

DEFINING SKILLS AND KNOWLEDGE FOR SUCCESSFUL PROPERTY MANAGERS

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ABSTRACT: The developments in landed properties have increased the demand for Property Managers. With the introduction of newer and modern building technology, has changed the roles and functions of property managers. Practicing property management in difference countries are subjected to the local rules and regulations. These are to ensure only proficient property managers are allow to practice property management. In Malaysia property managers are required to register with The Malaysia Board of Valuer and Estate Agent. However protest frequently emerges in the mass media, focusing on prominence area such as technical knowledge, skills, attitude and abilities of the property managers.

To this degree incite the needs to define the skills and knowledge required by property managers to excel in property management. We hope to uncover these competencies and induce the property management practitioner to take up this substance to enhance their profession.

Keywords: Property Manager, Success, Knowledge, Skills and Attributes.

1.0 INTRODUCTION

In 1929 the Britain share market collapsed, banks and financial institution are burden with property that are charged to them. Later in 1934 the properties which previously charged to the financial institution finally belong to the institution. Initially the banks manage their own properties, later the financial institution found out that they are not well verse in managing property. Then broker firms are requested to contribute their knowledge in managing the properties that belongs to the financial institutions. Since this instant the demand for property management services for various type of property increase rapidly. The second factor are the high demand in property management services are from the busy property's owner which do not have time managing their own property.(Maurice, 1987)

In Malaysia there are three factors which contribute to the development of property management. Firstly increase of

population will directly increase the demand for new building and property manager who will manage the property. Secondly the increase of investment in landed property also increased the demand for professional property manager. Lastly the public have accepted the facts that knowledge and skill are critical in establishing good property management practice. (Gurjit, 1991)

Property Management

Property management is the direction and supervision of an interest in the landed property with aim of securing the optimum return; this return need not always be financial but may be in terms of social benefit, status, prestige, political power, some another goal or group goals.(Thorncroft, 1965)

Scarret (1983), defined property management as the seeks to control property interest having regard to the short and long term objectives of the estate owner and particularly to the purpose for which the interest is held: to negotiate lettings and to initiate rent reviews and lease renewals, to oversee physical maintenance and enforcement of lease covenants, to be mindful of the necessity of upgrading and merging interest where possible, to recognize opportunities for the development of potential and to fulfill the owner's legal and social duties to the community.

Gurjit (1991) are of the opinion, that property management as an activity covers a wide range of other related activities such as property management, facilities management, project management, property portfolio management, human resource management, investment management and the like.

Zailan (2001) concluded that property management involved in determination of goal, objective and policies and implementing strategies in archiving these three elements. According to her the

most importance in property management is the physical asset management including maintenance, organisation management which includes space organization or consumer requirement, financial management which include valuation, buying and selling of property and tenancies management.

In Malaysia The Board of Valuer, Appraisers and Estate Agents Act, defined property management as the management and control of any land, building and any interest therein, excluding the management of property-based businesses, on behalf of the owner for a fee and includes but not limited to the following responsibilities:(Valuer, 2004)

- a) Monitoring outgoings for the property and making out of the income from the property;
- b) Preparing budgets and maintaining the financial records for the property;
- c) Enforcing the terms of lease and other agreements pertaining to the property;
- d) Advising on sale and purchase decisions;
- e) Advising on insurance matters;
- f) Advising on the opportunities for realization of development or investment potential; and
- g) Advising on the necessity for upgrading the property or for the merging of interest.

Property manager

Thorncroft (1965), belief that property manager is the person which always concentrate on the implementing and interpretation of owner policies while practicing property management and giving advice on the possible outcomes from any alternative action proposed. While Jenkin (1972) confirmed that property manager is the person who leads a team which provide, supervise and controlling the property management activities to archived the landlord goal and objective. Shankel (1980), defined property manager is the expert who manage property for a fees.

They manage property to realize maximize the benefit from holding property. The benefits can be maximizing income, insurance coverage, reduces taxes and maintaining high capital appreciation.

