CRE technology guide

How to reduce service provider costs at NNN properties

As a commercial real estate (CRE) professional, you understand the importance of cost effectiveness, efficiency, and top-quality service provision. Achieving a sizeable **reduction in service provider costs** can often feel like a huge undertaking. However, with the right tools and insights, this goal becomes well within reach.

In this guide, you'll learn tech-powered strategies and solutions that can help you ***streamline your processes by up to 20%***, saving you both time and money. From bid management and contract management to purchase orders and work orders, these proptech tips can make your triple-net (NNN) lease operations more cost-effective and efficient.

5 ways proptech can reduce costs

In an industry where adopting cost-effective strategies is as critical as providing top-notch services, achieving a 20% reduction in service provider costs is a game-changer. With the right platform, such as Prism by Building Engines, you can automate key property management functionalities to help you save time and money.

Bid management

Automated bidding greatly simplifies the **vendor selection process**. That's because it can navigate the field for you to single out the best-suited vendor for a given task, considering their skillset, experience, and reliability. The competitive bidding triggered by the system ensures that you secure the services at the best possible rate, enabling significant cost savings.

"Automated bid management pays for itself, simply on the time that it saves," says Bill Hamilton SVP, Property Management, Spinoso Real Estate Group, and a user of Prism by Building Engines.

Another valuable angle to automated bid management within a platform like Prism is the promotion of **vendor diversity**. This is particularly relevant in today's business climate, aiming for an inclusive vendor pool – by race, gender, and geography, among other factors. To this end, Prism's system can be configured to ensure your list of potential vendors always encompasses a diverse selection.

> "
> Automated bid management pays for itself, simply on the time that it saves."
>
> **Bill Hamilton**
> *Spinoso Real Estate Group*

Contract management

The manual nature of contract management is both time-consuming and prone to error. Using advances in technology can revolutionize your contract management, improving efficiency and accuracy. Ideally, your property management technology should allow you to generate, review, and sign contracts with vendors directly via tools like DocuSign, providing a **centralized location for all your agreements**.

This centralized contract management not only enables swift access and easy editing but also organizes a clear view of all vendor relationships, contracts, renewals, and expirations. The ability to review and track contract terms, conditions, different vendor profiles, and contract histories proves invaluable for keeping a tight rein on service costs.

Notably, Prism's approach to contract management underscores **security**. With sensitive information routinely part of contractual agreements, the platform's robust cybersecurity measures offer peace of mind, ensuring your data and that of your tenants receive top-notch protection.

By digitizing and simplifying the contract management process, you save valuable time, curb rising administrative costs, minimize contractual risks, and consequently, enhance your NNN profitability. This streamlined method introduces a new level of accuracy, efficiency, and strategic decision-making, freeing up your team to focus on other crucial operational areas.

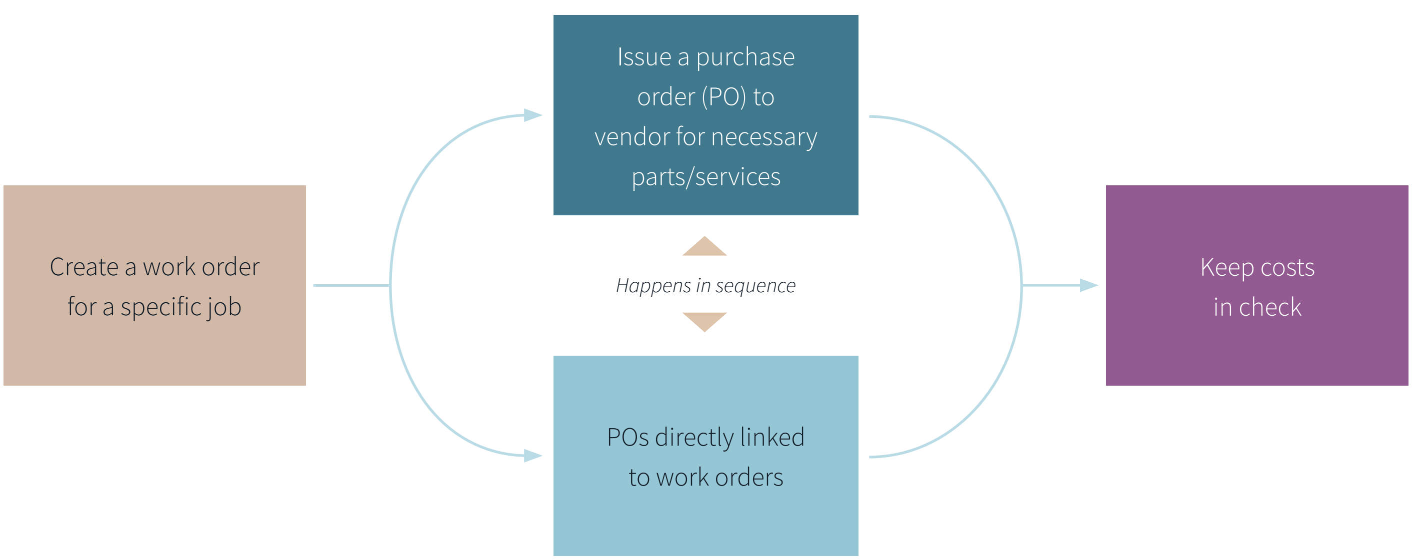
Purchase orders

In managing service providers for your NNN properties, creating and maintaining a streamlined process for purchase orders is crucial. An effective purchase order system not only ensures timely procurement of goods and services but also contributes significantly to operational efficiency, financial control, and vendor relations.

