

Publication Date: 07 January 2020  
YSP Podcast Transcript: Episode 194. The art of crisis management - with Daniel Holt

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**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](http://www.yourstrataproperty.com.au).

**Amanda Farmer:** Hello everyone Amanda Farmer here. How are you today? It is great to be with you for our very first interview episode of 2020. I am chatting with Daniel Holt, Strata Manager from Sydney's Strata Sense. Daniel and I have a pretty wide ranging conversation starting from a discussion about his shift from strata lawyer to strata manager. What his key learnings had been in the past few years that he has been a strata manager particularly coming from that legal background. Daniel shares with us what it takes to succeed and to really excel when it comes to strata management. His tips for strata managers who want to play their best game including the spreadsheet that he runs his life by listen up for that.

And some of you may know Daniel was actually the strata manager who is managing Opal Tower in Sydney on that faithful day, Christmas Eve 2018 when the entire building 400+ people needed to be evacuated and we do talked about how personally he was impacted by that crisis. How he and his colleagues managed that situation, what his priorities were for the building and how he was able to coordinate the many, many different parties and interests involved during that crisis. Daniel shares his thoughts on how he thinks our legislation maybe lacking in some important respects when it comes to dealing with crisis and we talked about the increasingly important issue of the perception of strata managers as professionals. Should strata managers be considered to be on the same level as strata lawyers, should they be given the same respect if they are not, why not? And if the management industry wants to change that what steps should they be taking?

Now, this interview was recorded towards end of last year 2019. We did have some technical issues you will hear that the audio on Daniel's side is a little bit glitchy. Just our internet dropping in and out there so I do apologise for that. Don't let that distract you from this really valuable content. I'm actually going to come back to you at the end of this episode after Daniel and I said goodbye and give you my key takeaways from the episode, the standouts that I think you should have on top of mind as we say goodbye so don't switch off straight away I shall be back with you but right now let's head over to my chat with Daniel Holt.

Daniel Holt is a Senior Strata Manager employed by one of Sydney's most innovative strata management firms: Strata Sense. Prior to his role as a Strata Manager, Daniel practiced as a lawyer for 4 years with the bulk of that time spent employed in a law firm specialising in strata law. Daniel says the key to being a great strata manager is respecting your client's interests, intelligence, and time. Outside of the office, Daniel's passions are endurance exercise, long-course triathlons, marathons and mountain biking. Wow, that is keeping you busy and fit no doubt, Daniel. Today I am delighted to welcome, Daniel Holt of Strata Sense. Welcome, Daniel.

**Daniel Holt:** Hey, Amanda. Thanks for having me on.

**Amanda Farmer:** Absolute pleasure to have you on the show, Daniel. Look, I have been interested in bringing you on the show for a little while. You and I catch up every now and then at industry events and conferences. I've been watching your shift from strata lawyer to strata manager. There are actually a few of you out there who did the hard yards as strata lawyers, did a few years, did your time perhaps and decided to switch over to the other side I guess we could call it. I'd love for you to share with us today that process, if you like, some learnings that you might have gained, some surprises you might've had along the way. Let's kick it off there. How have you found that shift from strata lawyer to strata manager?

**Daniel Holt:** Yes, I've loved it. I had some trepidation coming in, but as you say, there are a number of us now making the move over. We've actually got a few ex-lawyers within our office who've also made the transition. I think that reflects the growing complexity of strata management in New South Wales. The days of having strata managers who just fell into the profession are getting a bit behind us and particularly the more sophisticated requirements on strata schemes, which are flowing through to the managers.



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**Daniel Holt:** I've been doing strata management now for about four years. So, at the end of this year I'll actually have been a manager longer, just a bit longer than I was a lawyer. I remember when I had the discussion with my former boss about moving over, he'd actually had a relationship with a former strata manager who'd also made the switch and his main advice for me was to just put aside the lawyer hat slightly, and be more pragmatic. Because he said that if you're going to approach everything is a lawyer, you'll see risk in everything you do.

And that element certainly comes through. There's a lot you need to know in the strata management, ranging from the legal side of things, to the accounting, to building and construction issues. If you find yourself just hamstrung by the volume because you focusing on every little element of risk, you going to run into trouble pretty quickly.

That being said, despite needing to learn a lot really quickly, I've absolutely loved the transition. I think one of the things that I love most about strata management, as opposed to being a lawyer, is getting to see the tangible results for the buildings. Being a lawyer, I was mostly dealing with the strata managers on quite distinct tasks. Chasing levies, some by-law dispute issues as you're well-versed in yourself. It's great to now be able to see building's come in, meet the committee and some of my buildings now I've been with for four years. You really see how they develop, particularly with new developments over the course of four years and watch them engage in a project and see it through to completion.

