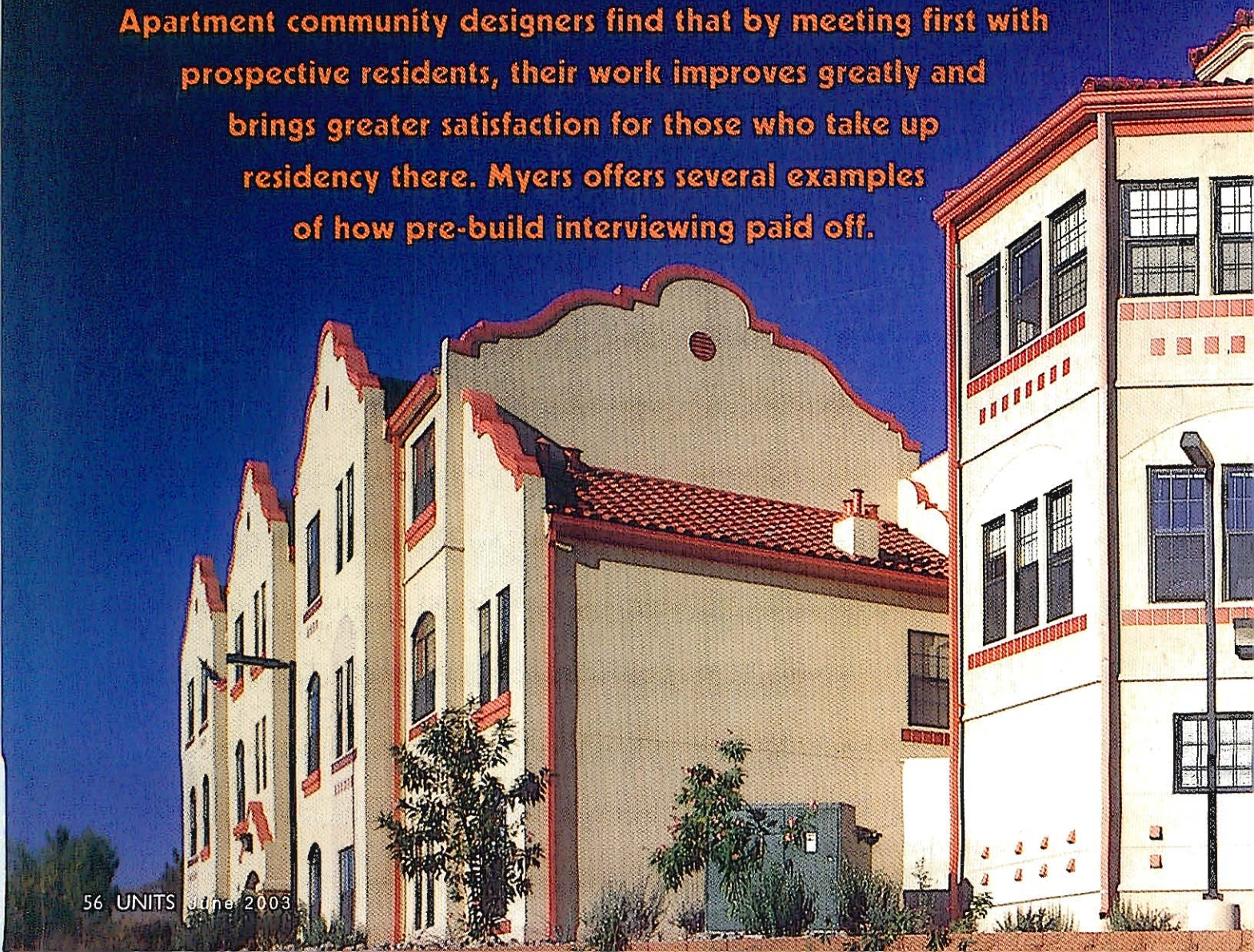


Before You Build, Build Consensus

Listening to the Resident

BY JANICE MYERS

Apartment community designers find that by meeting first with prospective residents, their work improves greatly and brings greater satisfaction for those who take up residency there. Myers offers several examples of how pre-build interviewing paid off.



The property is a low-density mix of three-story apartment buildings with direct access garages. Community highlights include sensor-controlled access gates, 24-hour emergency maintenance and an onsite fitness center. Outdoor exercise is enhanced with a three-quarter mile exercise path with custom designed circuit training stations. The community has lush landscaping, winding creeks, fountains, a pool and tennis court.

Many Palmetto Creek apartments include access via a covered walkway to a private garage. Responding to the needs of those seeking larger apartments with abundant closet space, unit sizes range from 1,049 square feet to 1,327 square feet for one- and two-bedroom units, respectively. The size and layout of the two-bedroom apartments, each of which includes two full baths, make them ideal for roommates.

Palmetto Creek offers all the amenities and space of a luxury home. Interior amenities include nine-foot ceilings, full-size washer/dryers, electronic intrusion alarms, oversized tubs and marble alcoves, refrigerators with icemakers, wood burning fireplaces, bookcases, and ceramic tile floors in kitchens and baths.

The design team designed the kitchen opening into the dining area to make entertaining easier. The home's breakfast bar makes it convenient to enjoy a quick bite.

Some new features are crown molding, two-inch plantation blinds, double sinks with high arc faucets and built-in bookcases in the sun room.

Each apartment is designed and built with the residents' practical convenience in mind. The property is fully wired for phone, cable television and high-speed Internet access. Residents enjoy the services of 24-hour maintenance staff.

Palmetto Creek will be professionally managed by 1st Lake Properties Inc., a local multifamily management company with more than 33 years of experience.

The Saulet

The Saulet name first appeared as one of the Crescent City's most impressive private estates about two centuries ago. Today, The Saulet signifies a multifamily community offering 703 apartment homes within walking distance of the Mississippi riverfront and Morial Convention Center. The Saulet's development has proven to be an important component of the revitalization of the Central Business district.

This community is a mix of rental and retail, featuring a submarine sandwich shop, day spa and small restaurant.

The Saulet was designed to combine the style of French Quarter living with off-street parking and modern amenities. Completed in January 2002, this community offers one-, two- and three-bedroom apartment homes, with 9-foot ceilings and crown molding, polished concrete floors or Berber carpet, washer/dryer connections, intrusion alarm systems, high-speed Internet connections and wiring for Dolby surround sound.

Some apartment homes feature attached garages, built-in computer desks and bookcases, and French doors with a wrap-around balcony.

