The new playbook for growth

47 plays to help your property management business work smarter, grow faster, and manage fearlessly.

NEBULA **PRESS**

console

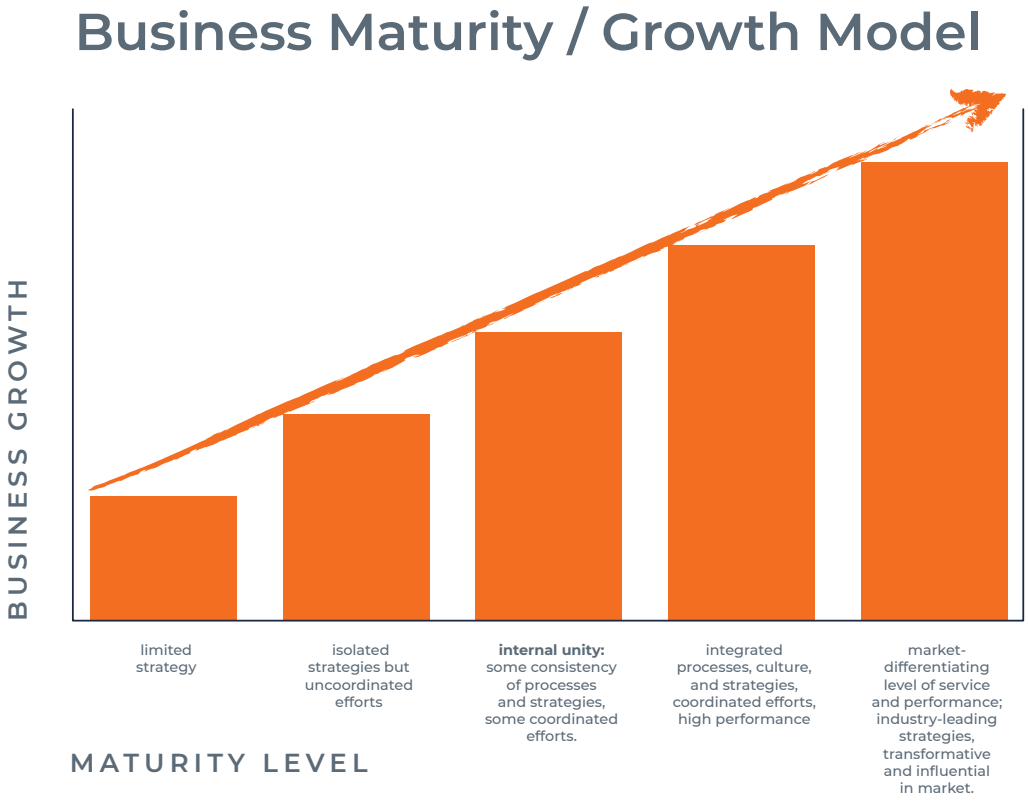
Contents

Introduction

The link between growth and maturity in business

People throw around the word growth all the time. But what kind of growth does it take to actually transform a business? The key factor is maturity: in systems, team, culture, and processes.

When we talk about maturity in this playbook, we talk about creating the kind of environment that forges successful businesses, and the kind of culture that continues to build upon that success. In business speak, that's known as the maturity model for growth.



Growth isn't just about expansion. It's about building the foundations for a business that is extremely efficient at generating revenue. That is not something that can be done by simply changing how you charge fees or by buying a rent roll. It requires a lot of strategy, planning, and execution across your business.

That's what we hope to achieve with this playbook: to lay bare the tried and tested plays for business maturity and growth, so you can create the conditions for success in your own agency.

CHAPTER ONE

plays for data maturity

What is data maturity?

Data maturity is about pulling as much information as you can about your business into a digital space then using that data to your advantage. Typically, financial data has been a priority for this process, as it provides insights that we might otherwise miss without calculators and visualisations. But other areas of business can benefit just as much from this approach.

Why data maturity is important

Data maturity is important to property management leaders and their teams alike. For leaders, it surfaces key information that may prove critical to business plans, while for teams, it creates operational efficiency.