**Amanda Farmer:** Excellent. I can see how that is one of the big differences, being a strata manager. You're working with a building on all sorts of different projects, you're with them for a number of years, if you're lucky, and very different to the lawyers role where we come in, we deal with a discrete dispute, a discrete issue.

It's often the case that nobody finishes up that relationship being very happy. Aside from perhaps the lawyer who gets the bill paid, but yes, a different experience as a strata manager and it's interesting to hear you say that, that that's been what you've loved about it.

You mentioned there being careful to take the lawyer hat off and to wear the strata manager hat. I know we're often telling our strata managers, we talk about it on the show, be very careful, strata managers, not to be giving legal advice. You facilitate the discussion, you give your clients the resources that they need to make the decision. I can imagine that would be hard. If I try and put myself in your position as a lawyer, having that experience and that qualification I suppose, is it hard to sit back and say, "*I know what the legal answer is here, but I know it's not my role to give it.*"

**Daniel Holt:** Yes, you're absolutely right and I think that's something that I've spent some time adjusting to. Coming into the role, particularly from the legal background, it was easy to jump in and see everything as a legal problem and want to extend the boundaries of what your role is, but at the end of the day we're contracted by a specific service. We're not legal service providers, at least within our company we're not, and we need to recognise the boundary of what is strata management services and what is legal services. Sometimes that boundary is really not as clear as you might hope. At the end of the day, strata management is, at it's core, a legal compliance role. You were tasked in making sure the owners corporation is complying with the relevant legislation and sometimes you know the answer through legislation, it's your job to tell them, but at other times you've got to recognise when it is time to get the lawyers involved.

There really is no hard and fast answer of when that is. Often it comes down to the quantity of the dispute. If you've got a couple of hundred dollar bill that someone's arguing over, it's really not worth it to get lawyers involved. It's better to just pick up the phone and resolve that, but even in that process you've got to be providing some advice to the owners corporation. Again, it can be difficult to work out, well, when is your time to step back and put it to the lawyers or tell them, "*Look, this really is getting to the area of legal advice and beyond what we can provide you.*"

**Amanda Farmer:** Yes, and you did mention earlier that need to be pragmatic as a strata manager and I think that's a really good example of that. Yes, there are parts of the legislation that you do need to know and should know as a strata manager. There are disputes that you do need to resolve and should be able to resolve as a strata manager. I think that's a really good rule of thumb, when you're talking about particular disputes, looking at the amount of money that's involved. Whether it's worth getting legal advice and taking that commercial discussion to your strata committee. Do you find you get pushback sometimes from buildings

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when you say, "I think it's time to get legal advice on this problem, on this issue. I think we need to get a quote from a lawyer."

**Daniel Holt:** No, not particularly. I think we do push fairly hard to get resolutions internally and once you built up that good relationship with your client, if I say to my client, "Look this really has reached a point." And I've had some of these discussions quite recently. This has reached a point where it's gone beyond what we're qualified to do for you. Generally, I find that they respect that. So long as they've seen that you've made the effort to resolve it internally. Often, once it reaches that level of complexity then, I'll say there's a benefit as well of getting it out to the professional who has been separate from the situation. Because if you've been dealing with a dispute or an issue for months, and months, and months, you'll naturally get invested in that in some way. Having the outside party give some external of advice on that is beneficial to everyone, and the committees generally recognise that.

I think what we do differently, because I've said here about avoiding going too far and giving legal advice, the flip side of that, which I saw all too often when I was in the law with strata managers the moment getting difficult pertaining to the lawyers. It was incredibly frustrating seeing the number of cases that would come before the court or even just come across our desk. You think these could have been resolved by the manager by just picking out the font or making a couple of phone calls, or having a hard discussion with the committee. No, just saying, "Well the committee is not happy with what the by-laws do. I'll give to the lawyers to give that hard news." They willing themselves to actually sit down with me and say, "Look, we can go to the lawyers if you want. The realities that this is what the answer is." I have those hard discussions about it with everyone, and once you've done that enough times with the committees, when you tell him no it is time to go speak to the lawyers directly, generally they respect that.

**Amanda Farmer:** It's sounding to me like as a really fine line isn't it, between giving them the answer that you know and are qualified and should be giving, and not leaving it too late to send the brief off to the lawyer when there are mistakes perhaps have been made or problems that could have been resolved if the brief had been sent earlier. It kind of reminds me of a situation where you have lawyers and barristers working together.

