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YSP Podcast Transcript: Episode 080. Do we need more diverse strata committees?

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Amanda Farmer: Hi everyone. A quick word from me before we jump into this week's episode, which is a little bit different as you're about to hear. But first, I wanted to tell you about an event that is being held by the Women in Strata group on Thursday the 5th of October in Sydney.

Now, you'll hear me talk a little bit about Women in Strata, in the episode you're about to hear, and this is really good timing for me to let you know that we're holding a breakfast event at Macquarie Bank in Sydney on the 5th of October, which is the official launch of the Women in Strata mentoring program. Now, this is for all women working in the strata sector, whether you're a manager, whether you're a service provider. Women who want to tap into the power of either having a mentor or being a mentor. Women in Strata has the program for you.

We're certainly going to have some men at the event as well. So, please men, don't hesitate to join us. More information from www.womeninstrata.com.au/events. Head over to that web page and you can click through to register to attend the breakfast. Now, we've had breakfast hosted by Macquarie Bank for Women in Strata before. It was around this time last year. They put on a fabulous spread, and it is a great opportunity to either catch up with or meet other like-minded people in the strata sector. So, do jump in quick. Secure your spot as spaces, as always, are very limited. Womeninstrata.com.au/events. I can't wait to see you there. Now, for this week's episode. Enjoy.

Intro: Welcome to Your Strata Property. The podcast for property owners looking for reliable, accurate, and bite-sized information from an experienced and authoritative source. To access previous episodes and useful strata tips, go to www.yourstrataproperty.com.au.

Amanda Farmer: Hello and welcome. I'm Amanda Farmer and this is Your Strata Property. I have a very special episode for you today. I actually have two guests with me. I have Natalie Fitzgerald of Strata Sense. Hi, Natalie.

Natalie Fitzgerald: Hi, Amanda.

Amanda Farmer: Natalie's been on the show before, episode 21. We had a chat about strata management contracts under the new New South Wales law. And I also have with me the lovely Reena Van Aalst of Strata Central. Hi, Reena.

Reena Van Aalst: Hi Amanda.

Amanda Farmer: Now, Reena's, of course, a regular now on the podcast as each fortnight we discuss our week in strata. But something you may not know is that both Reena and Natalie serve as committee members on the Women in Strata committee. Now, you might have heard me mention Women in Strata before. It's a networking and support group for women working in strata management, which I set up about two years ago now after recognizing that women working in the sector do have experiences that are unique to them as women. And I saw a need for a group that could support women, women strata managers, women working in strata management companies, as they aim to be at the top of their game.

If you want to find out more about Women in Strata, you can go to the website womeninstrata.com.au. But I've invited both Reena and Natalie on the show today, not to talk about Women in Strata, or not just to talk about Women in Strata, but to talk more generally about diversity. And the particular topic that we want to discuss is diversity on strata committees.

Now, I know all three of us have been approached, in recent times, by committee members, or aspiring committee members, who feel that they'd like to sit on a strata committee but, for a range of reasons, they don't feel that they'd be supported in their nomination. They don't feel that they would be accepted as a committee member, that they'd fit in, that they're right for that role. And it's led to some discussion, amongst the three of us, about whether or not our strata committees are as diverse as they could be. If they aren't, is that a problem? And if it is, how do we solve that problem?



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So, I thought a fabulous forum in which to have this discussion is indeed this podcast. And I'm going to start with you, Natalie. Why is diversity a critical issue when it comes to strata committees?

Natalie Fitzgerald: Well, we live in a diverse community and our buildings are diverse so it would make sense then that we expect our committees to represent a fair cross-section of all the people living in the buildings. And the downside, if they don't, is that a whole group of people, whether it be women, whether it be a certain ethnic group, suddenly feel shut out. It could be generational but if the committee doesn't represent the whole cross-section of the building, then you're going to, whether it be perception or reality, have people feeling shutdown from decision-making.

