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WHITE PAPER

Property Management:
Turning Challenges into Opportunities

How to cut costs and improve business through service providers

It's estimated that without a dedicated resource for answering the phones, properties miss about half of their incoming calls.[1]

One of the most important challenges for property managers is to reduce costs. One way to do that is by outsourcing certain duties to a service provider. From answering services to maintenance, there are many solutions that make sense for both commercial and residential properties. Outsourcing can reduce operating costs and management burden, and can provide a better experience for residents/tenants, both current and prospective.

Let's take a look at some specific ways that service providers can assist property managers:

Telephone Answering Services
It's estimated that without a dedicated resource for answering the phones, properties miss about half of their incoming calls.[1] However, a company that focuses on multi-channel communications is able to provide 24-hour availability, operational efficiencies, and business continuity practices that limit your exposure to costly management liabilities. A Telephone Answering Service can ensure your phones are answered by a live person without interruption, and that your residents/tenants and prospects receive exceptional customer service. Outsourcing these operations frees up your staff to focus their energies on resident satisfaction and increasing occupancy ratios.

What to Look for When Hiring a Telephone Answering Service
- **24x7x365 Availability**
  Your office may be open only from 9 to 5, but your residents/tenants (existing and prospective) can have concerns at any hour of the day or night. An emergency can't wait, and an individual who's considering leasing from you may just move onto the next property on their list if you're not accessible. Professional telephone agents can be available 365 days a year to answer your calls, ensuring residents/tenants' needs are met and that potential leads are captured.

[1] No Call Left Behind. (2014, August 1). Retrieved July 22, 2015.

- **Comprehensive Training and Quality Assurance**
  Ask what sort of training process telephone agents undergo. For example, how well does the vendor cover soft skills training, such as how to remain calm with irate callers? This will ensure your calls are handled with the highest level of efficiency and professionalism, helping to keep customer service complaints at a minimum.

- **Disaster Recovery & Business Continuity**
  If disaster strikes, how will your vendor ensure your calls are still answered? Look for a service that has a backup plan. For example, does the vendor operate multiple locations in a variety of geographies? Such infrastructure makes it easier to quickly and seamlessly reroute calls out of harm's way.

Property Maintenance Management Software
Property maintenance management is a time-consuming and expensive necessity for residential communities and commercial properties. Residents and commercial tenants call or go online to report maintenance issues 24/7/365. Unsatisfactory handling of maintenance issues is one of the leading reasons for resident attrition, which averages between 50 percent and 75 percent annually.[2]

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Property maintenance management software is a cost-effective and efficient tool to streamline these processes. Such software automates work-order entry, which reduces or eliminates the time needed for manual entry. It also allows you to dispatch maintenance staff directly from the system and can also reduce emergency response times by enabling you to keep track of maintenance requests and open work orders. You can also notate a request as an emergency if the situation may potentially cause harm to the property or to a person.

In addition, having all of this data in one place allows you to view reports and spot trends or trouble areas. For example, you might notice maintenance requests for plumbing issues are continually being submitted for one of your buildings. This gives you the opportunity to call a plumber before a pipe breaks or something even worse happens.

<u>**What to Look for in Property Maintenance Management Software**</u>
- **No software installation or equipment required**
  Cloud-based systems, such as First Line Maintenance, can be used from any computer, allowing you to track repairs and trends, monitor property issues and update the online maintenance schedule 24/7/365. Web portal integration also makes it easy for tenants to make maintenance requests online.

[2] Isaacs, L. and D. Mearns (2013, February 13). Keeping Turnover Costs Low. Retrieved July 22, 2015, from http://www.multifamilyexecutive.com/property-management/apartment-trends/keeping-turnover-costs-low_o

- **Attention to detail**
  An expandable category tree allows users to easily catalog issues as specifically as possible. That's a huge help to your maintenance staff, as it gives them a heads-up on what problems they need to prepare for. It also enables you to mine data for maintenance trends.

- **Real-time updating and reporting**
  This ensures you have the most accurate and up-to-date information. It can also be a critical feature should a work order need to be upgraded to an emergency status.

Automated Business Processes

Another way to keep expenditures down and make a property manager's life easier is by automating everyday business tasks such as email response. This allows limited staff resources to focus on other duties. Contact center agents can simply sort your email messages, forward them to the appropriate person, or an email management program can be fully outsourced, with agents directly responding to senders using a customized response library.

What to Look for When Outsourcing Automated Business Processes

- **Customization Options**
  Inquire whether agents would be using only canned responses. Optimally, you'll have the option for a combination of both canned and unscripted responses, depending on your property's needs.

- **Monitoring and Priority Filtering**
  Messages that agents cannot resolve on their own should be forwarded to your appropriate team members. For truly urgent messages, you should receive a phone call.

- **Trained Agents**
  You should feel confident that prospective (or existing) residents and tenants will receive prompt, clear responses when they email you. Although agents ideally will possess superior writing, typing and comprehension skills, they must also be educated on the specific needs of every individual program. This will allow them to quickly and accurately handle messages for which canned responses may not be available.

Maintenance Vendors

Unsurprisingly, maintenance issues are among the top 10 complaints from renters, according to a study by J Turner Research.[3] Maintenance concerns are second only to raising rental fees. Here are some tips for staying on top of this all-important issue:

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[3] J Turner Research Reveals Top 10 Apartment Resident Customer Satisfaction Complaints. (2013, June 24). Retrieved August 19, 2015.

Best Practices Regarding Maintenance

- Consolidate maintenance vendors – Hiring a single company to handle your cleaning, repair, grounds keeping and other maintenance-related duties can serve a number of possible benefits such as:
  - Cost savings – Many companies will extend lower rates if you bundle multiple maintenance services. In addition, outsourcing to only one vendor can save you money on transportation fees, as staff will likely be coming from just one location rather than several.
  - Improved customer experience/service – Your time is valuable. Wouldn't you rather correspond with fewer vendors during the day?
  - Streamlined billing – Working with one maintenance vendor means you'll have only one invoice to process and one check to cut.

- Obtain a Green Consultation – A Green Consultation is a third-party assessment of how your properties can improve their environmental efficiency. This would include utility costs, which no doubt eat a significant chunk of your budget. A green service provider can advise on how you can reduce that expense while at the same time provide you with input on which tasks can be done in-house versus which tasks may require outside help.

In conclusion, by outsourcing or automating some of a property manager's most pressing daily duties, you help to not only improve customer service, but you also help to keep costs down and turnover low. And that's something every property manager can appreciate.