

## **What Does a Property Manager Spend Time Doing?**

**By Steven S. Sessions, RPA**

Most property management companies claim that their existing tenants represent their most important asset in their real estate portfolio.

However, when one examines their behavior, one finds that the vast majority of a property manager's time is allocated to reviewing financial reports, reporting upward, attending internal company meetings, firefighting employee issues within their own offices (internal politics), computer and telecom problems, and reviewing leases and vendor service issues—rather than spending quality time with their existing tenants! Simply put, property management companies say they believe in one thing, but appear to be doing another. What's going on here?

First and foremost, property managers need time, precious time, to meet with their tenants on a regular basis. Market research indicates, "We know a lot less about our tenants than we think we do." When property managers spend time with their tenants, they discover many things, including: their real and often unstated concerns and needs; their financial viability and soundness; changes in the organization; and information regarding their future space needs and occupancy.

Property owners should not find out news about their tenants from reading the newspaper, but should have been advised by the property manager in advance. I once knew a property manager who lost his job the day an owner came into town and wanted to tour his properties. The problem arose when the property manager had to get a map out to find a couple of the properties! That is similar to an experience I had when I first got into this business and toured the vacancies of a high-rise building with an owner. I mistakenly assumed that the on-site manager and staff had inspected every floor and vacancy prior to the owner's tour. What a poor and costly assumption!

I no longer make any assumptions as it relates to vacancies and inspections by others. I want to see with my own two eyes. I had not the slightest idea what was behind the many, many, many doors on each of the 32 floors! If I had a parachute, I would have jumped out of the 23rd floor. It was horrible. Each door we came to, I felt like I was a contestant on Let's Make A Deal. I had not the slightest idea what was behind each door. That day I felt that I literally came to the show (work) as one of the Three Stooges!

Since then, like Monty Hall, I now know what is behind every door in every building in my portfolio, having spent extra time and care with the vacancies. It has made all the difference in the world to my peace and happiness in this fascinating business known as property management. As property managers, we must take pride of ownership in our buildings and ensure that our vacancies are white-boxed, and in great show-able condition. First impressions with a prospective tenant are lasting. There are no dress rehearsals in today's marketplace!

Property managers also can demonstrate their respect for their tenants by carefully listening to their concerns and working diligently to solve the tenants' problems. We all know what it's like to request service and not receive service. To ensure tenant satisfaction, solve their problems with a positive attitude! Our tenants must not only be "satisfied" with our firm's services, but also "super-pleased." We must demonstrate by our words and actions that we are happy to provide them first-class service. That is what our tenants are paying for and that is what they deserve. Isn't that how great tenant relationships are built?

If property management companies want the substantial benefits that flow from developing existing tenant relationships, they can have them. But they won't occur automatically. They must be explicitly managed!