

RCM PROFILE — TREVOR J. MADDERN
**More Solutions and Knowing When to Say
“No”**



By Viktor von Buchstab

“If you offer only one solution, you’re part of the problem” is an often heard quote from Trevor Maddern, founder and president of Active Management Ltd. That insight, plus a delicate sense of judgement on when to say “no,” quickly emerge as some of the simpler benchmarks that characterize the multi-decade property management history of the company and the man who founded it. Maddern quickly elaborates on both his feelings about inflexible property managers who have only one solution to a problem, and who insist on “their way or no way.” A more astute approach, he espouses, is to offer alternatives – and that, he suggests, may require research, plus some seasoned

expertise on the part of a condominium manager. He sees it as a far better service to condos and their boards to present a well-thought-out set of two, three or more approaches to the more significant problems property managers encounter, and he often finds boards appreciate being informed of the pros and cons of fast solutions versus more expensive solutions versus multi-state solutions versus various compromise alternatives. At the same time, this Australian-born, educated and trained self-starter, also embraces exceptional candor in his dealings with condominiums, owners and their boards. Sometimes, he finds, these individuals may ask the impossible; sometimes they may ask for more than they can afford; sometimes they may ask for miracles. Here Maddern insists on total honesty and, despite the prevailing airs of “political correctness,” he finds his fast-growing list of clients appreciates being told – quickly and up-front – when their requests fall outside his management company’s ability to fulfill them in realistic ways. “He calls it the way it is,” says Peter Armstrong, president of Admiral’s Walk (Halton Condominium Corp. No. 77). “He doesn’t embellish – you know where you stand.” The Halton condo head elaborated on Maddern’s ability to handle unpopular matters ranging from defects to reserve funds, phrasing the manager’s plain-truth responses to unsettling items. “You want to know up-front,” Armstrong concurs. “Nobody likes surprises.” He went on to say how condo owners and boards express their wants and needs to their property management – and, yes, they want and expect honest answers. “Sometimes that means ‘no,’” he finds. Here Armstrong also focused on Maddern’s multi-solution focus, explaining how, after telling him or his board that what they wanted was not in the cards, then he would tell them what he could do – typically with alternative solutions. That way, of course, leads to the acme of current management ideology, letting clients make “informed decisions” – and that results in excellent relations between the management company and boards, as well as better solutions overall.

The other critical attribute of Maddern and his company that appeals to Armstrong is accessibility. He prizes the fact that he can readily get hold of the boss or one of his take-charge representatives at any reasonable time. (The board president takes a reasonable tack here, acknowledging other demands may intrude – but, he finds the Active people he needs to reach are either on-hand immediately, or they quickly offer a “How about tomorrow” alternative.)

Time — The Non-renewable Resource

Trevor Maddern credits some of these hard-nosed personality traits to the dictates of having to operate efficiently. Effective time-management is a cornerstone of his business philosophy – and he shows little tolerance for beating around the bush. Rather, he says what he means and presents immediate options, and then seeks authorization to proceed along one of the suggested paths. “Time is a non-renewable resource,” he finds. “You have to manage it and treat it like gold.”

That outlook, in turn, leads to a secondary skill he displays, that of managing information – the next step in his hierarchy of managing needs and resources. Such a systematic approach, he finds, leads to a more efficient overall management environment – one that leads to good relations as well as a profitable enterprise.

He’s quick to make use of technology when it makes sense. For example, 15 years ago, he lavished significant money on a state-of-the-art voice-mail/voice-response system. Here he found the key was to make sure voice messages were quickly dispatched to the managers who needed them. He also found attractive spin-offs in that such high-tech systems showed opportunities for “data capture” and enabled critical input from clients to be directed efficiently and transferred accurately to act on the data. He continues to keep such systems current and told us he finds it worthwhile to make updates, even at significant cost.

Still, the Active Management Ltd. boss recognizes the importance of personal contact. His company policy is to have lines answered directly till after lunch, since he found most business volume occurs in the a.m. (After lunch voice-mail is the primary default, though the live operator option is always there.)

Growth Steps and Phases

Such were the early trappings of his management company. Today, managing a half-billion dollars worth of assets, Active Management Ltd. continues its efficient growth path, with the help of ten managers, supported by six backup people and administrative support staff.

Explaining how all this came to be, Maddern reflected back on his property management beginnings in the late ’80s, when one of his developer clients asked him to manage some of the new multi-unit properties coming on-stream. (Some of these were the MURBS-class tax shelters, many of which eventually led to the great condominium explosion. Initially some of these multi-unit residential buildings became rental properties, which, of course, necessitated some sort of residential rental-property management.) This new business led Maddern to embark on educating himself via early ACMO courses, under the aegis of tutors like Andy Wallace, John Dzenekoj, Richard Pearlstein and other early “household names.”