**Daniel Holt:** Yes, definitely what I was thinking.

**Amanda Farmer:** Solicitors and barristers. Yes, and that happens to us where there may be circumstances where we as lawyers think that we can handle a particular case, usually litigation and it gets to a stage where it becomes more complex or it's going to take longer, it needs more resources than we thought and we end up briefing a barrister maybe a few days prior to hearing, and the barrister says, "Thanks a lot guys, thanks for dumping that on me."

**Daniel Holt:** Yes, I remember what was a local up in Newcastle, the advice I got from my solicitor there was brief early and brief often. I remember coming down to the law with that attitude of you get the barrister on as early as possible, but it just doesn't work pragmatically or from a cost perspective to get barrister involved incredibly early all the time. It's exactly can really face as the strata manager, or when do you get the experts involved and that might not necessarily be a lawyer. For instance, most of their buildings will have building managers. We rely on their expertise, such as it is, quite some way. It's also in those circumstances recognising when is it time to give this to an engineer or a consultant? Notwithstanding you'll incur some additional costs.

As you say, these are fine line and it's a line I'm still finding every strata manager is going to still struggle to find when is the right time to move it out of your office and into the hands of another professional. Just as you, as a longstanding practitioner of the law will still have times when you're questioning when is the time?

**Amanda Farmer:** Definitely. Now we're talking around a few of these things, Daniel, but I want to ask you straight out, what do you think makes a good strata manager?

**Daniel Holt:** Yes, I've been reflecting on this a fair bit in the last couple of days in preparation and you quoted, I think from my LinkedIn about a great strata manager starting from a position, respect. I think ultimately that is where it starts from. You need to have respect for your committee and your owners, and gravity with what you do, and how that impacts people's lives and livelihood. I've always tried to take the approach of saying, well, my parents live in house, so I always say how would I want my

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grandparents being treated? They live in their small little strata unit up in Charleston, Newcastle. Just bringing it back to how would they want to be treated? That comes down to the basics of if someone reaches out to you on court, get back to them. If you were having meeting someone, you turn up on time, well presented, well prepared, but that's really where it starts.

I think lots of strata managers who answer the industry have that right attitude, but ultimately the way strata managers have to work in order to excel is in time management, and workflow management. We work in a fairly high-volume industry and people who don't get back to the clients who were always rushing to meetings at the last minute, running the financials as I walk in ... Not necessarily coming from a place ... We've all seen it. If you're on the other end, on the strata scheme and even my strata scheme you recognise it when it happens. It's not coming from a place of outward disrespect, it's often coming from a place of losing control over your workload, losing control of their portfolio. And some sympathy for the managers that find themselves in that situation. So it comes down to, at the start of every day, I'll come in, I open up my spreadsheet, that I run my life by look over and say, what do I need to do today?

Open my emails after I've ordered my day and start getting back to people. I don't know if I'm not able to give them an answer straight away I tell them, well I get back to them. Then it becomes broader than just the manager themselves and you really do need to have the structures around you to manage the complexity of strata management 2019 going in 2020.

For instance, we're expected to know or at least have a base level understanding of the legal side of things. That's fallen well across our accounting. We're also expected to understand building defects and construction times. You're increasingly tracking a large number around window locks, and fire safety standards. To succeed and really excel in strata management, you need to have the structures around you to manage that well. That challenge is facing the industry, is the need to develop those structures and still deploy them to your clients in cost effective manner. Is at the client end things.

You're asking clients to really value great strata management, but on the other hand there is still such a push for low fees. That's the piece of the industry is really struggling to come to grips with it.

**Amanda Farmer:** Do you think your clients or a residents generally know and understand this burden as I see it, that strata managers have to be across all of these things and if they don't, what role do you see for us as an industry to increase that awareness and that understanding so that it opens the door for strata managers to be able to charge more fees to be able to become more professional? In my mind that's all kind of linked. How does it sit for you?

**Daniel Holt:** Absolutely. Look, if we put aside ... Well, residents of one element that owners generally... They don't have a full understanding of what we do. Committee members, particularly the longstanding community members, when they see the volume of emails that are going out, when they see the complexity of the issues we're dealing with, they gain a respect for it. They value it when you work with them. That just takes some time, and that's what really needs to extend just beyond the committee members. Beyond the owners who might come to the AGM, to the owners who don't turn up at all. Until they say the levies are going up, and they're not happy about it. People need to be able to value what's being done in their strata more, so the industry as a whole can lift sense of professionalism. That's the transition we've been going through, at least the entire time I've been involved in strata management, both as manager and previously as a lawyer.