Property Manager in Malaysia

In Malaysia, Valuers, Appraisers and Estate Agents Act (Act 242) 1981 Amended 1984 (Act A598) and Rules of 1983 (Amended 1986) regulates the work of the professional property manager.

Section 22(B) (2) allowed for registered Estate Agents to practices property management provided he proved to the satisfaction of the Board the he did property management immediately before the date of coming into force of this Act.

The Board of Valuers, Appraisers and Estate Agent Malaysia, defined Property Manager as the persons, a firm or accompany who, on behalf of the owner of any land, building and interest therein, manages and control such land, building and interest to maintain or increase the investment in or physical worth of such property. (Valuer, 2004)

2.0 COMPETENCY

Posner's belief that there are three components of competency as i.e. Knowledge – is the capability of a person to upgrade their knowledge continuously in order to improve their self performance effectively. Skill - ability to use in practice the knowledge and skill in implementing the work efficiently to achieve the organization objectives. Attributes - personal attributes and behaviors which are inherent by individual. (Posner, 1987)

McClelland assumed that competencies cannot be tested or identified traditionally. He suggested that it can be identified by Behavioral Event Interviews and not tested the knowledge as in

Psychometrics method. Posner's and McClelland's agreed with Scott B Parry on "*Competency is a cluster of related knowledge, attitude and skills that affects a major part of one's job (i.e. one or more key roles or responsibilities); that correlates with performance on the job; that can be measured against well-accepted standards and that can be improved via training and development*". (Posner, 1987, McClelland, 1973, Parry, 1998)

Boyatzis (2008) defined competency as a capability or ability. It is a set of related but different sets of behavior organized around an underlying construct which call "intent". The behaviors are alternate manifestation of the intent, as appropriate in various situation or times. (Boyatzis, 2008)

He also confirmed that performance theory is the basis concept of competency. Maximum performance is believed to occur when the person's capability or talent is consistent with the need of the job demand and organizational environment as shown in Figure 1.(Boyatzis, 1982)

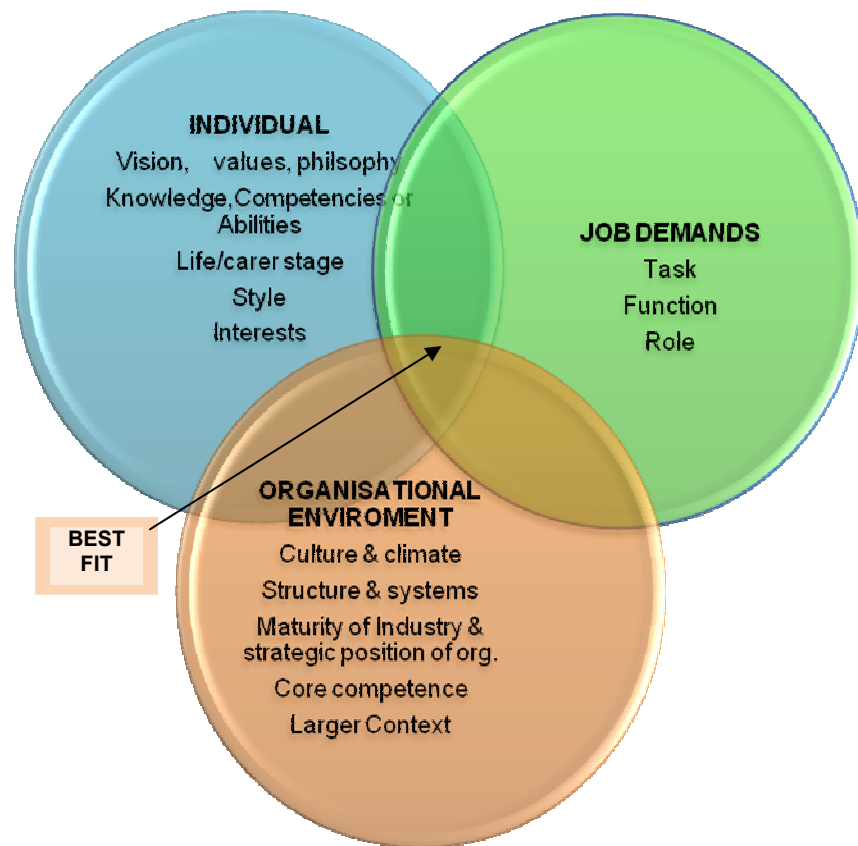
Boyatzis summerised that, the research published over the last 30 years shows us that, outstanding leaders, managers, advanced profesional and people in key jobs appears to require three cluster of behavioral habits as threshold abilities and three clusters of competencies as distinguishing outstanding performance. The threshold cluster of competencies are:

