



THE ALTERNATIVE BOARD

**TAB MEMBER
CASE STUDY:
STEVE MARGERUM**

**Adopting TAB as a
Growth Strategy**

STEVE MARGERUM IS THE PRESIDENT AND PRINCIPAL OF

Cove Property Management, an award-winning vertically integrated real estate investment firm that manages multifamily apartments. Steve knew he needed to develop his leadership team in order to meet Cove's big business goals, so now he and two directors all participate on separate TAB Boards.

When Steve Margerum launched Cove Property Management with his father back in 2008, he was just 27 years old.

Since then, the company has experienced remarkable growth and now manages more than 2,200 apartments in 15 communities down the mid-Atlantic coast. As the company expanded, Steve's focus evolved from the property management aspect of the business to more of a business development driver.

"Wearing multiple hats can be challenging," Steve said. "My staff now mostly runs the property management side of the business," Steve said. "I don't ever want to shed my operations hat completely, because I know that's where I create value." But he said he is aiming for operations to be closer to 50% of his responsibilities rather than 95%.

Steve shared that he can't truly scale the business to the degree that he wants without delegating a preponderance of the operations activities to his key leadership people. But he said his father is flirting with retirement and his management staff is relatively young. "I need a solid crew behind me, so I've really got to develop my executive team."

Steve said, "That's where TAB comes into play."

Steve has been a TAB Board Member for more than four years and said he has gained a tremendous amount of insight from his fellow board members and TAB business coach. "It was obvious to me what TAB has done for my personal growth as a business leader, so I knew it was time to get my corporate team involved."

Now Steve, Cove's Director of Operations, and its Director of Finance are each members of separate TAB Boards.



"I am fortunate to have these two really good people. They are our company's future and will run the tactical day-to-day operations so I can fully invest myself in development," Steve said. "The three of us really need to be on the same page."

Working Together To Build a Strategic Plan

Steve explained that he once had a mentor in the industry who had stressed the importance of creating a strategic plan. Steve said he researched the definition at the time, but didn't really understand how to execute it. "Strategic planning can be overwhelming," he admitted, "but I always had it in the back of my mind."

Steve said after he joined his peer advisory board, his TAB coach suggested they work on strategic planning for the business. "There was that word again!" he said.

This time though Steve was given the framework to actually bring a strategic plan to life. "TAB had a format. And there was the guidance and support from my TAB coach and my fellow board members. As we went through the process, I was like 'Oh, wow, I can do that.'"

Currently Steve and his directors are working together to create a strategic plan for Cove, while each is also gaining individual insight and leadership acumen from their TAB Boards.

Now with Steve and his key leadership team all participating in TAB, he says, "It's no longer where do I want to take the business, it is where do WE want to take the business. I like that."