It's not the industry it was 20, 30 years ago. Not that I was involved in it 20, 30 years ago, but it is so much more sophisticated, and we need to get through the owners that level of sophistication, and they need to have a better understanding of what they're buying into. And these you have made all the time, and these things are called in mascot towers. I think the primary that made some statement about the strata needs to be held accountable. The strata needs to be doing its job. That is a meaningless statement. That means nothing. Strata as a word on its own does not mean anything. Does that mean the strata manager, the owners corporation, the strata committee? If that's a level of sophistication that we're getting from the government, that may improve, because owners aren't going to have a better understanding, if that's the message that we get through the media.

**Amanda Farmer:** Yes. It's definitely a big task that needs to be tackled from a number of angles. I can't leave off this topic, Daniel, without asking you about your spreadsheet. Tell us about the spreadsheet that you open up each day when you get into the office.

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What is that?

**Daniel Holt:** Oh, it's got a couple of different tabs on it. The main one is just a daily planner, where I maybe shift around the tasks and color-code them by priority and set aside time for responding to email, set aside time for basic admin. Then the other sheet will have a list of all my schemes, key details on it. Just use it to track basics, like when's the last time I spoke to my building manager? When is the last time I spoke to my committee member? That's not an issue with the larger schemes, but it's easy to let a small scheme get away where you haven't spoken oriented them in some time. You lose that immediate touch point, and they don't realise what you might still be doing to them. Those basic details, just once every week, tracking when is the last time I spoke to someone? When is the last time I caught up with a member?

**Amanda Farmer:** Great. Is this something that you've developed or is this part of the Strata Sense toolkit?

**Daniel Holt:** We've all internally got something like that and we've got various systems to track that because we're really trying to make sure we don't lose sight of those basics of client engagement. Because that's what's at risk if you have a particularly busy week. Is either you're going to focus on the really big tasks which must be done, and that's what you do to check those off, or you're just going to give them that treadmill of answering emails, in which case it's a squeaky wheel that you're paying attention to. It's important that we have the regular check-ins with our team to work out when is the last time you sat down with them, had a coffee, and just checked in how they're going? That's a big focus for us, is making sure that we're having these checkpoints to make sure those things aren't getting overlooked by us.

**Amanda Farmer:** Wonderful. Thank you for sharing that. Let's get into challenges. Daniel, would you mind sharing if you've got one, I'm sure you've got a few, any particular challenge that you've faced as a strata manager? I'd love to hear in particular how you're balancing the strata lawyer hat with the strata manager hat when you're facing those challenges.

**Daniel Holt:** Yes, well let's just go straight for the biggest one, which will be Opal Tower. So I was the Manager of Opal Tower up until a couple months ago, which mean that early this year, and midway through this year as a pretty busy time. I could talk for hours about Opal Tower, there's so many different elements to it. It's been through such a journey. It all started on Christmas Eve last year, and when that all happened it was go, go, go. It was phone calls every couple of moments, whole of Christmas Eve, working all Christmas Day. The way I attempted to approach that was Boxing Day, I'd been up to Newcastle on Christmas Day, and I needed to get back to work. Seeing it in the media was quite confronting. As it was to the owners, and members who are out of home for all of this. On Boxing Day I came into the office and just drew up on a big butcher paper, clear mission statement of what the owners corporation was there to do in that situation.

Then laid out the priorities that flow from that, and what meant for us as a team, and the strata as a whole. That was the framework I used to try to deal with Opal Tower and to try to bring the committee and the owners and our team back to the clear sense of mission throughout. You do have issues like that come up from time to time and hopefully never of that magnitude again, but it's certainly not been the first major crisis I've had to deal with in my time at Strata Sense. When you get in that situation, the most important thing is to have that clear sense of mission that you can filter it down through the other parts of the owners corporation, where that data can be committee or a building manager. That's how we approached it. That was December 26th of last year, and it's still going. There have been many, many different elements to it.

I think what you'd say about Opal is what I've said throughout. Look, there's not been a single challenge in Opal that we haven't seen before. It's every challenge you can possibly have in strata. It's all at the same time, and it was with a new building. With committee members who are still finding their feet in strata, and who were, themselves, not just committee members, but owners that are suddenly out of their home, not knowing what's happening to their investment. All those owners, on the 27th and 28th of December did not know when they were going home.

