The Ultimate Guide to Choosing a Property Management System

ResMan®
A property management system is the most important technology that a property management company will ever invest in. It is the backbone of your operation, supporting the key functions involved in operating properties and the corporate office.

There are a number of property management solutions on the market today. These solutions provide functionality to meet common operational needs, but they are NOT all the same. Having the right property management system for your organization's structure and business model will have a huge impact on the degree to which you are able to achieve your business goals.

The sections that follow are intended to help sort through key factors to consider when evaluating property management platforms.

A Platform That Supports Your Daily Workflow

It seems basic, but it's important to understand all aspects of your operation that you need your software to support. Start by taking an inventory of all the functions, work processes and policies your team has in place today. Identify which areas are or will need to be supported by software. From there, you can better understand how different platform options allow you to carry out these functions.

Once you determine your business needs, be sure to ensure that your software has the functionality that supports the way you work. The best property management platform for you is one that can mold to your team’s processes, policies and initiatives.

MARKETING

In today’s world, curb appeal has gone virtual. Prospects often learn about your properties through ILS listings, so it’s a good idea to make sure your property management system integrates with these sites to deliver current and complete listings for maximum appeal to your prospects. Choosing a platform that provides a modern, mobile-responsive website with virtual tours and interactive site maps will help create an authentic, on-brand experience for prospects. This maximizes the flow of leads that are right for your community.

But generating high quality leads only fills vacancies when these leads convert. Look for a property management system that makes it as easy as possible for your team to convert leads. Features like chatbots, automated emails and click-to-dial/call-from-anywhere increase conversion while minimizing work for your team. Solutions with dashboards and alerts prompt staff to follow up, avoiding a common pitfall in the conversion process. Also consider the degree of integration between your property management platform and marketing solution. Those which are fully integrated allow for cleaner data and better sharing of leads across the organization.
RESIDENT LIFECYCLE

As important as it is to market to prospects, it’s equally important to create a positive resident experience. You want them to have a positive experience from the time they apply through the time they move out. Look for a platform that helps you with every stage of the resident lifecycle.

Consider a platform with online application and leasing capabilities to make filling out applications and signing leases as easy as possible. Resident portals are important features to consider for streamlining communication and engagement with residents. These portals increase efficiency and avoids frustration on either side. Through the portal, residents can quickly perform tasks like submitting and tracking maintenance requests, making rent payments and engaging with other services you’re your property may offer. Not only does this simplify tasks for your residents, but a resident portal also strengthens your brand equity.

“Getting to touch and feel a system we were considering allowed us to see the simplicity, the fact that the workflows were intuitive, very little training was required for on-site staff, and it had the robust reporting we needed. That really helped us check all the boxes and see how it would give us an advantage over our competitive set.”

- JOHN VRANICH, WELLER MANAGEMENT
FINANCE AND ACCOUNTING

Many property management companies have incongruent software systems that result in a variety of challenges when it comes to accounting. Separate property and corporate accounting databases and inconsistencies of operational reporting versus financial reporting can result in major issues for back-office teams, owners and stakeholders. Having a reliable accounting system helps you ensure accuracy, maximize profitability and display financial growth and stability to investors.

A property management platform with powerful accounting features like customizable general ledgers, financial compliance tracking and native payments solutions allows you to be confident in your data and streamline tasks like reconciliation. Having a centralized solution for accounts payable, accounts receivable and asset management ensures you have a complete audit trail and full control of your financials.

AFFORDABLE COMPLIANCE

If you manage an affordable multifamily property, you know how complex it can be to operate on razor-thin profit margins and meet ever-changing compliance requirements. There are platforms that can lessen the burden. Look for platforms with accurate compliance tracking, streamlined recertification processes and support for online leasing, electronic signatures and electronic document storage. Features that alert you to update information and complete tasks help ensure nothing falls through the cracks.

Consider choosing a platform that is customizable and suits your affordable property's unique needs. Features like special claims finders and claims validation tools allow you to reduce errors and maximize funding.

Some property management solution providers offer affordable housing market functionality more as a side business. Choosing a provider like this can have risks, so consider looking for a provider with a deep understanding of the affordable housing industry, active participation in the industry and a demonstrated commitment to keeping the platform up to date with regulatory changes.

Remember that when it comes to property management, details are just as important as the big picture. Your daily operations have a direct impact on your quarterly and yearly goals. Make sure your software platform provides day-to-day visibility into company performance and areas of improvement to stay aligned with your company’s overall financial goals. Robust reporting capabilities and easy-to-read dashboards ensure you can accurately track and analyze operations to ensure success.
REPORTING AND DASHBOARDS

In order to effectively manage, most property management companies will need a solution that provides good visibility into how your company is performing, what areas need improvement and how you may perform in the future. Solutions that offer both real-time dashboards and robust reporting tend to put you in the best position to proactively manage your business over time and on a day-to-day basis.

