

# Dear Boards, *Suck It Up and Be Transparent.*

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James Dyson developed over 5,000 prototype designs for his revolutionary vacuum cleaner between 1979 and 1984. Nobody cared until 1983. An Italian appliance maker agreed to sell them by mail order. It was not exactly a success; only about 500 units were sold that year.

But Dyson was undeterred. He never forgot his unhappy experience with a typical vacuum in 1974, when he noticed it seemed to lose suction easily and required a lot of maintenance to maintain optimal performance. He knew there had to be a better way. He was sure his "cyclonic separation" technology was the answer.

## *Who Wants to See Dirt?*

One of the key features of the vacuum was its clear plastic dirt collector. Market research at the time said people would hate it. But Dyson sensed that people would want to see the results of the vacuum's performance, no matter how ugly it might be. So in 1991 he launched Dyson Appliances Unlimited. Was he right? Today Dyson is a multi-billion pound (British) company employing over 8,500 people. But you don't need to know statistics to see his impact. Take a look at the appliance shelf at your local department store or Amazon page. How many competitors copied him?

Historically, vacuum cleaners trapped dirt in a hidden bag that was removed and thrown away. The clear dirt collector went against the grain of conventional wisdom at the time. In his ebook *Who Do You Want Your Customers to Become?*, Michael Schrage quoted Dyson: "The interesting thing is that when I did this, all of our competitors just fell about the floor laughing; they were actually delighted that I'd been so stupid. And the retailers wouldn't have it . . . We went into the stores, and our vacuum has all this (expletive deleted) in it. The retailers are absolutely hostile. They say, 'No, no, no, it's a complete mistake—make it smoked or tinted or something.' But I persisted, because I found it really fascinating that you could

see exactly what was happening; you could actually see the nature and texture and type of dirt you've picked up." Schrage concluded, "While Dyson's transparency defied the industry's conventional wisdom, customers knew they could see with their own eyes how well their innovative technology worked. Dyson offered a simple, easy, and inexpensive user experience that invited customer confidence.... Transparency creates trust. Dyson's contrarian innovation was an investment in trust. Dyson empowered his customers to come to their own real-time conclusions about his product's performance. "

## *What's This Got to Do with Community Association Governance?*

Too many boards of directors of community association are nervous. Nervous about contention. Nervous about bad PR. Nervous about looking unprepared. Nervous about being wrong. Reflexively, they retreat into secrecy, even when state or local statutes require open meetings.

I get it. People can be tough. Most communities have hard cases living in them. I remember Elvira, a unit owner in a particularly contentious condominium I once managed. She was the Board's harshest critic, never missing an opportunity to call out any and every imperfection. When I asked her why she didn't step up and serve on the Board, it became clear she didn't want to be accountable. She just enjoyed holding others accountable.

I also remember my first condo management job. I was a contracted, interim building manager for a small and elite condominium in Washington DC. I went to work every day with a knot in my stomach, certain I would blow the building up. At the end of my tenure, the whole community threw me a going away party. It was amazing. I cornered one of the board members and said, "I don't understand. This was my first

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## *“Transparency creates trust”*

*– Michael Schrage*

management job. I made plenty of mistakes. Why were you so happy with me?” I’ll never forget the answer.

“Tom, you told us about every little thing that went wrong. We knew if anything really bad happened you would be honest about it. You have no idea how valuable that was to us to have a manager we could trust.”

Humility and openness are invaluable. They set a tone and can change the game. My mentor Arthur Dubin, President of Zalco Realty, and I still recall a president of a condominium we helped turn around back in the day. The condominium had been the victim of paralysis by analysis. This was due in no small part to egos that got in the way of seeing reality and being responsible for decisions that might not work. A brilliant oncologist, this president was always willing to admit when he didn’t understand something. He asked the questions others were afraid to. His standard line was, “Talk to me like I’m 5 years old.” The board became more comfortable discussing matters openly and sharing information on topics in progress with owners. All their dirt was in the open. Nobody got sued; the community came together, and stuff got done. More than 20 years later, Arthur and I still reminisce about “Dr. Bob” moments every so often.

Consumers pay good money for a vacuum and want to see the results. They trust their money was well spent, even if what they see might be a bit distasteful. They know the technology works. Seeing the results allows them to draw their own conclusions. Community members pay their fees. They want to have confidence that the organization

they are funding is working well. They want to have confidence in the process, even when the news is a less than pleasant. Seeing the process unfold allows members to buy in for themselves.

So your gut reaction may be to stay “safe” in the shadows. This is a fear-based decision. You already know those don’t work out too well (FEAR = False Evidence Appearing Real). You may make assumptions about how members will react to seeing the dirt. And it’s true that in our litigious society there are reasons to be discrete. But knowledge gaps will be filled by the rumor mill. The Law of Omitted Data (i.e. if a percentage of information is omitted or missing, bad data will spread at an exponential rate over time) runs amok. This creates a vicious cycle of distrust, secrecy and dysfunction.

So yes, it can be tough ESPECIALLY in challenging times and with bad news. Take a deep breath and be as open as circumstances permit. Change the game and begin to turn vicious cycles into success cycles. This is not theory. It works. Give it a shot – suck it up and be transparent. When the results start to flow you’ll be glad you did.



Thomas L. Willis, AMS®, PCAM® has spent more than 30 years of his life in the community management business. A hopelessly curious soul and leadership studies junkie, he remains fascinated by the good, the bad, and the ugly that he’s seen through the years. His professional mission is to help volunteer leaders and the professionals who partner with them around the country to be amazingly awesome for community associations they serve.