6 Definitive Reasons

Why Property Managers Deserve a Raise

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How are you measured at work?

While no two property managers answer this question the same way, those who earn an extra bump in their salary are consistently able to measure and prove their impact.

But, for many Commercial Real Estate Firms, building operations are managed as problems arise, with spur-of-the-moment decision-making. Sometimes, the best you can do is to put out fires and keep the lights on.

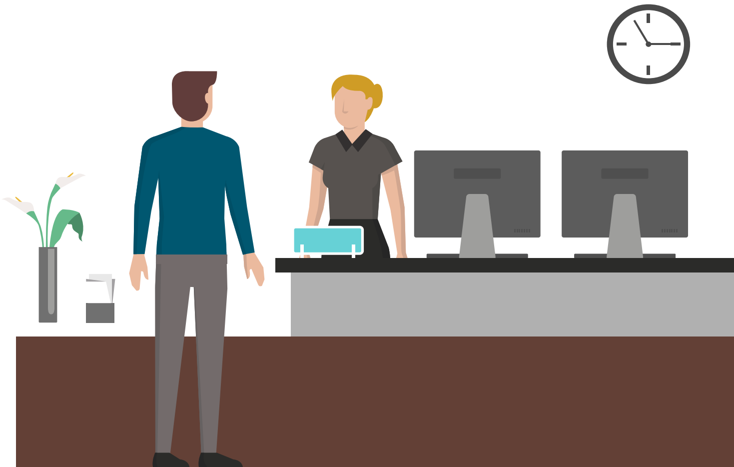
In these cases, it's difficult to track and measure your impact on the business. On the flip side, organizations who are able to implement systems of control and measurement in their property management realize great value - including the ability to track and analyze Key Performance Indicators (KPIs.)

If you're looking to build the case as to why you deserve a raise, first you must understand - and prove - your value and impact. Here are six reasons to share:

1. You demonstrate happy, satisfied tenants

Nothing else proves the performance of a property manager than current tenant satisfaction ratings. This measure proves at any given time, how happy tenants are with the service you're providing. A strong tenant satisfaction rating is a critical success factor for property managers. It's even better if you have a process and system in place to quantify current sentiment in real time.

Consider sending a simple survey after each work order. This frequent feedback collection can not only measure satisfaction with service, it can also indicate other, more pervasive, problem areas leading to potential non-renewals.



2. You keep them coming back

This satisfaction rating is a precursor to tenant renewals. As high turnover is costly (it costs more to acquire a new tenant than to renew the lease of an existing account), ensuring happy tenants has a real, measurable business impact.

When you're discussing renewals with a tenant, use their history of strong satisfaction ratings as a data point in the conversation. It can become a compelling piece of evidence as to why they should prolong their lease with you.

As for your raise, demonstrate strong tenant retention metrics to your management, and elevate the conversation.

3. You mitigate the risk of liability and loss

CRE properties are under constant threat of liability and loss resulting from incidents, inspection compliance, and insurance coverage. Prove to your management team that you're capable of preventing loss with KPIs across three areas:

A. Inspections

One KPI that is critical to property management is your inspection completion rate. Measuring this shows your ability to comply with necessary inspections when they're due.

B. COI

In addition, tenants and vendors must all be up-to-date with Certificates of Insurance. If not, insufficient coverage can be a very costly mistake.

If you're diligently ensuring COI compliance, you're saving the organization from the risk of liability and loss resulting from out-of-date, insufficient or, improperly structured insurance coverage. Prove this ongoing coverage by measuring your COI compliance percentage, and demonstrate your ability to mitigate that risk.

Tip:

Shoot for the high 90s, anything else could be extremely risky.

C. Incident response

An additional metric to help demonstrate your ability to reduce risk is to track incidents and response practices. Document all incidents and related information to prevent exposure to future liability, and to reduce the risk of financial loss resulting from poor follow-up and record retention practices.

4. You do more with less

Three metrics can demonstrate your commitment to efficiency, and doing more with less:

A. Work order completion rate

Measure the effectiveness of your service delivery program by measuring the percentage of work orders completed by their due date. Not only is this paramount to tenant satisfaction, but it proves your ability to get the job done on time.

Building Engines considers 90% to be a best-practice rate.

B. Visitor access pre-clearance

This metric demonstrates how many visitors have been pre-cleared by tenants in advance of their visit compared to those who need to be cleared by guards, in-person. Keeping your lobby running smoothly is a key part of being efficient as a property manager. Avoid long lines, and encourage your tenants to register visitors ahead of time.

C. Engineering staff productivity

Prove you're managing your engineering team effectively by tracking the number of work orders or tasks completed. Account for a full 8 hour day taking into account administrative and break time.

5. You drive revenue across your properties

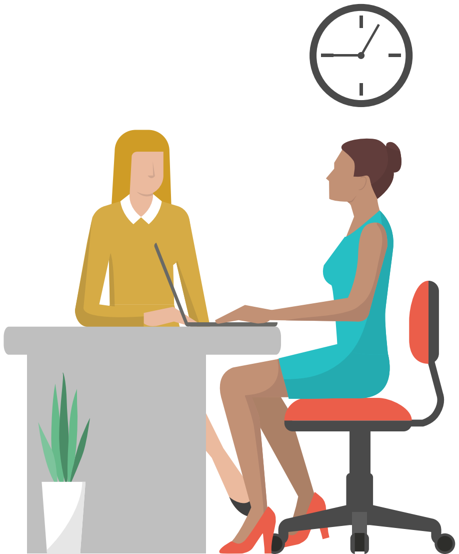
If your lease allows for billable work orders, charging for extra services can increase the revenue production of your property and impact NOI. Help to drive additional revenue by collecting account receivables in a proactive way, being aware of signs of tenant satisfaction decline, collecting security deposits, practicing good cash management, and filling vacant space with aggressive leasing strategies.

(Better yet - keep every square foot occupied with your exceptional service!)

6. You manage your budget

Practicing good expense management habits demonstrates leadership. But, benchmarking your expenses against external benchmarks goes above and beyond expectations.

Find out how you compare against what your peers spend on property management expenses through reports like The BOMA Experience Exchange Report or IREM's Income and Expense Analysis, and demonstrate stewardship over your budget.



You've heard the phrase, "you can't manage what you can't measure."

The same applies for earning a raise. You can't prove your value to the business if you can't measure your performance. Be prepared with data that shows your ability to be effective across each of these six focus areas. By documenting and tracking critical property management functions on a consistent basis, you can benchmark your performance, and earn that raise you deserve.

See how Building Engines can help you perform at your best at www.bulidingengines.com.

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