I remember on Christmas Eve, the media stories about what was happening in that building. That was harrowing for me as the manager. For those owners, it was something else entirely. Trying to guide them through that process was certainly the greatest challenge of my professional life, to date. Again, it just came back to work out what are the priorities, and drive those priorities to

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the exclusion of all others. Build to that message through the tenant side, and say okay, here is team, what we do, and this is what we're going to focus on. Those priorities really repair and maintain the property, mitigate the losses to the owners corporation, and continue to manage the owners corporation as required to by law.

**Amanda Farmer:** Now is that something that you also involve the committee members in? You mentioned they're coming into the office on Boxing Day and developing that mission statement. How do you coordinate that committee? I don't know what the size of the committee was at that stage, but you've got your team in the office, you've then got the committee, you're manager. So you're, I imagine doing the face to face communication. How do you coordinate all of those people?

**Daniel Holt:** Well after doing that big butcher paper, the second task I undertook was I've got a big spreadsheet, because I love spreadsheets, of all the different parties, and where the different contact points were within the different parties. Because particularly on Christmas Eve, I conceived of my role, when you had builders on-site, emergency services, all these experts getting there and try to identify and solve the problem. My role there, as I conceived it, was to properly funnel the communication, so that everyone's phone wasn't just clogged up. That was the immediate challenge.

Creating a spreadsheet that said here is all the different organisations. Everyone from builder, developer, to government departments, local council representatives, the fire department, work out who speaks to who in those situations. Within the committee we then developed a platform that helped us communicate. A platform called Workplace which you might be familiar with it. It's effectively a premium version of Facebook. Rather than have these reply all threads where they quickly become 200, 300 emails, impossible to manage, you have clear threads of communication on separate topics. It's a lot easier to follow.

Then just by virtue of necessity, it was a case of basically weekly meetings with the committee until things settle down. I have to respect their time, and they are not necessarily able to sit there on email 24/7. As much as I really did endeavour to do so, and they gave up a huge amount of their time. We just needed to resume pretty frequent face-to-face contact.

**Amanda Farmer:** Did you find that your focus 100% had to be on this building while this was happening, or were you also managing your other buildings at the same time?

**Daniel Holt:** Well look, it was a double-edged sword in terms of happening over Christmas. It was incredibly, personally challenging. It was also during our office shutdown, so we did have some leeway where we didn't need to make an immediate assessment of what happens to the remainder of the portfolio. We did manage, in different ways, depending on buildings. Some of the buildings were transferred to other managers. In other cases, I was able to still be the strata manager, and have colleagues handling some of the different elements of the building. At the end of the day, it wasn't just my impacted about this. It flowed through to the whole office, and there wasn't a single person in our office who wasn't involved in it one way or the other, and how those representative clients really just depended on building to building.

**Amanda Farmer:** You've mentioned there the personal challenge, no doubt being contacted on Christmas Eve to say we've got to evacuate an entire building. We're not sure why. We're not sure when they're coming back. Can you talk us through that feeling and how you dealt with that? That feeling of I imagine, because I get it too, I imagine it's the feeling of, Oh there goes my Christmas, or my whatever I've had planned, I have to deal with this on. I don't particularly want to, is this really my job? Do these people appreciate it? All of that going through your mind? How do you deal with that and get yourself to the office to keep going?

**Daniel Holt:** Well, I mean this is about, I'd say, the third major crisis I've had to deal with. Some of those thoughts went through my head, and some of them it doesn't. I'm not saying I like the crisis. No one likes this, but I didn't have any sense of is this going to be pretty sad on Christmas. It was a sense of getting a sense of the scope of that pretty quickly, and that was beyond what we dealt with before. I remember I was home, and I was doing a little list of what I need to do in terms of some housework before going to save my in-laws. I called my wife and told her what was happening. Then she came home, and she said, "So, are you ready to go to dinner?"

I was just like, "No, you're not getting the scope. We're not going to do that." Or at least not at the time that she thought. Because

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we had the initial phone call that said, "You've got an issue here." It's okay, put your work hat back on, you're not on holidays, get to work, find out what's happening. That was the first moment, and the second moment was when it hit the news. At that point, I had my work phone out, and I'm charging my emails up. That's when it really expanded beyond what we dealt with before, to this is really quite big. It was challenging, but just had to bring it back to empathising with if you're in this situation, you wouldn't care that it's the strata manager's Christmas Eve or Christmas day. These are people out of their home.