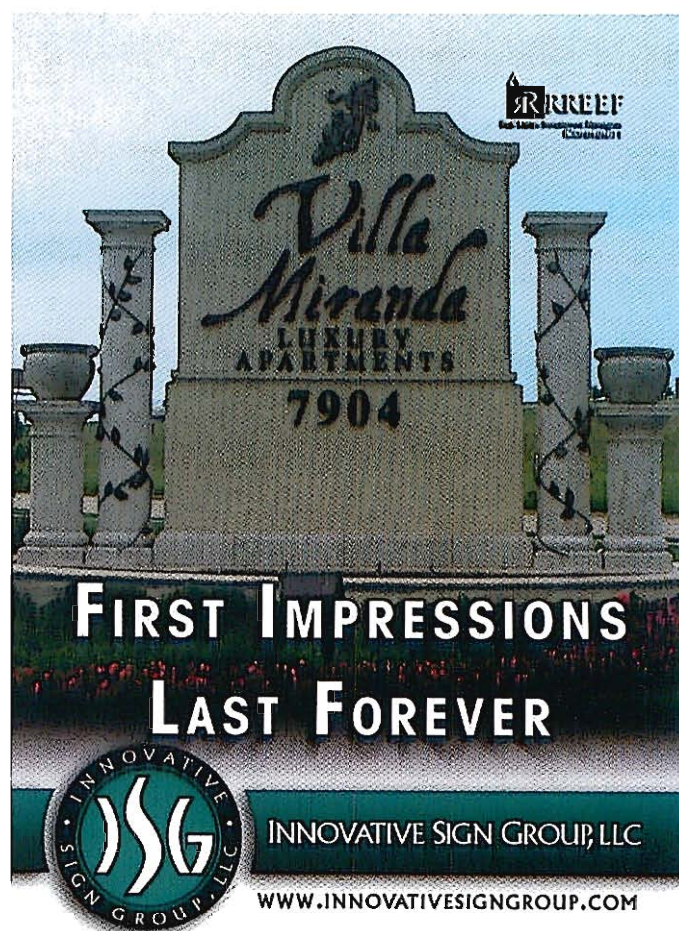
This property features an onsite art gallery, clubhouse with clubroom, and business center with computer, fax machine and copier. There is a 2,500-square-foot fitness facility complete with free weights, treadmills, bikes, etc. The pool offers a lap pool and Jacuzzi, while the clubhouse features a gourmet teaching kitchen

where local chefs visit once a month and prepare a dish for all residents to enjoy.

A full-time concierge, offering all of the services normally found in a luxury hotel, serves The Saulet's residents' miscellaneous needs and is in charge of community activities.

The Saulet is professionally managed by Greystar, a nationwide full-service real estate firm. ■

Stacey Shane Schott, CAPS, CAM, has served the last three years as the President of the Apartment Association of Greater New Orleans. For the past 14 years, she has been in all phases of property management, presently working for family-owned Favrot and Shane Companies Inc. in construction and development. Robert B. Ramirez has been Vice President for Finance at Favrot and Shane Companies Inc. for the last nine years. Favrot and Shane Companies' affiliated management company, 1st Lake Properties, manages more than 7,000 apartment homes.



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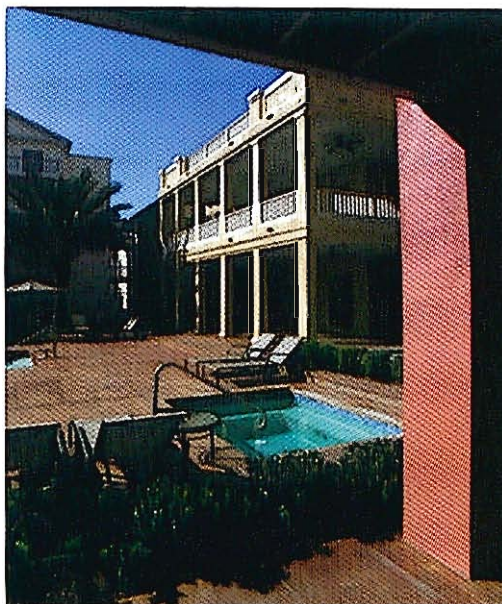
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Interior.

This gated community features six buildings, housing 268 apartments of one-, two- and three-bedrooms that range from 660 square feet to 1,265 square feet. All of the floor plans are unique and reveal original architecture. All apartments overlook the New Orleans skyline, Bayou St. John or the courtyard.

Interiors offer 13-foot ceilings with the original wall-to-wall windows, washer, dryer, fully equipped kitchens, Internet access and enhanced cable television service. Preservation guidelines required the retention of the original signage, existing brick walls, cypress wood beams and concrete and wood columns. The retention of these elements, combined with the uniqueness of the structure, result in a wide variety of available floor plans.

The community offers a fitness center, swimming pool, picnic area and a 24-hour business center that is equipped with computers, a fax machine and copy access. The entertainment center offers audio and visual conferencing capabilities. The property has a 24-hour uniformed courtesy personnel and 24-hour maintenance personnel, which is on standby alert for after-hour emergencies.



A lap pool and jacuzzi are just two of the many amenities enjoyed by residents of The Saulet.

American Can features office and retail space—a coffee shop, drycleaners and wine shop on the first floor. American Can hosts an open-air tent farmer's market every Thursday, offering fruits, vegetables and seafood.

American Can is a partnership between Historic Restorations Inc. (HRI Group), a New Orleans-based developer, and Housing Horizons L.L.C., a wholly owned company of Kimberly-Clark Corp. Since 1982, HRI has developed and renovated more than 23 National Register buildings. Its mission is to renew cities by creating diverse, sustainable communities.

Palmetto Creek Apartments

Palmetto Creek Apartments is the latest addition to the Favrot & Shane portfolio of gated garden communities.

The community consists of 216 garden apartment homes, designed to appeal to residents seeking a new level in luxury garden

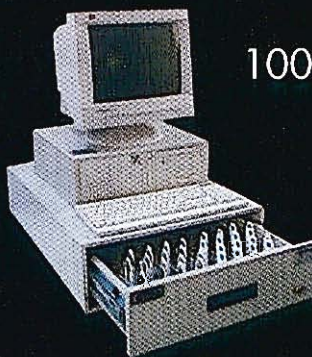
home living. Palmetto Creek features one- and two-bedroom homes with all the amenities and space of luxury homes.

Residents enjoy resort-style elegance combined with the convenience of a prime location. Palmetto Creek offers quick access to business, retail, banking, entertainment and fine restaurants in the Elmwood/River Ridge area.