Amanda Farmer: What do you think, Reena?

Reena Van Aalst: Yes, I agree with what Natalie said. Warren Buffett famously keeps saying that if you don't employ women, or let them have a voice in society, then you're missing out on half the population. So, I think it's very important that, as Natalie's just said, society is diverse. You know, women make up half the population, therefore, that perhaps it isn't not reflected in ownership of strata plans. Sometimes that may not be the case. But I think that we should have diverse views, in the building, so that, in a sense, you get the best out of both worlds. You've got a diverse population giving you ideas that are perhaps different to what you're going to expect if you only had one type of committee member on your scheme.

Amanda Farmer: I think our default position, very often, when talking about diversity is to talk about gender because it's something that is immediately obvious to us when we're sitting in a room, and we find ourselves as the strata manager, or the strata lawyer, as the only woman in the room. But diversity's not just about gender. As Natalie said, it can be about ethnicity, cultural backgrounds, it can be about age.

Natalie Fitzgerald: Age.

Amanda Farmer: And yes. And that's something that, as we do have people aging in place, as the academics say, and an aging population, we do have older people living in strata buildings and living in their buildings for longer. Are they represented on our committees? So, maybe we could just touch on what is it that makes a diverse strata committee? We're talking about gender, we're talking about cultural background. What else helps us to achieve diverse strata committees?

Natalie Fitzgerald: I think, Amanda, you touched on it. It's gender, it's ethnicity, it's age, it's taking a look at the building. Reality is certain buildings are going to attract certain members of the community. You know, I run a training session on making sure you know what you're buying into and then that's a building where the expectations and your lifestyle meet. But there are also going to be buildings that do represent that whole cross-section of society that we live in. And, if you're in one of those buildings, then it's fair to say that each of those groups should be represented.

And one of the things we found on the generational argument, more than not, is that the younger people, the new owners, are feeling left out. They want to improve things. They want to spend money. They see the value in investment. Whereas you might have older generations, on fixed incomes, who would rather not put money in the capital works fund, who'd rather not do improvements, and suddenly there's a whole demographic. And these are owners in their own right, I mean they've looked at from a contribution because the committee's been stacked against them.

Reena Van Aalst: I also would add whether you have resident owners versus non-resident owners.

Amanda Farmer: Yes.

Reena Van Aalst: Whether you have professionals versus people that are not in professions so you might have different interests. Like you might have accountants, you might have designers, you might have, you know, people that are involved in landscaping. So, those people also bring a different perspective and viewpoint when considering decisions. And, as Natalie said, the generational one where, yes, you do have people that are older and perhaps non-resident that don't want to spend money versus those who are younger and can see the value of improving their assets.



Amanda Farmer: Yes. I think it would be a hard argument to make that a diverse committee is not a more highly functioning committee and perhaps a more successful committee. If we accept that position, that diverse committees are something we should be aiming for, how do we then achieve that? So, for both of you, as managers and working with committees very closely, what buildings do you see doing this really well and what is it that they're doing differently to other buildings that maybe could do with a bit more diversity on their committees?

Natalie Fitzgerald: I think it's certainly interesting, the way committees, or strata as a micro-community can reflect the greater community we're in. There's no doubt, particularly in relation to gender. The reason I brought this up with you, Amanda, was because I had women come up to me and say, "I want to be part of my committee. I don't feel confident in putting that forward. If I do I'll be [inaudible 00:09:01] woman, if not I'm going to be bullied." And you're realizing that micro-community is just a mirror reflection of what we're often fighting with in our real lives as well.

To me, it's really about education. It's making every owner understand that they're valued. That, ultimately, every vote is valued and important. And making sure that, as a committee, they understand that they're obligated, legally now obligated, to act in the interests of all owners. And there was always a common law expectation of that, it's really great that it's in the legislation now and we can empower everyone to take that stance, to stand up against anyone who may not have come to the committee with the right intentions.

