week or so?"

Words and actions

Beyond the presentation, seeing the local team in action is key to helping you select the best management company for your association. If their actions and resources don't match up to the solutions they're offering, that's a red flag.

Step 7

Perform reference checks and review proposal

Start the conversation

"We're getting close. I think it's time we check in with their other communities."

Check your work

This is a big decision that will ideally benefit your association in the long-term. After you've read and reviewed the proposal to ensure it addresses the challenges you discussed during the process, make sure to check their references.

Step 8

Select a provider

Start the conversation

“Is everyone on the same page with this decision? Let’s talk through any pros and cons before we sign.”

Finish line

If you’ve done the work up until this point, the decision process is actually the easiest part. Alignment with your board, research, communication and in-person visits are key to paving the way to a confident choice.

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Boards and developers select FirstService Residential to realize their vision and drive positive change in the communities in their trusted care.

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