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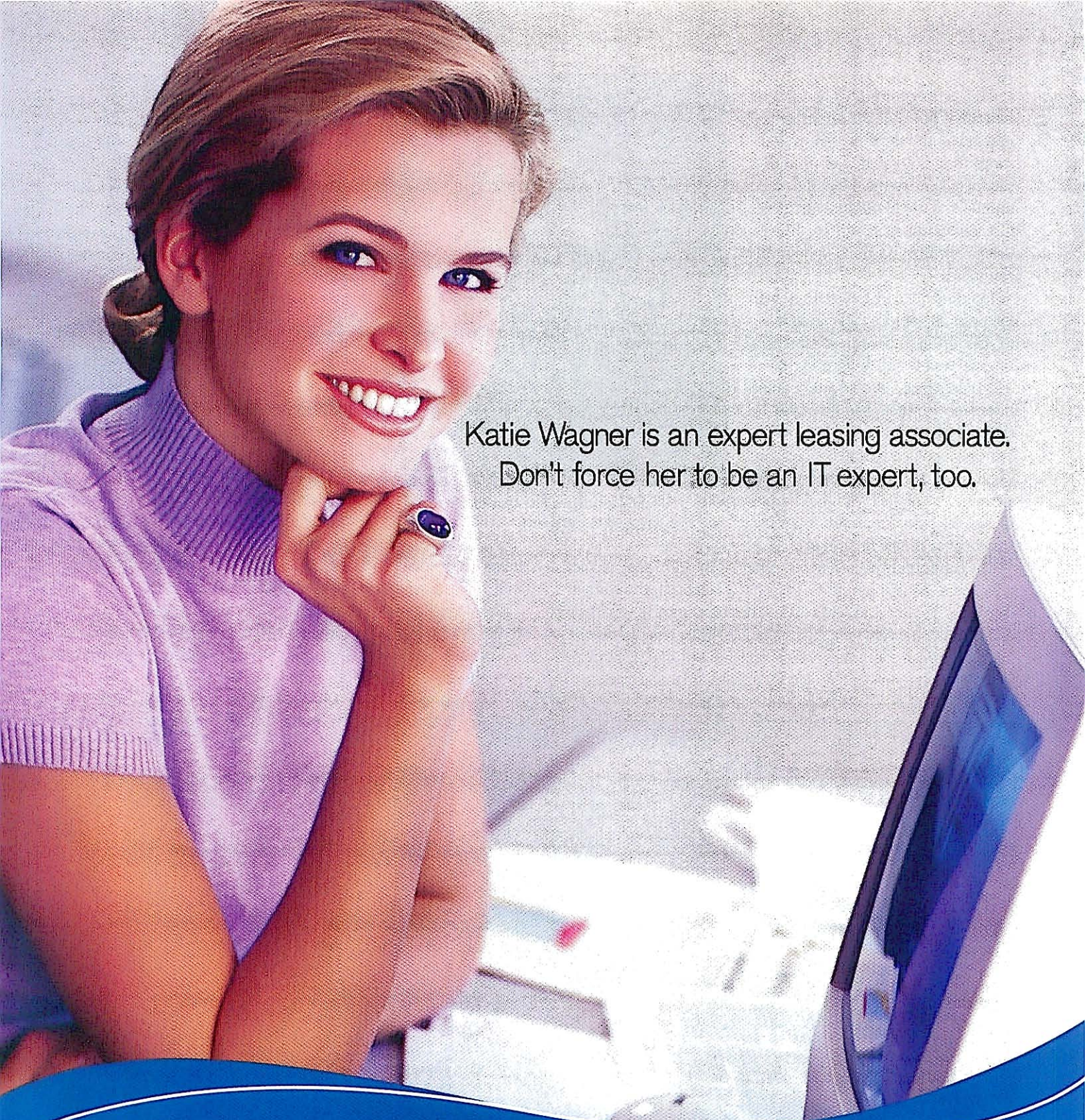
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Market research can describe anything from a teenager with a clipboard asking questions at the mall to highly structured experiments in human behavior. Despite its elusive definition, however, everyone agrees on one point: Not researching the market is an entrepreneurial death wish. Lending institutions won't even consider funding housing projects that are not backed up by research.

Although housing trends are tracked nationally, there is no substitute for talking to folks on the street—literally. Tenants' expectations can vary sharply from region to region, even neighborhood to neighborhood. Market research for new apartment construction often consists of architects and developers comparing notes with appraisers and realtors, and putting together what they think will be a winning package.

Albuquerque, N.M., commercial realtor Todd Clarke advises developers on various aspects of the city's rental market. His firm, New Mexico Apartments, uses focus groups of 15 to 40 people who are recruited through targeted mailings. By the end of a 90-minute session, participants must reach a consensus on what amenities they would like and what they would be willing to pay for them.

"When I worked on the Villa de San Felipe [a downtown urban infill apartment complex], conventional wisdom was that there was no market for smaller units," said Clarke. "But the focus groups indicated other-

wise. When the building was completed, its 161 units were leased immediately, with a waiting list of 325."

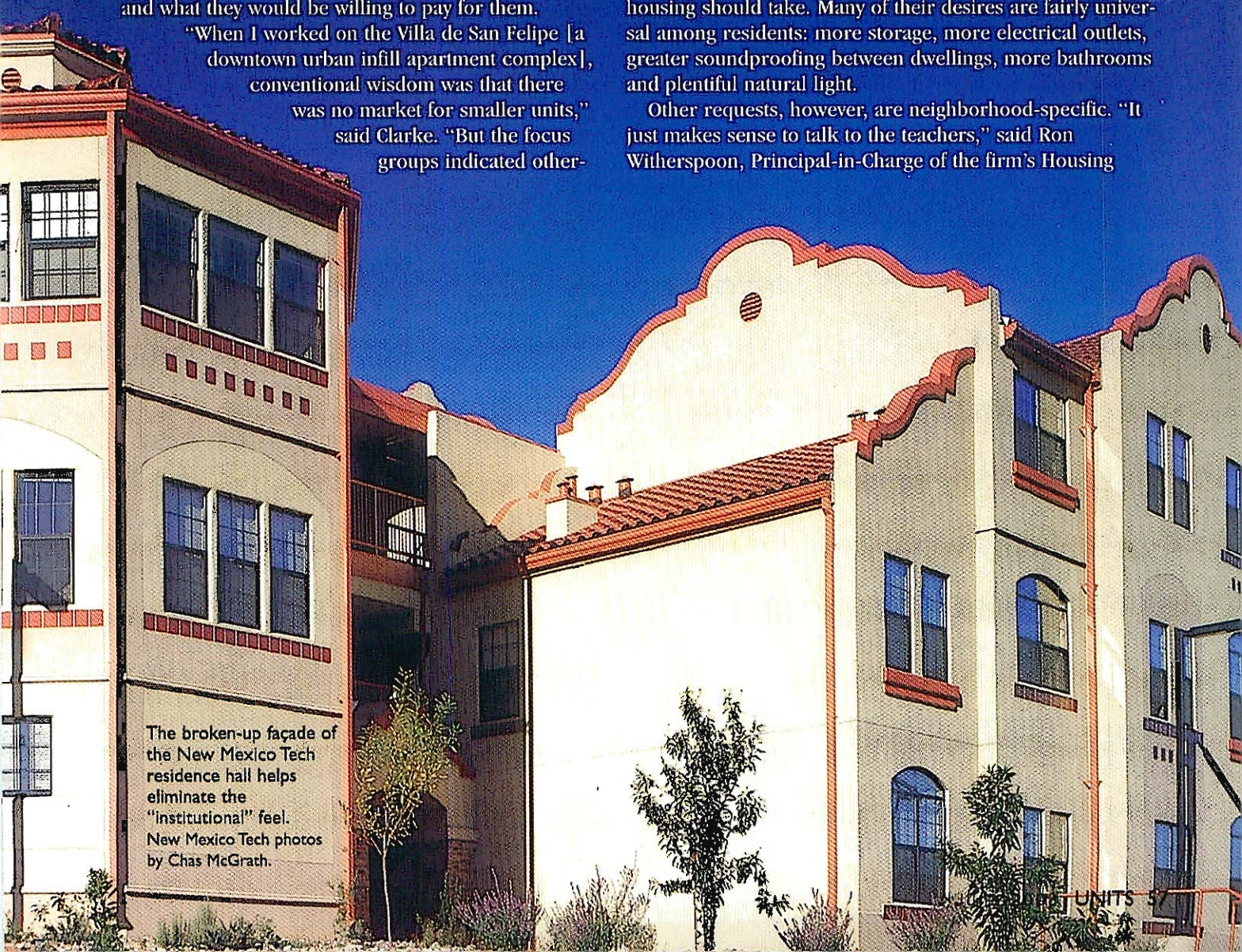
Learning From Teachers

The Villa de San Felipe project was designed by architects at the firm of Dekker/Perich/Sabatini in Albuquerque. On other apartment projects, where the actual tenants are already identified, the firm has taken a far more direct approach: Architects hold forums with the future tenants during the design process, so that the target group's ideas can be more satisfyingly incorporated into the design.