1. Expertise and experience is a threshold level of competency:
2. Knowledge (i.e declarative, procedural, functional, and metacognitive) is a threshold competency : and
3. An assortment of basic cognitive competencies, such as memory and deductive reasoning are threshold competencies.

Competencies are a behavioral approach to emotional, social and cognitive intelligence. (Boyatzis, 2008)

Figure 1.

Theory of action and job performance: best fit (max performance, Stimulation and comitment) = area of maximun overlap or intergration.



Manager's Competency

In 1973 McClelland and McBer acknowledged "competence" (a concept that had been popularized by White(1953) two decades earlier) as a better way of predicting job success on the basic that assessment tools that were used in research and academia were in appropriate predictors

of job success and biased against minorities, women and unprivileged individual. (McClelland, 1973)

In 1980, Mc Lagen developed the concept of “competency models” and defined them as “decision tools which described the key capabilities required to perform a job”. These tools were defined as a set of knowledge, skills, attitudes or intellectual strategies.

“At their best, competency models can be more reliable than job description (which talk about job not skill and knowledge specification), more succinct and valid than skill list, and more consistently on target than “gut feel”.”

Thirteen years after Mc Lagen’s articles, Spencer and Spencer (1993) identified very similar uses for competency models: assessment and job-job person matching for recruiting, placement, retention and promotion; succession planning; development and career patching. In addition the following, the following uses were identified as applications of competency model:

- Performance management
- Competency-based pay
- Integrated human resources management information system
- Competency-based workforce planning

According to a survey conducted by Rutherford on the importance of the responsibility of a hotel chief engineer in 1987; *show the respond that relations, organization, leadership and training are more importance than technical knowledge.* (Rutherford, 1987)

Pheng and Lee (1993) conducted a survey to 350 property managers in Singapore and concluded that the critical

competencies for property managers are; good knowledge on land title, good communication skill, ability to built rapport with council members, cooperative council members and council members should be committed and active.(Pheng and Lee, 1993)

F.Tas in his research on property management trainees, of a hotel, has chosen the skill of public relation, professional ethics, and diplomacy as well as oral and written relation as the required competency for the success of a management. (Richard F. Tas, 1996)

Later Johnson (1996) discovered in his research involving 486 property managers, that to become a successful property manager, skill and knowledge are very crucial. *Skills* – Interpersonal, supervisory, oral communication, leasing/sales, accounting, computer and *Knowledge* – financial management, marketing, maintenance, landlord/tenant law.(Johson and Goss, 1996)

Later in 1997, Mc Lagan reviewed the concept of competence and defined six main types of competencies; task competencies, result competencies, output competencies, knowledge, skills and attitude competencies and super performer differentiators.

Scott B Parry's listed down four groups of core competencies needed by a property manager are:-

Administrative – Time management and prioritizing, setting goals and standards, planning and scheduling work. *Communication* – Listening and organizing, giving clear information, getting unbiased information. *Supervisory* – Training, coaching and delegating, appraising people and performance, disciplining and counseling. *Cognitive* – Identifying and solving problems, making decisions, weighting risks, thinking clearly and analytically. (Parry, 1998)

Caudron (1998) categories core competencies into five main categories: *Initiative* – to succeed in team-based, empowered work environments, employees must be able to identify what needs to be done- and do it. *Ability to learn* – If employees demonstrate the ability-and willingness-to learn, they also more likely to be able to think critically, solve problems, and aid decision-making. *Communication* – All employees' need the ability articulates their thought, listen to others, pass along information, and negotiate conflict. *Collaborate* – Employees have to be comfortable with other points of view in order to brain storm, innovate, and solve problem with others. *Adaptability* – Because of the rapid pace of change in business, an inflexible employee is almost certainly an unproductive one.(Caudron, 1998)