Reena Van Aalst: I think also, with younger people, they're often quite time-poor because they usually have, you know, worked quite long hours and also we want to socialize. And, therefore, sometimes I find that because people are time-poor sometimes that diversity is not there because younger people don't have the time to commit to the level of time that's needed to actually, you know, contribute significantly to a committee. And, therefore, sometimes you do get the skewing where you have the older generation, who have more time, who are either retired or semi-retired living in buildings.

And, therefore, you find that there is a tendency for those people to perhaps to have a voice versus women who, you know, sometimes don't feel like they can actually contribute, or they're made to feel that they're not able to contribute because of, sort of ... Not that this is actually not really said, but it's what's not said or what's insinuated, I think, for women.

Amanda Farmer: Yes.

Reena Van Aalst: And perhaps, you know, taking off numbers, things like that where sometimes women aren't deliberately kept off committees.

Amanda Farmer: Yes, I think that's a really good point you raised there, Reena, about people, and perhaps younger people, or people with young families. They feel like they're too busy. Too busy to contribute something of value. And, to me, that's a job for the incumbent committee members, to be saying, "Hey, whatever contribution you can make is going to be valuable to us because we don't have somebody like you, on our committee, giving us your point of view as a young person. Or as a person with children in the building. Or as a woman. And whatever you can contribute, however insignificant you think it is, it's going to be significant to us because it's better than nothing."

And so I would see that as the role of the existing committee to be looking for those people. To be getting to know your neighbours. To be getting to know which ones have the special skills we've just been talking about. Maybe can add something to the committee as a lawyer, as an engineer, as an accountant. We're about to embark on a project and we could really do with an architect, or a landscaper, like you.

So, you've got to know first of all who those people are, so you know where to find them. And then encouraging those people to say, "Hey, I know you're busy, I know you've only got five minutes. But five minutes in a week to look at an email we've been circulating, and let us have your view, is going to help us take this building to the next level."

Natalie Fitzgerald: It's also, I think, about embracing technology and the lifestyles and the way we communicate differently. There's no reason for us to sit around a room every six weeks and hold a committee meeting anymore.

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We've certainly started holding meetings remotely. You may have one or two people who prefer to be there in person and the others are the via whatever platform, you know, you happen to use. There are communication platforms out there that people can use. Email, I feel, is on its way out, which is, in my opinion, is a positive. And we are embracing these alternative platforms more and more. So, the time-poor can work on their phones while they're commuting to and from, and contribute positively in, kind of, a different way. And there's no reason why you can't take the old and the new and merge them together and make it work for everyone. So, it's being open-minded to solutions so that everyone can be included.

Amanda Farmer: And what's your experience, Natalie and Reena, of committees who, for a particular project, or for a particular period of time, might put together a subcommittee, which is drawn from the wider group of owners and it's a subcommittee for ... It might be a regular thing like the social subcommittee that helps with Christmas parties and the like. Or it might be the by-laws subcommittee, which is going to lead the way on the by-law review that the building needs to do. Is that a way, do you think, for getting the wider owner body involved and tapping into that talent in a way that doesn't make people feel, "Oh, I've committed to be a committee member for 12 months and take on all the responsibilities that involves," but still getting those voices heard.

Reena Van Aalst: Yes, I actually have found that works quite well in the majority of buildings that embark on using subcommittees. The only downside, that I've seen, is sometimes the subcommittees think that they can actually make the decision.

Amanda Farmer: Yes.

Reena Van Aalst: So, sometimes they just have to be reminded that the subcommittee makes recommendation, and the committee is the ultimate body that can actually make the final decision. But it does work well. And people that have certain interests, like you, said Amanda, that doesn't want to be on the committee, that just like to deal with, like you said, by-laws. Or if it's a design project, for example, a foyer renovation, and they're got some skills in that area, or they've got contacts in that area, I've found that to be very, very helpful and actually, in a sense, expedites the project. Because you've got people working on the side that then can come back and report. And then the committee can make a well-informed decision based on what's been provided to them.