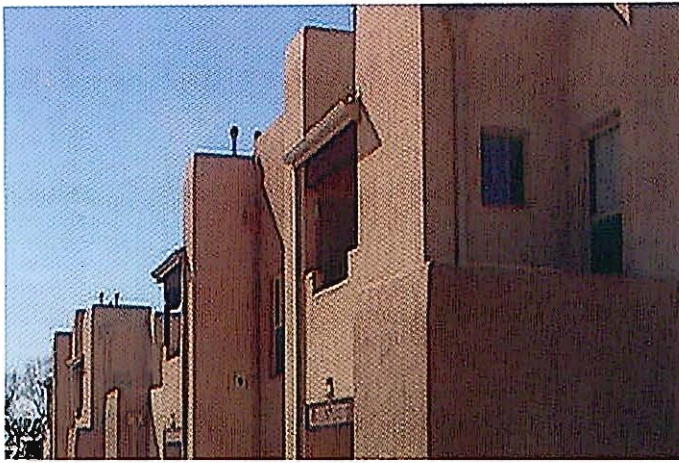
Most recently, the firm held public forums with teachers at three sites in rural Gallup-McKinley County, N.M., to solicit ideas for new "teacherages"—rental apartments that the county constructs to attract and retain teachers for these remote areas. Because the schools are on Native American lands, teachers are not able to build their own homes, and the county builds these teacherages on land leased from the Pueblo or Tribe.

The teacherage meetings were especially interesting because the future tenants have had years to identify the shortcomings of the obsolete units in which they currently live, and they have definite opinions about the shape the new housing should take. Many of their desires are fairly universal among residents: more storage, more electrical outlets, greater soundproofing between dwellings, more bathrooms and plentiful natural light.

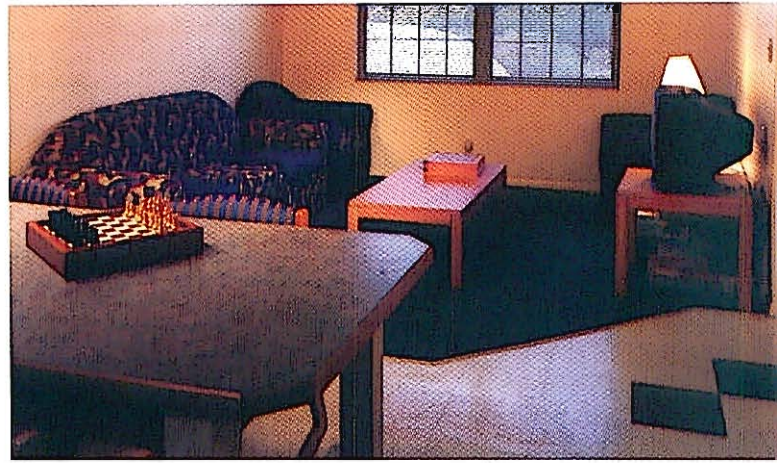
Other requests, however, are neighborhood-specific. "It just makes sense to talk to the teachers," said Ron Witherspoon, Principal-in-Charge of the firm's Housing



The broken-up façade of the New Mexico Tech residence hall helps eliminate the "institutional" feel. New Mexico Tech photos by Chas McGrath.



Traditional architecture integrates the Pojoaque Pueblo apartment complex into its surrounding environment.



Soothing colors, movable furniture and plenty of light make New Mexico Tech student housing feel more like home.

Group. "It's their neighborhood."

For example, fenced yards were important to teacherage residents, not only to provide privacy, but especially to address the very-local problem of stray dogs and wandering livestock. The positioning of the duplexes (which the teachers adamantly requested, reduced from four-plexes) was critical. The old teacherages face west, from which powerful winds pummel the homes with dirt that finds its

way inside through building cracks.

Teachers also expressed an interest in solar design, which the architects have addressed by incorporating passive solar. "A few wanted active solar or windmills," said project architect David West, "but the cost was prohibitive."

A one-bedroom unit was eliminated based on teachers' need for an extra room to accommodate the occasional guest; a unit featuring two smaller bedrooms was designed to take its place.

consists of eight four-bedroom units with two bathrooms each, and two two-bedroom units with one bathroom each.

Each unit includes two or four single bedrooms of approximately 100 square feet (not including a spacious closet), a 140-square-foot kitchen/dining area and a 140-square-foot living area. A common bathroom serves each pair of bedrooms.

Contributing to the home-like feeling of the complex are amenities seldom found in older student

housing. Each student has a private bedroom; the furniture is movable; and wood frame and drywall take away the institutional feel of painted concrete block walls. Thanks to light wells, the units enjoy significant daylight, as well.

Ancient Culture Meets Modern

In New Mexico, Native American Tribes and Pueblos also commission multifamily units. It might seem like a mixed metaphor, but the design of modern apartments for Native Americans is often influenced by traditional beliefs.

Dekker/Perich/Sabatini Navajo Intern Architect Michele Pfeiffer explained, "Home is the center of Navajo life. The front door to the hogan faces east to greet the morning sun. Traditionally, Navajo homes are dispersed across the land, with extended families clustered near water, grazing and firewood resources."

Although the Navajo have made many concessions to modern housing needs,

Happy residents and full occupancy are reason enough to involve the end-user in design decisions, but perhaps the biggest payoff is the feeling of ownership that all the parties feel in the finished product.

Speaking With Students

When the New Mexico Tech campus in Socorro, N.M., needed additional housing for students, Dekker/Perich/Sabatini architects engaged in a dialog with students.


"What we found was that they wanted to live in a place that felt more like home," said Ron Witherspoon.

To soften the institutional feel of the buildings and bring them down to human scale, the complex is designed as a combination of two- and three-story buildings that together house 144 students and resident advisors. The façade is broken by intermittent setbacks that give the impression of being several smaller buildings. Because of the site's limitations, the complex consists of two wings that form an "L" with laundry and study spaces located in the buildings' "elbow."


Architects also sought student input on the interior design of the apartment-style units. In the resulting design, each wing

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new apartments must still face east.

Ron Standiferd, the majority owner of S&S Joint Venture, a Native American-owned construction enterprise, has been involved in building apartment units for Native Americans for years.

"In the Tsigo Bugeh development in San Juan [N.M.]," he said, "the tribal housing authority required that the buildings be sited to coincide with the equinox and the solstice."

The buildings are grouped around a plaza, which, Pfeiffer said, is typical of Pueblo Indians.

"Traditional Pueblo housing is clustered, creating exterior plazas for annual dances," she said. "The front door doesn't necessarily need to face a certain direction."