Solutions with real-time navigable dashboards offer another advantage in that the dashboard can serve as your team’s home base. Having a dashboard with both big-picture visibility and easy access to everything you need ensures you and your team can stay efficient and informed. The most impactful platform will allow you to easily monitor KPIs and create configurable alerts to keep you informed of any abnormalities in your KPIs and financials.

Reporting can be one of the most frustrating and time-consuming aspects of managing a property management company, but it doesn’t have to be. Be sure to look for a solution that allows you, your team and your investors to view and summarize data in a way that is right for your organization. Beware of solutions in which:

- The reporting module doesn’t access system data in real time
- Standard reports take an exceptionally long time to run or can only be run overnight
- There is limited ability to aggregate data across properties
- The same data point has different values depending on where/how the report is run

A Platform That Suits Your Company

Finding the right property management platform isn’t just about ticking boxes for the features you need. Even if some providers may have certain features and functionality, they still may not be right for your organization.

When choosing a platform, you need to be sure it aligns with your approach to management and can evolve as your business grows and changes. You need to be sure the platform can help you operate the range of properties you expect to have and address all the challenges you’ll likely face. You’ll want to look for a comprehensive solution, but also one that has the flexibility you will need for the future.

ALIGNED WITH YOUR SIZE AND GROWTH PLANS

Some providers are focused on small businesses, and if you plan to grow your business, you may outgrow the software’s capabilities. Others cater to the largest, most complex companies. While you may get more functionality, you’ll also be faced with more complexity that you may never need.

Other platforms are designed to grow as you grow. These platforms make it seamless to add new capabilities, new properties and even new types of properties as your needs expand. Choosing a platform that molds to you—and not the other way around—is key to keeping your team efficient as your business evolves.
FITS YOUR TEAM’S SKILL LEVEL

When evaluating a property management platform, it's also important to consider your team – what’s their skill level? Are they comfortable with technology and basic accounting principles? Will you be adding new team members often? The property management system is something they will be using on a daily basis, so you’ll want to make sure you factor their needs and the way they work into your decision.

While new software can be intimidating for some employees, consider a solution that makes adoption easy. A simple user-interface and a powerful search function can allow your team to find and complete tasks quickly. For example, is the interfaces easy to understand and navigate? Can new hires learn it quickly? Does the system offer help articles or customer support if they get stuck?

Hard-to-use software that makes your team's jobs harder results in a less productive work environment. Finding a solution supports their daily functions boosts productivity, empowerment and employee retention.

ADDRESSES YOUR BUSINESS CHALLENGES

When it comes to choosing the right property management platform, it’s important to start with your challenges and needs and then look in detail at how each will help overcome challenges and meet needs. Be sure to evaluate important features in detail, as some software solutions aren’t as comprehensive as they first appear.

- If leasing costs and lead conversion are a challenge, consider how the platform will help you attract more of the right prospects and improve conversion rates.
- If closing the books each month is too time and resource intensive, how is the solution going to help with this challenge?
- If managers don't have the visibility, how does the system deliver better visibility?

Each property management company is unique. What may work best for others might not be right for you, so be sure to take the time to really understand how each solution will help your business address your challenges and achieve your goals.
OPEN VS. CLOSED PLATFORM

Some platforms are open and designed to offer flexibility in how you assemble a collection of capabilities to address your business needs. Others offer only their own functionality or integrate with just a small number of partners. Some providers with closed systems add new capabilities through acquisitions. Depending on the level of effort put into the integration, this can result in a sort of Frankenstein solution, leaving you stuck with awkward workflows and semi-functioning features.

Often the most flexible solution is one that is both open and has a solid suite of native functionality. For small and mid-sized organizations that expect to grow and change over time, this sort of hybrid solution may be best, because it allows you to have your cake and eat it, too.

For some, the native solution may be best from an economic and operations simplification standpoint initially, but you can move to a best-in-class solution if your needs evolve. For others, there may be a specific area of your business that requires more advanced capabilities than are available through the native solution, so you have the option to choose a third-party solution for just that area of your business.

Be sure to consider the open versus closed platform decision carefully based on where your business is now as well as where you expect it to be five years from now.

5 Questions to Ask When Choosing a Partner

• How frequently do you upgrade the software?
• What resources are available to help learn and use your software?
• How do you gather and implement feedback from customers?
• How is your team involved in the industry?
• Do you have team members with personal experience in the industry?
SUPPORT FOR AFFORDABLE HOUSING COMPLIANCE

Affordable housing regulations regularly change on both a national and local level, and it can be challenging to keep up with these changes when your to-do list is a mile long. It’s important to find a partner that understands the complexity of affordable housing and will help you jump through the hoops of regulatory changes.

Not all providers are equally committed to keeping pace with regulatory changes, so you need to consider whether the provider you choose is consistently able to deliver regulatory-related software updates on the timeline you require.

If your organization has or expects to have layered investments, that’s another area where you’ll want to invest time to understand the system’s capabilities in detail. Not all platforms are designed to handle the complex funding structures that you may be considering.