With the right technology, you can **tie purchase orders directly to work orders**. This allows for the creation of POs for vendors and parts associated with specific tasks or capital projects.

Let's break it down further: You raise a work order for a specific job that needs to be done. Attached to that work order, you can create and issue a purchase order to the corresponding vendor for the necessary parts or services. This seamless correlation of POs to work orders keeps costs in check, as all expenses are directly linked to specific jobs, preventing unwarranted or extra procurement.

The centralized management of all purchase orders within the Prism platform provides **valuable insights into spending trends** and areas where cost efficiency can be increased. It also reduces the risk of duplicate orders and simplifies the tracking of pending orders, which results in efficient operations and improved relationships with vendors.



Work orders

Managing service requests quickly and effectively is a key pillar in **achieving operational efficiency** in any NNN property. It's through effective work order management that service can become standardized, occupancy improves, and vendor relationships are strengthened.

The right tech can empower you to manage and prioritize service requests of any nature, be it janitorial, security, or maintenance requirements. And automatically prioritizing work orders based on their urgency and impact can lead to improved efficiency and ultimately, satisfaction among the tenants.

Linking work orders directly with purchase orders aids in **maintaining accountability and tracking of expenses** related to every task performed. This direct attribution of costs minimizes operational blowouts and allows a more accurate understanding of your facility maintenance costs.

The Prism platform helps you streamline the collection and approval of invoices attached to these work orders. By offering a standardized and automated invoice approval process, Prism minimizes the risk of errors, cuts back delays in vendor payments, and ensures smoother financial operations. This translates to **better relationships with vendors** who are paid on time, enhancing their willingness to deliver top-notch services when needed.

Incorporating Prism's advanced work order management system enables you to drive efficiency and reduce overhead costs. It simplifies often complex process allowing for a clear, manageable approach to service request management and facilitating superior performance for your NNN properties.

Accounting

Streamlining transactions, particularly those related to vendor payments, ensures not just smooth operations, but also fosters stronger relationships with service providers.

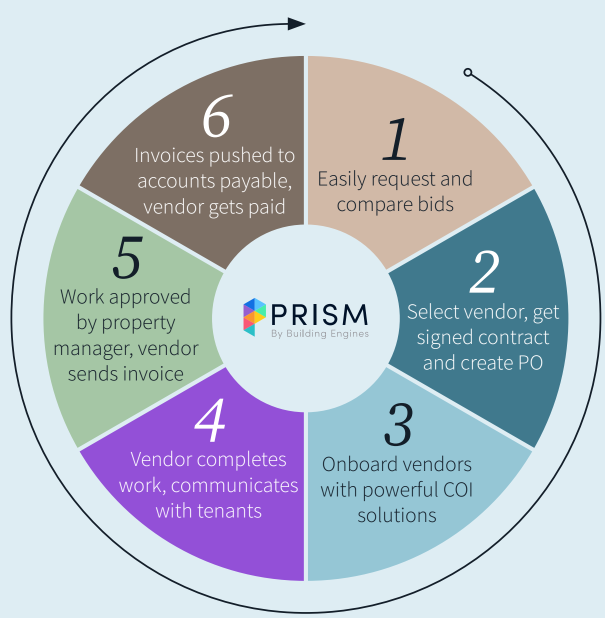
That's why it's critical for your property management tech to **integrate with your accounting system**. This opens up features like the ability to considerably accelerate and simplify your payment process. The idea is to push all approved work orders and associated invoices directly to your accounting system. This automation eradicates the risk of mismanagement or delays in dealing with paper-based transactions and manual data entry while ensuring all approved jobs are accurately recorded and vendors paid promptly.

But the benefits of such an integration extend beyond speed. By introducing automation to your accounts payable system, you **remove the risk of human** error in your financial operations. Reduction in inaccuracies in record-keeping and financial reporting can boost your overall financial governance.

Additionally, an efficient financial operations system helps build trust with your vendors. By assuring timely payments, vendors can deliver the best quality service, driving further benefits for your NNN operations and ultimately contributing to a reduction in the service provider costs.

With the critical role of data analysis in the CRE industry, Prism's integrated platform allows for easy monitoring of vendor payments and collecting valuable insights for strategic decision-making. This functionality is crucial to optimizing operational efficiency and profitability.

Full vendor lifecycle management



It's time to not just survive but to thrive in a world that is increasingly competitive and cost-conscious. You can tap into the power of automation, data, and foresight to create an environment that's sustainable and forward-thinking.

Companies backed by Prism by Building Engines are well positioned to:

- **Revolutionize your operations**
- **Enhance your efficiency**
- **Reduce your costs**
- **Maximize your profitability**

Seize this opportunity to redefine your operational landscape, utilizing the blend of traditional CRE expertise and cutting-edge technology. The future of effective, efficient, and cost-controlled management of NNN properties is one click away.

Request a demo →