Standiferd also helped build an apartment community for a Native American Pueblo where the Tribal Housing Authority wanted the buildings to be arranged in the shape of a bird that held symbolic meaning for them. The subsequent site plan reflected their request.

Colorful Details

Santa Fe developer Don Tishman,

whose latest undertaking is Zocalo, an upscale condominium community that evokes a colorful Mexican village, explain the process he and his partner followed to research their target market. "We designed very specific focus groups based on income [high] and age [older]. For many of our buyers, a place at Zocalo is a second home, so we brought in people from out of state to see what features were important to them."

There were a few surprises. Zocalo was designed by renowned Mexican architect Ricardo Legorreta, a modernist, in saturated hues of purple and red stucco. The developers thought that the bright colors might not be well received.

The focus group indicated that the colors were fine, but that vigas—heavy horizontal beams on ceilings, a traditional New Mexican design element that the architect had eliminated—were very important to them. Vigas went back into the design.

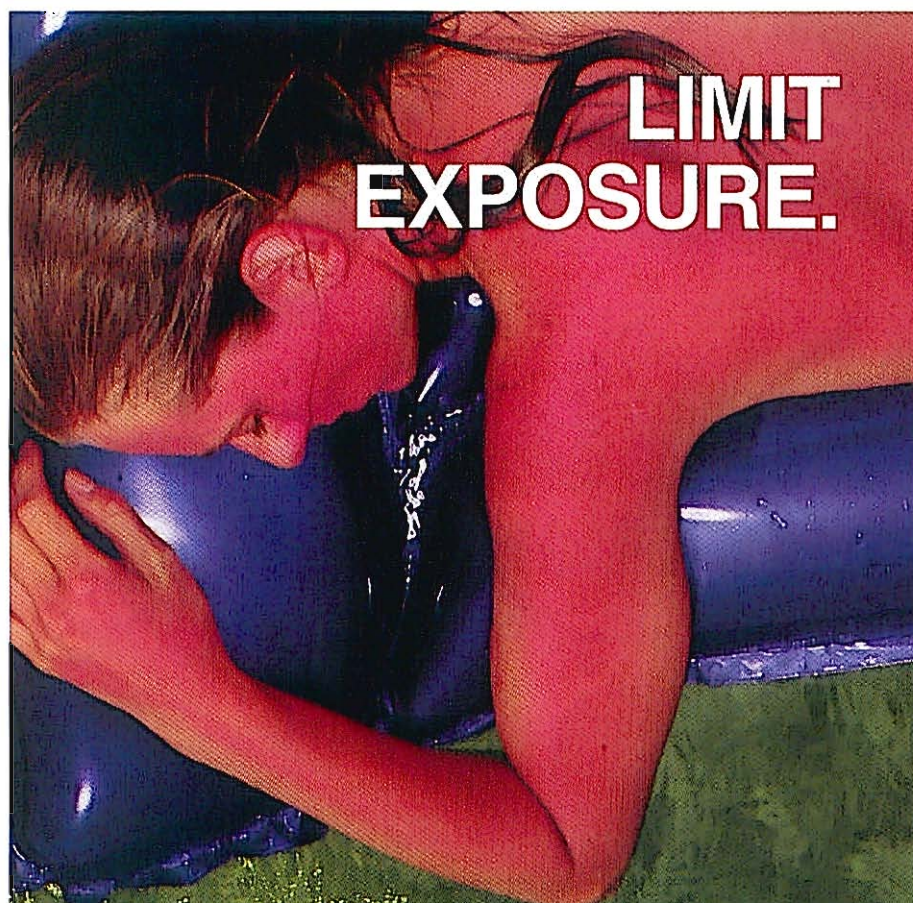
As far as apartments go, however, Tishman engages in his own very simple form of market research. "The secret to designing a successful apartment complex," he said, "is talking to the manager of a successful complex to find out what tenants like and don't like about it."

'You Actually Listened'

Whether design by consensus means adding an extra bathroom, eliminating concrete block or orienting the front door to a specific direction, it is clear that everyone wins in the process.

Happy residents and full occupancy are reason enough to involve the end-user in design decisions, but perhaps the biggest payoff is the feeling of ownership that all the parties feel in the finished product. When the Dekker/Perich/Sabatini design staff held a follow-up meeting with the Gallup-McKinley County teachers to show them the modifications that had been made to the design for the teacherages, one teacher remarked, "I thought this would be a mere formality. You actually listened to us." ■

Janice Myers is Marketing Manager at Dekker/Perich/Sabatini in Albuquerque, N.M. She can be reached by calling 505/761-9700 or visit www.dpsabq.com.



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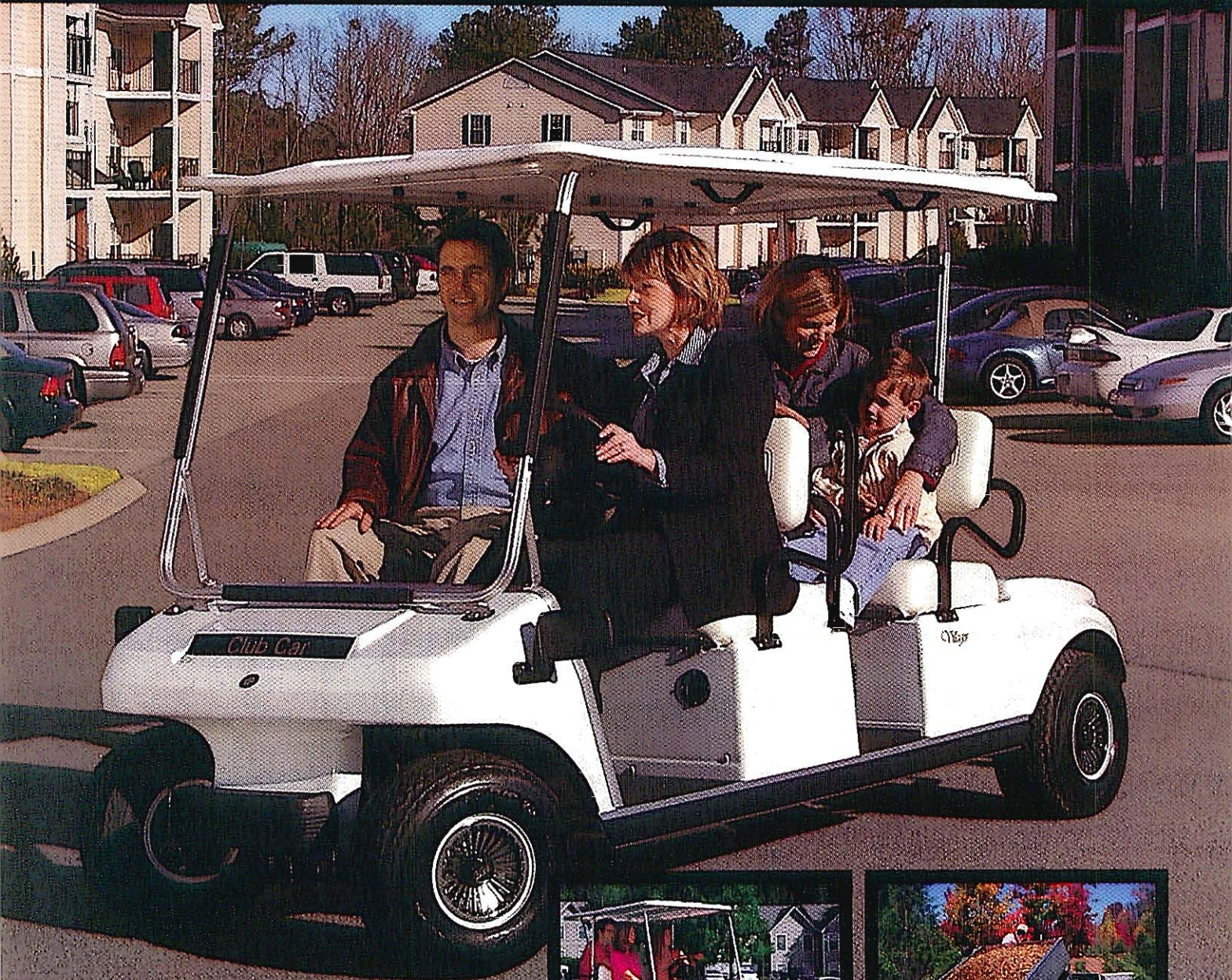
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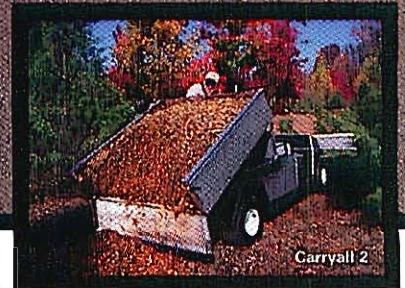