I remember getting close to midnight on Christmas Eve, and there's still discussion about where the people would go home. There were people in Bicentennial Park not knowing where they're sleeping on Christmas Eve. I just can't imagine how horrifying that must've been. People with young children, not knowing where they're going. That just put it into perspective, and to be honest, the personal element of it just goes away, and you just do what needs to be done.

**Amanda Farmer:** Look, I don't want to dig too deep into the media side of things, but is there anything that you do want to share in terms of managing that process as a strata manager? I think more and more our strata managers are going to have to learn how to effectively deal with media. Any tips you want to share there?

**Daniel Holt:** From an Opal Tower point of view, there was a lot of interesting, from a manager perspective, issues that came out of that, which I think needs some examination. It was really the Strata Management Act and all the surrounding legislation being put under a real stress test to see how they're practicing reality. Some of it holds up quite well. Some of it less so. I think we all now how strata committees are intended, legally to make decisions, which is through viably convened meetings. That structure all works quite well, in theory.

If you notice, other owners are entitled to see what's been decided. You get together, you form a quorum, you take a vote, you issue minutes. I think with Opal and other buildings I've dealt with in a crisis, that structure is really put under great strain, because the owners corporation is being asked to make 50 different decisions a week. Our strata scheme, the notice period is still 3 days for strata committee meeting. You're also required to post to all owners.

That might mean it's 2 weeks before you can get your meeting together. The decision you need to make, the 50 decisions, things have moved on since then. Every owner's entitled to turn up to a community meeting. What happens when you've got a building where these owners are crying out for information? If they know there's a meeting, they're going to turn up. It means you cannot convene a meeting in the foyer of the building. You need to book a meeting space that can facilitate 400 people.

This is where you end up in a situation where a lot of decisions are being made by delegated authority, or by way of ratification of those meetings. Because the administrative burden in those circumstances, on the strata committee and the owners corporation just gets incredibly large. Even booking spaces that fit and can facilitate a meeting of 400 people there. That can add up very quickly.

I think there needs to be some more flexibility in terms of how those structures work, more emphasis on electronic meetings to allow decisions to be made in those high-pressure environments with a bit more urgency than strict wording of the management act seems to require.

**Amanda Farmer:** Maybe some provisions that acknowledge there will be situations of urgency. I know we do have provisions when it comes to carrying out work and getting access to lot property in emergency, but you make a very good point about the meeting notice periods and how those provisions don't acknowledge that we may need to do things a little bit differently in meeting. I imagine there would be down the track if not immediately, some criticism of a strata manager or a committee who doesn't comply strictly with those procedures and does attempt to ratify later or have decisions that are made over email that are ratified later. You have to be ready for that and prepared to answer it and to explain why it was that a decision was made that way.

**Daniel Holt:** Well, it's not necessarily the case. There will be criticisms of the decisions that have been made. I think, by and large, the Opal Tower Committee was quite unified in what needed to be done. Where it becomes an issue is if there are these structures in place in the legislation that don't necessarily work in practice. Then people are going to lose faith in the legislation. People need

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to have faith that the legislation is being followed. It's there for a reason and works well in a crisis. Some elements of it did, but just in terms of that decision-making process, it's too long a notice period.

We say this other schemes where we need to call an AGM to, say, approve legal services. If you require an AGM, it's 7 days' notice, plus your 7 business day's postage. If you have an urgent legal matter, things can progress very rapidly within 2 ½ weeks. Legal fees can add up very rapidly within 2 1/2 weeks. Those notice periods have just gone too long. Or at least there needs to be more flexibility in those notice periods for when you have a legitimate crisis that requires it.

**Amanda Farmer:** Any other key learnings from facing this big challenge, Daniel that you want to share with us?

**Daniel Holt:** Look, I could probably talk another couple of hours, but you might to leave it there. Because there is just so much to be said. Every challenge you can possibly face came up. I know that in some particular circumstances I actually sent out a link to your podcast on some particular owner's of the committee. I think one of the takeaways is the lack of external resources for committee members. For owners.

There really needs to be more available so that when owners are facing crisis and they need to go somewhere to get information, they can get it from a source that they can trust. Fair Trading made themselves available on some items, but that's mainly folks on the rental loss side of things. There wasn't as much available to the owners, to the committee members as I think they'd like. Because they're in a really stressful situation. It would've been very helpful, I think to them, to have something objective in writing. Writing more clear guidelines to how this works.