While it’s no secret that affordable housing managers are working with limited funding and resources, investing in technology will proactively help you maintain compliance and provide other critical solutions. Consider looking for features such as smart workflows, centralized processes, unlimited document storage, online leasing and automated recertification notice processing.

A Platform That Meets Your Budget Requirements

As critical as it is to find a solution that meets your needs, when it comes down to choosing a platform, your budget will always be a key factor. An important reminder here is that while the system price tag is a very important part of your total cost, you want to make sure you understand the total net cost to operate a system which includes add-on modules, service fees, staffing requirements, as well as any cost savings or new revenue opportunities that the solution provides.

SYSTEM COST AND SERVICE FEES

When considering a platform’s total cost for your organization, remember your needs. Will the core offerings be enough for you to run your business, or will you need additional modules? Are there transaction or other service-based fees that you’ll need to pay?

Many providers charge a fee for each payment transaction, and some have overage charges for services like customer support. Sometimes onboarding fees don’t cover the full cost to get up and running. For example, data conversion is not always included. You’ll also need to consider future costs such as upgrade expenses. With some providers, upgrades can be pricey.
IMPACT ON EFFICIENCY
While this can be hard to measure, software can significantly impact your company’s efficiency. Depending on the experience of your staff, some systems can decrease efficiency if they are hard to navigate or require lots of steps and clicks to complete tasks. Others can help even an inexperienced team operate more efficiently.

Choosing a system that boosts your team’s productivity can really help improve property operations and financials because it frees up time to focus on high-value activities like property appearance, lead management and resident retention. This type of solution will also help you scale and grow your business more effectively.

EXPANDED REVENUE POTENTIAL
Consider what new revenue opportunities the platform may bring. Some property management platforms focus on helping you generate revenue by making it easy for you to offer fee-based ancillary services to your residents. Many platforms build partnerships with service providers and allow residents to sign up for services right in their resident portal. Not only is the buying process convenient for residents, but property management companies often get a percentage of the fees paid by their residents.

TV/Internet, credit score reporting and concierge services can provide you with substantial income streams. When choosing a property management platform, consider finding a partner that streamlines the process of signing up residents for these services. You’ll likely find that this easily and significantly reduces the total cost of your property management system – and increases NOI.

Finding the Right Partner for You
We’ve discussed how your needs can guide you toward the right platform, but it’s important to also consider the organization behind the software. Property management systems play such a critical role in operating your business that when you buy this software, you are signing up that service provider to be your business operations partner. Finding the right partner for your business is all about doing due diligence to ensure alignment between your organization and the organization that is behind the platform.

COMMITMENT AND INVESTMENT
Most organizations will want to look for a partner that is committed to and invested in their market. The last thing you want to do is switch platforms because the provider stops serving your needs. While this is an important consideration in any market, the Affordable Housing Market has even more risk due to frequent regulatory changes that impact compliance requirements.
A partner that is committed to your market will not only offer a solution, but it will also be actively involved in your industry. When researching platforms, find a partner that has a strong reputation for being there for customers, listening to feedback and enhancing their product based on customer needs and industry changes.

**SUPPORT AND SUCCESS**

You also need to be confident that your partner will provide help when you need it most. Some providers offer unlimited customer support while others offer fee-based support or charge fees after you exceed a threshold of support cases or hours. Most property management companies will benefit from finding a partner that puts a premium on success, and that often means looking for inclusive support and committed response times.

Just like property managers need to be there when issues arise for residents, you’ll want to find a partner who will be there for you when you face challenges. When things go wrong, you want to know that your partner is there to engage and actively resolve issues. Choosing a partner that not only responds to your needs quickly but also provides timely updates about bugs and enhancements ensures you’re always informed of changes.

No matter which solution you choose, there always will be situations and issues that come up. The question for me is always how do we deal with that. Is it going to get dealt with professionally and respectfully? Will we get timely responses from our account manager and customer support? Will the team step into the issue and proactively find a solution?

**LOYAL PROFFITT, ALLIED ORION**
Choosing a property management platform is an important decision that can impact every aspect of your business. Investing effort in understanding what your company needs from software and considering your daily workflow, budget and future needs can help you find the best solution for you.

Take the time to understand the functions, processes and policies that you need your platform to support. Carefully review how the different solutions you’re considering will align with your needs and how your organization works. Make sure the platform will offer the functionality you need, whether that’s within the system or through a partner that can connect through an open API.

You’ll also want to look carefully at the total net cost of each option you’re considering – taking into account, any added module, service fee or staff costs as well as cost savings from efficiencies you expect to gain and any incremental revenue opportunities.

Choosing a property management platform is one of the most important operational decisions you’ll ever make. Investing the time and effort upfront to thoroughly evaluate your options will pay big dividends down the road.

ResMan is a leading property management SaaS platform provider that is the preferred growth partner, driving profitability and efficiency for nearly one thousand property management companies across the U.S. To learn more, see what our customers are saying, check out our webinars or request a free demo.