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Maximizing Renewals Begins With a 'Back to Basics' Focus

BY DOUG MILLER AND CHRIS PULKET

Tens of thousands of apartment community residents participated in the latest resident satisfaction telesurvey by customer satisfaction research company SatisFacts. The findings once again confirm that a significant percent of turnover is controllable. Miller and Pulket document and explain that the best way to boost retention rates is by providing outstanding customer service, particularly in the area of maintenance.

The pressure to lease intensifies daily as soft markets prevail across the nation. As a result, the attention directed to improving resident satisfaction, and thus retention, has intensified. The rewards for increased focus on retention are clear, as SatisFacts Research shows that 65 percent of potential turnover is controllable.

Of course, every move-out that can be avoided means one less apartment to lease. And the bottom line impact of reduced turnover is clear since vacancy loss, concessions, turnover costs, staff costs, and advertising and other marketing costs add up quickly and significantly influence the bottom line.

Given the industry standard that each move-out costs at least \$2,500, more attention is being paid to identifying the issues affecting move-outs. A 1 percent, 5 percent or 10 percent reduction in turnover pays a clear dividend.

This article summarizes findings from the most recent resident satisfaction telesurveys conducted with tens of thousands of residents from across the majority of the United States. As SatisFacts reported last year, these findings once again confirm that a significant percentage of turnover is controllable—and that the key to a successful Resident Relationship Management Services™ (RRM) program is a



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focus on the basics.

While there are many potential components to the RRM program, SatisFacts finds the most important issue is to satisfy residents' basic needs—tens of thousands of residents confirm this to be the case. The basics literally mean making sure a courteous staff promptly and professionally handles work orders and keeps the apartments and community clean and as well-maintained as reasonably possible. This adds up to making sure there is perceived value for the rent paid. Take care of this, and you are on the way to reducing controllable turnover.

The 'People Factor'

Our research clearly shows that the "people" are the key to a successful RRM program. The starting point is not only to hire the right staff members, but to provide them with adequate education. Effective customer service improves resident satisfaction, which affects renewals.

Nordstrom department stores claim that the key to the incredible customer experience that it offers is its people, and that they "hire the attitude and teach the technique." Lastly, remember this old adage, "Don't open a shop if you cannot smile."

Harry Beckwith, in *Selling the Invisible*, talks about what scientists call "The Butterfly Effect." He describes a scientific study done years ago to see what affect, if any, a butterfly flapping its wings in the United States had on the typhoons in the Far East. To most people's surprise, the study said that while small, the butterfly did, in fact, have an affect (related to the slight movement of air).

Beckwith's next chapter, "A Butterfly Named Roger," describes how one salesperson's actions transformed a bad experience into one that made him a loyal customer for life. And Tom Peters, in his *Excellence* books, writes that the only things better than great service are remarkable recoveries.

All of this is only possible with the right people.

Service Requests and Renewals

The survey findings confirm common

The likelihood of residents at a single property to renew drops by 70 percent as the percent of residents with outstanding maintenance problems increases.

Resident Ratings for Services, Staff and Property—2002 Survey

(5-point rating scale: 1 being lowest, 5 being highest)

Category		Score	Comment
Maintenance Staff	Courteous and professional	4.25	Superior
Office Staff	Courteous and professional	4.24	Superior
Maintenance Staff	Quality of work done	4.09	Superior
Office Staff	Responsiveness/dependability	4.07	Superior
Curb Appeal	Grounds, landscaping, building, lots	4.02	Superior
Apartment	Appearance and condition	3.97	Average
Maintenance Staff	How quickly requests are handled	3.96	Average
Building Interiors	Hallways, laundry, lobbies, etc.	3.93	Average
Safety and Security	Level of satisfaction	3.91	Average
Overall Average Score		4.06	Superior
Maintenance Requests	Percent who requested maintenance in past year	72.91%	
Maintenance	Maintenance problems still exist	20.71%	
Renewal Likelihood	Percent citing "Very Likely" to renew	56.49%	
Referrals	Percent who would recommend their community	88.94%	

knowledge—there is a very strong, clear correlation between how work orders are handled and the likelihood of a resident to renew. The likelihood of residents at a single property to renew drops by 70 percent as the percent of residents with outstanding maintenance problems increases.

What is the good news? The tables in this article show residents gave a "Superior" satisfaction rating for "Office Staff Responsiveness" and a high "Average" satisfaction rating for "Maintenance Response Time," and that only 20 percent of residents cited that maintenance problems still existed in their apartment (after they submitted service requests). Given the powerful correlation between service requests and renewals, focusing on improving how work orders are handled should improve renewals.

Residents Reward Superior Service

The impact of outstanding work orders on the likelihood to renew is certainly clear—as the percentage of residents with outstanding maintenance problems increases, the percent of residents who responded that they were "Very Likely" to

renew their lease drops significantly!

And, as the percent of work orders outstanding increases, satisfaction scores drop from the "Superior" to the "Red Flag" range. Looking at the impact office staff responsiveness, maintenance response time and work quality has on renewal rates, the correlation is also strong. Residents do reward superior service.

The implications these correlations have on budgeting are clear. While there are many potential RRM program components, the focus should be on ways that permit for improved staff efficiency. Rather than "bells and whistles" (social events, etc.), research shows that the way to boost resident retention is to focus on service, such as work orders, and ensuring the basics are taken care of, for example community cleanliness, operable laundry room equipment and the like.



And the Survey Says...