Natalie Fitzgerald: Yes, I'd absolutely agree with that, Reena. The thing is when owners or committees have too much going on nothing gets done. So, when you have subcommittees focusing on one project, bringing recommendations back, the committee are able to through more. And suddenly, a project that can take six months without a subcommittee, you might be able to resolve much quicker than that.

Amanda Farmer: Excellent. Well, hopefully, we've given our listeners some really practical ideas for how they might start thinking about whether or not their committee's diverse, or as diverse as it could be, and if it's not how they can reach out to other owners and try and get them involved. Have you got any other quick action steps, Reena or Natalie, that you want to suggest to our listeners for how they can today start increasing the diversity of their strata committee?

Natalie Fitzgerald: I think, first and foremost, talk to your neighbours and talk to the owners so you know who they are. Don't completely disregard the tenants. You never know who's [inaudible 00:15:18], or you can have, or an engineer, or a tenant who's invested in living somewhere that they love as well. We find more and more these days that tenants become owners in the buildings that the rent in because they like being there so-

Amanda Farmer: Yes.

Natalie Fitzgerald: Extend beyond your owner panel. Look at the tenants and get to know who's party your in as a corporation. Particularly if it's someone that is different to you, with a different viewpoint, with different contributions to make because that's what you need as a committee. There's no point having everyone thinking the same way. That's not going to challenge the status quo or make things better.

Amanda Farmer: Absolutely.



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Reena Van Aalst: For me, another thing that we try and encourage at meetings is to ask people who nominate too, sort of, just give a sort of 1-minute talk about their background, who they are, and what they'd like to achieve in the next 12 months. So, that they can give us, people at the meeting, sort of, an understanding of what they bring to the table.

I think one of the issues with strata committees is the fact that when you're asking people to submit a significant amount of time, that when people aren't paid then you really can't, you know, impose and say, "Well why haven't you done this by the next meeting." So, perhaps sometimes a thing to consider is giving your committee members, who do significant work an honorarium.

Amanda Farmer: Yes.

Reena Van Aalst: That can be discussed with the committee. And obviously, it's put on the agenda and it's paid retrospectively from the last AGM. So, that's another idea where, if someone is putting a significant amount of time in the building and, in a sense, taking a lot of work off us as strata managing agents, then I think they should be remunerated for that, and the owners should actually put a value on their time.

Amanda Farmer: Great tips there. And I do want to remind our listeners that you can get the transcript of this episode. And this transcript is, I think, going to be a great resource for you as an owner, or as a committee member, or even a strata manager, to shoot off to your fellow committee members, or your aspiring perhaps committee members. And say, "Hey, check this out. Here are some tips for how you can get involved. How you can increase the diversity of your committee." You'll get the transcript from yourstrataproperty.com.au/080.

Anything else you want to add, Reena and Nat before we wrap up?

Reena Van Aalst: Not me. Thanks, Amanda, it's been wonderful.

Natalie Fitzgerald: No, I'm good too. I think we've covered a wide range of top tips in relation to diversity and hopefully, people are able to take away the confidence to put their hands up.

Amanda Farmer: Awesome. I love that. Well, thank you. I know you're both busy ladies and thanks for giving us your time to talk about this particularly important topic, and I shall chat to you both very soon.

Natalie Fitzgerald: Thanks, Amanda.

Reena Van Aalst: Thanks, Amanda.

Amanda Farmer: Thanks.

Outro: Thank you for listening to Your Strata Property. The podcast which consistently delivers to property owners reliable and accurate information about their Strata property. You can access all the information below this episode, via the show notes at www.yourstrataproperty.com.au. You can also ask questions in the comment section, which Amanda will answer in her upcoming episodes. How can Amanda help you today?