For instance, strata management was all set up in the 50s and 60s with this idea that it was all going to be self-run. That doesn't really work anymore, but you should be able to read the legislation and get a relatively good handle on what is intended to happen in most circumstances, without needing to go to lawyers, or without needing to consolidate strata manager. Obviously there are issues that are hugely complex that you inevitably need to do that.

For instance, in the running of meetings, there are a whole range of challenges that come up from time to time. Not necessarily just in Opal, but in other buildings. Where there's not clear guidance in the Management Act as to what is to occur, for instance, if someone wants to record a meeting. Oh, no, as discussed before, your view, needs to be with the consent of the room. What happens if you have a minority that are not happy with that? Does that mean they're outright just discounted?

What if someone has an objection with a particular person? These are issues where there is no clear guidance whatsoever in the Management Act. I know you could probably turn around and tell me, "Well, if you look at this analogous case in corporate law, there are answers. There probably are answers legally, but I don't think it's good enough that, on something as simple as how meetings are run, people should have to go to a lawyer and consult analogous cases in corporate law to get a clear answer.

Yes, there is definitely space there for more clear guidance, clear documentation either from the government or someone else that you can give to owners, to committee members to help them in getting a better understanding of how management is supposed to work.

**Amanda Farmer:** Yes. I agree with you. I see that gap as well, and as much as we work hard to try and fill that gap, as things get more complex, our legislation gets more complex. The issues we're challenged with get more complex, the gap gets wider, the hole gets deeper, there's more work to do.

**Daniel Holt:** Adding the complexity of the language barrier. Sydney is a multicultural place. We have great difficulty in explaining some concept in strata law. Well educated people who speak English as a first language. Add in the barrier of language to that, and it becomes impossibly complex. We've got some very good multi-lingual staff in our office who really go to pains to try to explain it to people who don't speak English as a first language.

Even trying to translate some of these issues? How do you translate: Unit Entitlements in Mandarin? There might not be an

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analogous concept in that language. The more complex management becomes, the more difficult it is for us to explain it, particularly to a very diverse audience. With the issues that we're facing, and honestly I think what will happen is more complexity being introduced, more owner's requirements on those owners corporations to avoid issues of saying, like in Moscow Tower, and other buildings where they're facing huge issues been existing for years. There will be more complex requirement.

Either that needs to fall on the manager, some other professional who inevitably will need to charge for their time, or it will need to be reduced to some level that strata corporations can take more control of their own situation, and have a better understanding of themselves. Just piling more complexity on top of things is not assisting in people getting an understanding of what they need to do.

**Amanda Farmer:** Yes, it is a difficult issue to face and to resolve. It's interesting though that we do come back to increasing the professionalism of strata managers, the education the experience and ultimately the face that they charge. No doubt, I will get emails from owners who are listening to this podcast saying, Amanda, don't call for our strata managers to be raising their fees, but I do look at you guys and see you in a very similar position to lawyers. We have been charging for our time for many, many years and charging on a per minute basis in some offices and lawyers are looked at differently to strata managers, but often I'm sitting in a meeting doing very similar job to what you strata managers are doing. For whatever reason getting paid a lot more so there's a real issue to be agitated there and I don't mind talking about it.

**Daniel Holt:** I'm sure we talked about it for some time. That was another adjustment, coming out of law. When you said you're a lawyer, there was a lot more immediate respect given to that position than that of a strata manager. On its own, that's a challenge for the people who are in a position of giving or not giving that respect. That's a challenge for the industry as a whole to work out how we get to a place where we're given the same level of respect as lawyers do? Because it is a profession that is becoming increasingly difficult to carry out and be a professional in this area.

We need to get to a point where that is more recognised and valued by our clients, and that is the challenge of the industry as a whole.

**Amanda Farmer:** Yes, I agree. All right. Daniel, I going to jump into the book question. What books have had the greatest impact on you and why?

**Daniel Holt:** Oh, I was dreading this question, because I do read a fair bit, but most of my reading is at the end of the day to wind down, so I don't read a lot of non-fiction or anything like that. The honest answer would probably be Catch-22. I remember reading it in high school. I loved it. I don't know what attracts me to it so much, but I always come back to it every couple of years for a reread. I love that book, and if you haven't read it, you need to read it.

**Amanda Farmer:** Did you catch the show? There was a miniseries or something? I don't know if it was Netflix, or-

**Daniel Holt:** Yes, I think it's on Stan. It was all right. It changed the tone of the end a fair bit, which I'm not entirely sold on. Still worth watching it. I watched it.