Buang (2007) recommended that the core competencies for Facilities Asset Manager which are very analogous to Property Manager consisted of core competencies and new competencies needed. The *core competencies* are, education, experience, specific body of knowledge, skills and other trainings while the *new competencies needed* are, business process knowledge, strategic thinking planning, strong analytical capabilities, relationship building skills, ability to negotiate, listening and communication skills, interdisciplinary team management and the need to establish user evaluation schedule for new and old asset facilities.

Ketelhohn (1998) commented that competencies are similar to key success factor and it only buzz words that is used to emphasize the severity of the matter discussed. (Ketelhohn, 1998b) But the writer feels that this only an isolated opinion of the Ketelhohn.

Brown (2005) categorised Core Competencies into four level of leadership. Several competencies are the same across these levels; however specific behavior within these competencies

differs across the management level. (Robert M. Brown Jr, 2005)

The core competency is tabulated as in Table 1.

Table 1. *Core Competency as concluded by Robert M Brown Jr*

Level	Core Competency
Executive	Self-awareness, ethics and values, vision and mission, strategic thinking, external environment, power and influence, collaboration and team building.
Senior Leader	Self-awareness, ethics and values, vision and mission, strategic thinking, external environment, power and influence, collaboration, team building and strategic planning.
Manager	Ethics and values, interpersonal relationships, team building, collaboration, managing conflict, developing direct reports, problem solving and decision making, knowledge of criminal justice, program planning, performance assessment and strategic thinking.
Supervisor	Ethics and values, interpersonal relationships, team building, collaboration, managing conflict, developing direct reports, problem solving and decision making, knowledge of criminal justice, oral and written communication, motivating others and change management.

CONCLUSION

As a final point core competencies or success factors can be concluded into four main categories such as knowledge, skills, ability and others. These are accepted by most scholars in the associated field. (Ketelhohn, 1998a, Kay and Moncarz, 2004, Maziah, 2007, Buang, 2007) It can be summarised and tabulated in Table 2.

The three main domains are concentrated on the general business process, risk management and cost reduction in property management. These are necessary to secured capital investments by the owner.

Table 2. Summarised Core Competencies for Property Manager

Knowledge	Skills	Ability	Others
Asset Management	Accounting	Ability to learn	Committed and active
Business process	Administrative	Adaptability	Competitive
Financial management	Budgeting and capital investment	Analytical capabilities	Differentiating competencies
Information Technology	Change management	Collaborate	Emotional stability
Land title	Communication	Conceptual	Ethics
Landlord tenant law	Computer	Cooperative and appreciative	Evaluate user respond
Maintenance	Coordinating personnel	Develop short and long term plans	Integrity
Marketing	Inter Personal	Effectively manage projects	Moral
Principal and practice of management	Leasing/sales	Establish priorities to meet deadlines	Necessary competencies
Strategic thinking	Market analysis	Initiative	Positive self image
Technical	Negotiation	Leadership	Self confidence
	Problem solving	Oral communication	Specific body of knowledge
	Strategic management	Think out of the box	Versatility
	Team management		

Decisively core competencies for property manager are subject to the types of properties and the difference level of management involved in property management.

Before we conclude our findings of this paper we also noted that the there is study done to the Malaysia Managers, core competencies are identified as communication, managerial and job knowledge. While findings from the earlier literatures show that the core competencies among American Manager are writing

skills, computer use skills and industry understanding.(Junaidah, 2008)

This clearly proved that the core competencies for different profession vary from each other and the places of practice also contribute to the differences of core competency. However to validate the skills and knowledge for successful property manager are also analogous to core competencies. To determine the core competencies or KSAOs (Knowledge, Skills, and Abilities & Others) peculiarly for Malaysian Property Managers, future explorations are needed.

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