The survey used a five-point satisfaction rating scale. Scores above 4.50 are considered "Exceptional"; 4.00-4.49 "Superior"; 3.50-3.99 "Average"; 3.00-3.49 "Red Flag"; and scores below 3.00 represent a "Warning" signal that there is a serious problem onsite. Overall, how did residents rate their satisfaction?

Remembering the phrase "Don't open a shop if you cannot smile," it's great to see that residents give "Superior" satisfaction ratings for courtesy and professionalism. (See Residents Rate Services table.) "Superior" ratings for maintenance work quality, office staff responsiveness and curb appeal are important, too. These points are significant due to the strong correlation shown between how work orders are handled and renewals.

The rest of the scores fell into the high "Average" range. Two are worth noting. First, regarding the apartment rating, if satisfaction is only "Average," how will residents react when they receive a rent increase? If they don't like their home, will they be long-term residents? This is the heart of value perception problems covered later in this article. Second, given the correlations covered earlier, "Average" scores for maintenance speed are an issue requiring attention.

The table on the previous page includes other interesting findings. What is the significance that 73 percent of residents submitted maintenance requests last year? Given the critical connection between how work orders are handled and renewals, properties have a great opportunity to either negatively or positively affect retention.

The importance of the percent of residents with maintenance problems that still exist has been made quite clear—as the percent of residents with outstanding work orders increases, the percent citing that they are "Very Likely" to renew drops. The data also shows that 56 percent of the residents surveyed said they were "Very Likely" to renew—but what is there to learn from the 44 percent that did not answer "Very

Top 20 Reasons Why Residents Say They Are Not "Very Likely" To Renew

Seven of the 10 top reasons and 15 of the 20 top reasons given by residents participating in SatisFacts surveys are controllable by property management to varying degrees—with seven of the top 20 being directly related to the staff's performance, most notably responsiveness.

Rank	Category	Frequency
1	Buying Home	24.3%
2	Relocation	17.5%
3	Rent Increase	6.9%
4	Rent-to-Value	6.0%
5	Moving Home	4.6%
6	Office Responsive	3.4%
7	Neighbors	3.1%
8	Office Work Quality	2.8%
9	Maintenance Response Time	2.7%
10	Safety Community	2.7%
11	Maintenance — Quality of Work	2.6%
12	Office Courtesy	2.6%
13	Apt. — Need Different Size	2.3%
14	Found Better Deal	2.3%
15	Safety — Neighborhood	2.1%
16	Community Cleanliness	1.9%
17	Safety Gate	1.9%
18	Community Parking	1.5%
19	Apartment — Condition	1.4%
20	Cannot Afford	1.3%
65.3% of the reasons residents provided for not renewing their leases are controllable.		
Staff Related		16.1%
Staff Controllable		21.9%
Management Financial Issues		12.9%
Property Improvement Issues		7.2%
Apt. Feature/Appearance Related		7.2%

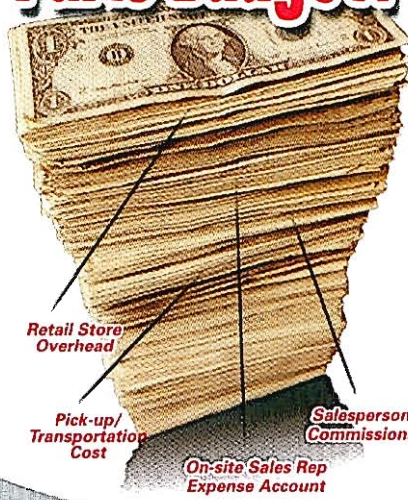
Likely"? Continue reading.

The number of "Superior" scores probably results from properties being highly focused on RRM. Growth in certain properties' scores and in the likelihood their residents will renew is due to these companies researching how residents evaluate their performance. The resulting specific information reveals voids in service, enabling the property's management to work on improving satisfaction and bottom line results.

Controllable Turnover

Every resident surveyed is asked, "How likely will you be to renew your lease when it expires?" The 44 percent who did not respond that they were "Very Likely" were then asked why they did not answer that

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way. Of these residents, 65 percent cited controllable reasons!

A notable percentage of these residents cited reasons directly related to the delivery of service by the property staff. In other words, the majority of turnover can be reduced. The key is to specifically address a property's real issues, as opposed to simply implementing generic, traditional "resident retention" programs, such as social activities and newsletters. The more thought that is given to the topic as "Resident Relationship Management," the more focus can go toward what retention is really all about. And, it begins with the staff and taking care of the basics of customer service.

When reviewing the top reasons for not answering "Very Likely," keep in mind that an issue cited by just 3 percent of residents has a large financial impact—3 percent of 150 move-outs equals five residents. Assuming each move-out costs at least \$2,500, the bottom-line effect of just one of these controllable issues is a minimum of \$12,500.

As shown in the table, Top 20 Reasons Why Not "Very Likely" to Renew, the good news is clear: many of the top reasons residents move-out are within management's immediate control.

As it relates to office and maintenance staff responsiveness, consider that an enormous amount of money is invested in training leasing consultants on how to lease, but no more than 50 percent of their time is spent leasing. The balance of their time is spent providing customer service, including taking work orders. One property surveyed found that maintenance "wastes" one-and-a-half to two hours per day deciphering work orders. For example, simply noting "the A/C isn't working," the tech must

Rank	Category	Frequency
1	Community Parking	8.2%
2	Better Residents	7.2%
3	Lower Rent	7.0%
4	Safety – Gate	6.5%
5	Community Cleanliness	6.2%
6	Safety – Community	5.7%
7	Office Responsive	4.3%
8	Maintenance Responsive	4.2%
9	Safety – Neighborhood	4.1%
10	Office Work Quality	3.4%
11	Maintenance Work Quality	3.4%
12	Safety – Building	3.2%
13	Community Landscaping	2.8%
14	Office Courtesy	2.6%
15	Safety – Fencing	2.5%
16	Pets – Mess	2.5%
17	Apartment – Carpeting	2.2%
18	Community – Fitness Center	2.0%
19	Apartment – Painting	2.0%
20	Pets – Problems	2.0%

spend valuable time determining the problem.

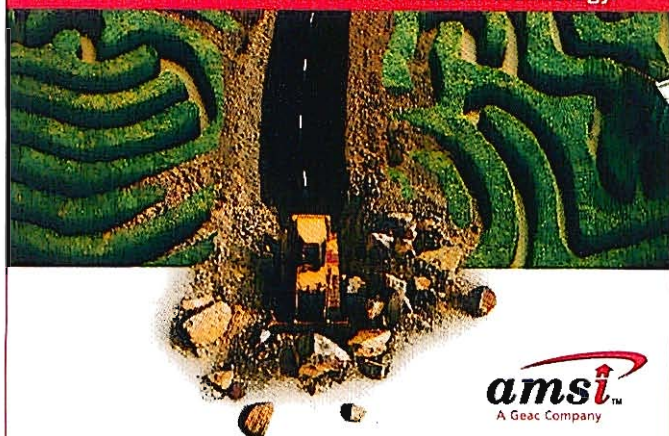
Given this, it is time to start educating leasing staff on how to take service requests. For example, what are the key questions to ask for the most common service calls the property receives? This is especially critical given the direct correlation covered between service requests and renewals.