Having been given the responsibility for managing the accruing revenue streams from such dwellings naturally led the young property manager to embrace some of the

financial and accounting principles that would later spill over into managing owner-occupied dwellings, i.e., condos, when they began to eclipse earlier property forms.

People and Relationships

We were struck by the long, steady growth path implicit in the evolution of Trevor Maddern and his now well-seasoned management firm. Much of this growth, he confirms, can be attributed to luck or his ability to find and keep competent personnel. He cites the cases of his vice president and general manager, both of whom, he says, have been with him for some two dozen years now. Similarly, his operations manager and accounting head have been there for a decade-and-a-half or so. Maddern points out that, in an industry characterized by lots of churn, “that’s pretty good,” adding such low turnover in key staff makes it easier for all to “work as a team.”

Some of these people-skills the expatriate Australian attributes to his father, who was adept in the mechanical trades and his mother, who left him *bon mots* like, “If you want a good answer, ask a busy person.” His initial exposure to the world of real property developed when he began working down under for his property manager uncle, then general manager for L.J. Hooker, the southern hemisphere’s largest real-estate organization, with some 6,000 offices. Having started doing humdrum office work at the tender age of 12, young Maddern quickly came to his uncle’s attention as being focused, energetic and competent. Swiftly, Maddern was upgraded to rent collections, then to various administrative tasks – and the property management seed in him took hold and grew.

Eventually, Maddern found his way to Canada, and in 1977, launched his development/management business in the fast-growing domestic market. After some years, he moved his head office to Burlington (though he emphasizes the regional aspects of his thriving firm) once again bringing him into another burgeoning market. From one condominium complex, Active Management’s portfolio has grown to some 100 sites, spanning the spectrum of properties from “problem” sites to flagship glamour locations. Throughout, Maddern’s success formula seems to have revolved around the principles we noticed earlier: candor, an analytical eye and the ability to restructure problems into solvable issues – typically by analyzing multiple approaches and filtering these into choices the boards could deal with.

This profile is corroborated by Jay Leedale, a business associate with Halsall & Associates, which Active routinely retains for complex property assessments and evaluations. Leedale confirms Maddern’s practical business etiquette is two-way, and he characterizes the Active president as having a “pretty clear vision of what he wants.” In some ways, Leedale finds, Maddern (or his management staff) may be seen to act as interfaces between his own engineering firm’s technical expertise and input, and the client’s board, whose engineering analyses are best discussed by the property manager’s ability to discuss their problems in terms familiar to them. (The Halsall expert also noticed Maddern’s ability to pick good people who grasp such issues and translate them suitably for subsequent board meetings.) Leedale further commented about Maddern’s added penchant for looking at complex problems in terms of ensuring solutions capitalized on the abilities of the engineering firm, his own expertise, and the profiles of the sites and their boards. In other words, he found such dealings tended to make sure everyone understood their tasks, as well as making for good team-work with a multiplicity of benefits accruing in the final solutions. (Again, here we find the

condominium manager's preference for seeking options, and Leedale remarked on his "willingness to accept multiple choices" when assessing the needs of any complex's structural or engineering needs.)

Such thoughts led us to discuss Trevor Maddern's success in developing enviable relationships with his condo boards. He says he prefers to get the pertinent facts to his clients, share all necessary information and then help guide them to make sound decisions. He feels such relationships are critical in the industry, and he takes the position, "It takes two people to sign an agreement." To him that means each party should have some input as to who does what, and each party must understand his or her responsibilities. He reiterates being "brutally honest" is the key.

Another differentiator for Active's property managers is the president's "cross-training" policy. Each site has at least two managers up to speed on the site's status, problems and key characteristics. This safeguards against lapses due to absences, illness, crises, communication lapses, etc. (This also fits nicely with Active's anti-burn-out policy – each manager can take off a week every 90 days!)

Trevor Maddern seems to be successful in part because he's the right person to run a fast-growing property management organization. Does it matter whether the founding president of this firm is gifted, experienced or well-trained in all facets of property management? Or is it a trait of his high-energy personality that reflects itself in his hands-on management style? Perhaps all these elements combine to make him the leader he is. Whatever the case, he bases his current business philosophy on the three primary tenets quoted earlier – total honesty, saying "no" and offering alternative solutions to any problem. The Active Management president also shared one other motto: "Always try to do better."

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