**Amanda Farmer:** Excellent. Well Daniel, thank you so much for sharing. I have a feeling this episode's going to be a little longer than our usual, but there's lots and lots in there for managers to learn from and for owners to know about the inside view on strata management and I do appreciate you sharing your experience of that shift from lawyering to managing. Let us know how our listeners can find out more about you and if there's anything you'd like to add before we wrap up.

**Daniel Holt:** Yes, look, if anyone wants to contact me, you can give its [daniel.holt@stratasense.com.au](mailto:daniel.holt@stratasense.com.au), Or reach out on LinkedIn. Just one last little shout out would be to a couple of team members. As I said, we really do impact to everyone. There was no one in the office who wasn't impacted by what happened in Opal borough. Particularly like to give a shout to Corina Brennan and Ching Lou in our office. They handled most of the first phone calls, came to lots of the meetings. Ching was very helpful in terms of doing anchoring on is out there, so I thought it just gives them recognition for them.

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**Amanda Farmer:** Thank you very much. Well, you're a busy man amongst your triathlons and your marathons, you've also got plenty of buildings to manage and I'll let you go and keep up the good work. Thanks so much for your time.

**Daniel Holt:** Thanks, it's been an absolute pleasure talking with you. Thanks.

**Amanda Farmer:** I hope you enjoyed that wide ranging chat between myself and Daniel as I predicted I think this episode has been a little bit longer than our usual but we did cover quite a few areas there. My key takeaways from the episode I have 3 for you today: Daniel opened up a really important discussion about fine line that we've walked when it comes to the decision to get experts involved whether that be lawyers, barristers, engineers. When is it time to call in someone other than or in addition to your strata manager? That's a really important question for committee members, for strata managers. And as Daniel and I discussed that's a question that I face as a lawyer. And I think the answer comes down to the particular circumstances of every single situation whether it's a legal dispute or whether it is a repair issue for the common property, you've really got to think about exactly what's happening and I don't think can be any hard and fast rules about the time to call in experts or even who those experts might be. Often I know that strata managers use for example different lawyers for different problems. They've recognised over the years of experience that some lawyers handle litigations particularly well., others handle contract advices, other handle by-laws and they cleverly farm out their work to the most suitable expert.

My advice to the committee members and to strata managers is to keep an open mind about the question of when do we call in the experts and who do we use make sure you do have a wide range of reliable, high performing contacts, who you can turn to when you need to. And as Daniel says sometimes just picking up the phone and having that initial conversation is going to put you in good stead if you have quality professional that you're talking to. They should be the ones to direct you as to whether you are going to benefit from their services at that particular point in time. I know regularly when I'm asked by strata managers if its time for me to get involved. I'm often explaining why it might be the right time for the owners corporation to be spending money on getting legal advice and if you're working with a trusted professional then you should be able to get that reliable guidance. But it's certainly an issue to be alert too and I'm really glad that Daniel raised that one.

Secondly, our discussion about Opal Tower. Daniel said it really well I thought when he said there is not a single challenge that we hadn't seen before. It was simply that all of the challenges happened all at one time. And as strata managers I want you to have a think about whether you think you can handle all of the challenges happening all at the one time. Do you have the systems in place? Do you have the technology, the spreadsheets that you may need to implement at a short notice to be able to keep track of all the personnel involved? Daniel talked about the builder, the developer, the government departments, the committee members, the lawyers, the priorities that had to be decided very quickly and how the entire office had to work together to be able to best service their client amidst that challenge. Do you have structures in place to assist the people whose first language may not be English whether it's staff members who are able to assist or an agency that you can turn to if you need to translate important information at short notice.

As Daniel points out our population living in strata is increasingly diverse and we need to think about taking that into account when we're putting in place our crisis management plans. And lastly, our discussion about increasing the professionalism of strata managers. How do strata managers get to a place where they are given the same respect as lawyers? I think that has to come down to the level and the quality for strata managers' education and qualifications. At the moment, it's possible to become a strata manager after completing a course that last for a few days. That is obviously very different to the degree qualification that is necessary for a lawyer and the high level of continuing professional development that lawyers are required to complete. Do you owners, committee members, have any suggestions for how your strata manager might be a better professional? Is that something you are willing to share with your strata manager? If not directly, then share it with us by posting a comment under this podcast episode. It's only by talking about these issues, about these challenge, the struggle to improve that I believe we can start to make real and an important change. So that's it for this week if you keep those key takeaways top of mind then I think you are well placed to tackle another week in strata.

**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](http://www.yourstrataproperty.com.au). You can also ask questions in the comments section, which Amanda will answer in her upcoming episodes. How can Amanda help you today?