Grouping the reasons for not being very likely to renew into general categories, the points become even clearer: 16.1 percent of residents cited staff-related reasons. How significant is that? Using the same 150 move-out example, 16.1 percent equates to 24 move-outs specifically due to staff. At \$2,500 per move-out, these issues are, at a minimum, negatively affecting the bottom line by \$60,000. Looking at the category of "Staff Controllable," the affect is, of course, even stronger. But, again, the good news is that these issues are controllable.

Additionally, note the issue regarding apartment features/appearance. When more than 7 percent of residents specifically cite their apartment as a reason for not renewing, keeping in mind that each move-out costs at least \$2,500, would it not be worthwhile to spend part of that \$2,500 on in-unit enhancements (as simple as painting and carpet cleaning) if it meant convincing a resident to renew?

Lastly, while some reasons do not appear controllable, they may be more controllable than expected. For example, SatisFacts finds that when residents cite the rent increase as the issue, often the real issue is not the \$30 increase, but in fact much more basic—they do not see the value. Longer-term residents perceive that they are not receiving as good a value as new residents and they perceive that they are not being rewarded for their longevity. How would you respond if the price went up for a product you did not think was special? You'd find another supplier. Residents, of course, are no different. This issue presents a strong case for considering lease-renewal incentive menus.

It's about time the property management industry took the DIRECT APPROACH to information technology.



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Stay Focused On Getting Back to Basics

SatisFacts Research consistently shows the same thing: a significant percent of turnover is controllable, and residents are looking for a property team that sweats the details. The results do not say that residents want activities or other "bells and whistles." The results demonstrate that there is a clear need for focusing on the basics of sound property management. And, quite honestly, properties see the impact on retention that comes from this back-to-basics approach. What do residents really want?

- A courteous, capable, dependable and responsive staff
- Work orders handled promptly and properly

- To be able to park nearby
- A clean, well-maintained building
- Clean, well maintained common areas and landscaping
- Clean and operable laundry facilities
- An apartment that is cared for that they can proudly call home
- Better residents
- To feel reasonably secure
- Operable security gates and systems
- To see the value for the rent they pay

Back to Basics Suggestions

As with the responses to the issues behind why residents said they were not "Very Likely" to renew, the responses to the question, "What can be done to improve the community?" were equally enlightening. Residents, again, said first and foremost to stick to the basics. The keys to improving satisfaction, reducing unnecessary turnover and improving a property's bottom line are to focus on the staff, provide prompt and professional service, as well as meet residents' basic needs and expectations. (See the table entitled Top 20 Suggestions on How to Improve a Community.)

At this point it should be no surprise that nine of the top 10 and 15 of the top 20 suggestions were in controllable areas. And, of the top 20 suggestions, 20 percent were directly related to the staff; 51 percent were management-related issues; 13 percent related to the apartment; and 18 percent were regarding property improvements. The implications are clear—make sure the basics are delivered continuously. ■

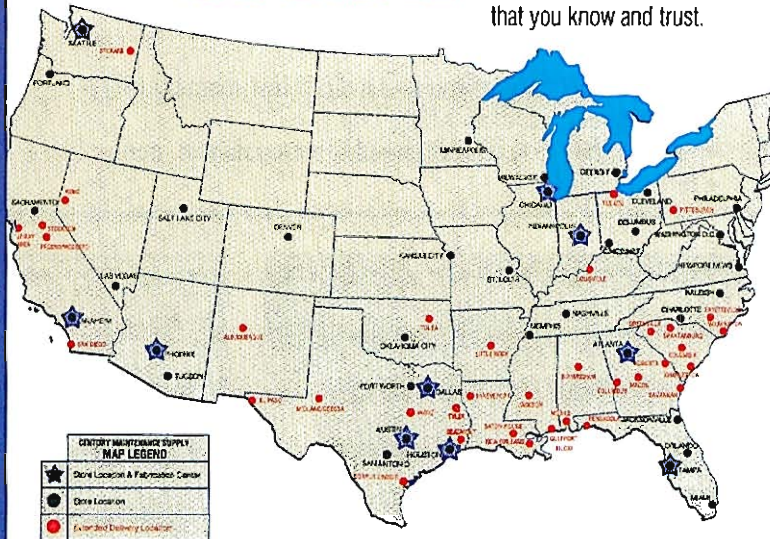
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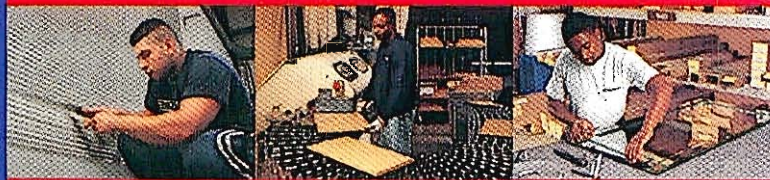
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Dealing With

During a typical onsite workday, as many as 30 conflict situations involving upset or difficult people occur. Why do so many people have such a short fuse these days and what can be done about it?

Service and sales personnel report that there are many reasons why customers and fellow employees become upset. Reasons include worry about economics, everyday living concerns, disappointment in the quality of work, frustration about delayed services, lack of immediate attention, unrealistic expectations, stress over something unrelated to the property or staff, memories of a prior negative experience related to their concerns, time crunches, resistance to change, resistance to authority and poor service attitude from a prior and unrelated source.

Fact: The competition for your service is not necessarily other apartment communities, their staff and their services. The competitors are every service situation and supplier with whom your resident, visitor and fellow employee has communicated with prior to engaging with you.

What Do Upset Customers Want?

They want:

- to be taken seriously
- to be treated with respect
- to get immediate attention—even if just momentarily
- to have their problem cleared up
- to have the party who wronged them apologize, and
- to be listened to!

What is the Difference?

UPSET PEOPLE

may be temporarily upset, eventually they stop creating a disturbance and are genuinely interested in a resolution.

DIFFICULT PEOPLE have a psychological need to be disruptive, usually cause a disturbance and may not become reasonable even when a reasonable resolution is presented.

Staying On Task

What is the best way to stay on task and still listen to and deal with difficult people?

- Don't take it personally. Take it professionally.
- If you need to calm yourself, take a breather or ask for assistance from a fellow staff member.
- Recall the goal, which is to understand the problem and seek a possible resolution.
- Check your attitude. Find an approach that will affect the difficulties, providing for a decent exchange.
- Find common ground. Seek basic facts on which both parties agree, and then start from there.
- State a positive intent to resolve the conflict in a way that is fair to all parties concerned.

Listen, Here

Because all upset customers want to be listened to, it is imperative that property management professionals exhibit excellent listening skills. When practicing great listening skills, refer to the acronym

S.O.F.T.E.N.

S = Sincerity

O = Openness

F = Forward Motion

T = Territory Respect

E = Eye Contact

N = Note-Taking



Cynthiann King is an educational seminar leader, experienced property management trainer, national speaker and degreed educator. As President of C. King Unlimited, she lends her expertise in seminars and educational consulting services (including writing policies manuals) to property management companies and associations nationwide. She can be reached at 847/487-8791 or e-mail cynthiann@ameritech.net.