



## SPM Celebrates Its 30th

*Six Secrets for Success*



For SPM Resorts, Inc., the secret to being a successful, debt-free timeshare management company after 30 years in business starts with what some might call a “true grit” attitude. It’s a “dig into your work like a sand crab” kind of determination. How has SPM Resorts, headquartered in Myrtle Beach, South Carolina, steadily expanded from managing eight resorts to managing 30 resorts, serving approximately 100,000 timeshare owners, and employing nearly 800 employees? According to Founder Terry Collier, it starts and ends with attitude.

“We do the job, we do it well, and we get it done,” he states. Other senior executives, Chairman/CEO Michael Schraibman, President/COO Bill Young, and Ken Collins also attest to the effectiveness of this hard-nosed fixation on greatness. These four leaders share their views on what it takes to be successful, as outlined below.

### 1. Start with a well thought-out business plan.

When Terry Collier started Southern Property Management (SPM) 30 years earlier, he started with a strategy.

“Thanks to the good foundation that Terry laid in the 1970s, we have a strong business plan that has given SPM a good roadmap,” says Schraibman.

“When SPM takes over a new timeshare resort,” Young says, “there is always a team list, a team plan, and a team coordinator who lives onsite for the 90-day transition.”

Collier says, “Overall, the company’s goal is to take a resort in need of new management and improve it to the best of our ability. This can take as little as six months to several years. But, it starts with good planning.”

### 2. Focus on finances and communications.

“The biggest area that SPM has excelled in is financial reporting, planning, and accountability,” Schraibman explains. “In our 30 years in the industry, most of the resorts we have taken under management have been in trouble financially, were unhappy with previous management, or had poor communications.”

Young adds: “We gather and evaluate the resort’s tax information, legal issues, minutes from previous meetings, the master deed and bylaw documents, financial documents, and annual audits,” he says. “SPM then establishes the resort’s financial position. One of the first things we’ll do when taking up the reins for a newly managed resort is to prepare a newsletter discussing the transition and as we move forward, we communicate weekly with the Board of Directors.”

### 3. Hire the best people and manage as a true team.

“First of all, SPM Resorts understands the business of timeshare management, and we seek to continually train our team to better understand that the owner is their primary focus,” says Collins. “It’s important to retain hard-working, loyal employees who understand that resort’s personality. Employees must be committed to doing the job and doing it right.”

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Young says, “Over the years, SPM has had many renewed contracts, which means that the team is doing its job. It’s been interesting to witness individuals blossom and develop with good staff grooming. Particularly, it’s exciting to watch the company take in new employees with little to no experience in the timeshare management business and see them learn and grow throughout the ranks of the company to high-level positions.”

The team concept is mentioned repeatedly as being vital at SPM.

“Everyone is important at SPM Resorts,” says Collier. “No one in the company is a ‘big shot,’ and no one is afraid to clean a room or pick up a cigarette butt from the floor. Employees receive good compensation and benefits, but more than that, there is a trusted friendliness and down-to-earth atmosphere throughout the company that makes this a great place to work. To be a successful employee in timeshare management, one must have a passion to work in its environment, surrounded by people who share the same level of commitment and dedication to the business.”

### 4. Excel in workouts, particularly in lean years.

Schraibman describes how SPM has also grown its “workout” division, acting as a receiver for banks and different lenders in the timeshare, hotel, and condominium hotel business.

“We have frequently been called upon to use our proprietary SPM Financial and Accounting Foundations system, as well as our communications know-how, to help lenders deal with distressed properties and to provide exit plans for selling troubled assets and/or notes,” he says.

Collins and Collier were each in the banking business before the establishment of SPM.

“Being that we were both bankers prior to Terry starting the company,” says Collins, “we each had established good relationships and connections with banks and other lenders. We began to receive properties from banks because they knew and liked our reputation as a reliable ‘can-do’ management business.”

## 5. Communicate the “sunshine way.”

“SPM Resorts has applied what we like to call ‘sunshine laws’ to the business,” says Collins when describing the company’s open-book policy. “In many cases, we found that when we took over as managers, information that should have been disclosed to the Board of Directors and timeshare homeowners had been kept private. We strongly felt that complete transparency was the more ethical route. We leave the ‘back door’ open to let the sunshine in, as it were, and have never regretted it.”

## 6. Manage growth.

After gaining experience and a positive track record during its early years, SPM Resorts soon recognized its template for managing resorts could be expanded to handle additional projects, if absorbed gradually and properly orchestrated.

“We have led by doing a good job, one resort at a time,” says Schraibman. “Each property is unique and SPM strives to match the needs and operating plans of each one. We aren’t trying to be the biggest timeshare management company, but we are trying to be the best by paying attention to small details.”

Schraibman explains that allowing tangential ideas to derail a company’s forward progress can be an unprofitable distraction.

“We strictly focus on managing resorts,” he says. “We are not in the development business.”

## Core Philosophies

So, how does a 30-year-old company consistently remain at the top of their game? It helps when employees love what they do. Plus, according to Schraibman, over the years, the team has made five slogans part of their corporate culture. Without blinking an eye, he rattles them off: (1) recognize that SPM must give owners and guests what they expect, (2) always try to get unshakeable facts, (3) no surprises, (4) prompt communication, (5) remember—we work for the owners.

“We must always remember that we’re a service provider, above all,” Schraibman says. “Our owners and exchange guests paid a lot of money for their vacation ownership product. They expect an attractively decorated, well-maintained, clean unit. They should feel they are welcome from the moment they are greeted on the phone or at the front desk with a smile until we wave goodbye and say we look forward to seeing them next time. This is what they have every right to expect and, frankly, providing them with first-rate management is what makes us get up in the morning.”

He goes on to explain what is meant by “unshakeable facts” in the context of the company’s five mottos. “Whenever you need to make a decision—perhaps it’s a matter of selecting supplies or determining the answer to a dispute—you’ve got to get all of the information from all sources. You’ll continuously hear SPM team members, from housekeepers to front desk staff, using the phrase ‘unshakeable facts.’”

“You’ll also hear the phrase, ‘no surprises,’ a lot around here,” Young adds. “Our owners don’t like surprises, nor do our boards, employees, or anyone else. We strongly promote open and frequent communications not only with our Sunshine Laws with the Boards but also in every respect throughout the organization.”

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“And get back with people promptly,” adds Collier. “Whether we communicate with owners, guests, or employees, we don’t like to leave anyone dangling, waiting for an answer. Even if you must tell them you don’t have an answer yet, you need to acknowledge that they are important and you are attending to them.”

It’s of note to see that their fifth motto, that of remembering they work for the owners, seems to summarize the prevalent attitude of service echoed time and again throughout the conversation. Clearly, SPM Resorts’ secret in successful resort management for 30 years is that they recognize this primary responsibility to their customers and pull out the stops to please them. **D**

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