When a database is clean and healthy, there's no need to hunt for information. And when teams can trust their technology and the quality of their data, there's less of a need to find multiple references for information or double-guess decisions.

Play #1
Deep clean your database

Your database is perhaps the most valuable marketing and business intelligence asset you own. But if it's full of duplicates, gaps, and mistakes, its utility is limited. It could even end up introducing accounting or customer errors.

Of course, you all know this. The real reason why database deep cleans happen so rarely in businesses isn't because they aren't important. It's because people struggle to find the time or the process to actually accomplish them.

4 steps to data cleanliness

The simplest and most efficient way to perform a database deep clean is to break the process down into four simple steps:

STEP01 **De-dupe**
go through your database and remove duplicate entries, consolidating as you go

STEP02 **Prune**
remove or archive entries that are more than five years old

STEP03 **Standardise**
decide what data you will collect from now on, and update existing records with that data if possible (read Play #3 before you make a call on this!)

STEP04 **Validate and update**
cross-check your database and validate or update contact information where necessary.

Play #2
Paperless is the path to better data

If it's not in writing, it didn't happen

There's nothing wrong with keeping a physical copy of something, provided it has an online equivalent that is stored thoughtfully and is easily retrievable. But leaving things on paper without digitising doesn't just make them impossible to use in your data strategy—it potentially puts your business at risk too.

Property management is a sector where the golden catchphrase is 'if it's not in writing, it didn't happen'. Whether it's legal proceedings, audits, or a he-said-she-said with owners and tenants, keeping an electronic copy is a foolproof insurance policy.

Your data in action

Even better, once you're using software to track all of your transactions, notes, action logs, and communications, you're creating a system capable of telling you everything you need to know to make smarter decisions.

If you are a Console customer, there is a direct benefit to diligent record-keeping too: you can use our business intelligence tool, Insights Pro, to surface insights about your business you might never have considered otherwise.

Insights Pro—work v incom

With Console Cloud, you can rank your portfolio based on how much each property earns and costs your business. Best of all, it's simple to use. To get your ranked portfolio, just click into the Work v Income report. It will generate a live, interactive view of your rent roll, ranked from most profitable to most uneconomical.

TIP: set 30 mins in your team's calendar at the end of every week to follow these four steps to keep on top of your data and foster a culture of data cleanliness.

Play #3
Collect more of the right sort of data

If you've been standardising your data collection and are wondering what sort of extra information you should be picking up, it's time to think customer-centric.

That doesn't mean you should bombard contacts with multi-form inductions. Instead, introduce some means of progressively collecting data on your customers with the intention of building a clearer picture of their personas and their behaviour.

Some ways you might do this include: regular **NPS, CES and CSAT** scoring; asking targeted questions during check-ins; giving options and preference choices to them; and learning why they made certain decisions, such as joining or leaving your business.

When you start to have a more complete understanding of your owners' typical behaviours, you can identify things like your ideal customer. This will help you shape your services and costs, as well as assist you in targeting your advertising and marketing efforts to the right audience.

Customer Satisfaction & Loyalty Measures

There are three main customer service metrics: Net Promoter Score (NPS), Customer Satisfaction (CSAT), and Customer Effort Score (CES). Research shows that the combination of these three can help you to understand how customers experience your business, and what actions you can take to improve loyalty and satisfaction.

CES

"on a scale of 'very easy' to 'very difficult', how easy was it to interact with {company name}."

Customer Effort Score (CES) is a single-item metric that measures how much effort a customer has to exert to get an issue resolved, a request fulfilled, a product purchased/returned or a question answered. Basically, if customers find your business easy to deal with, they're more likely to be loyal.

NPS (Most common)

"On a scale of 1-10, how likely are you to refer {your agency} to a friend or colleague?"

Introduced in 2003 by Bain and Company, Net Promoter Score (NPS) ranks on a scale from 0 to 10. The score indicates loyalty levels and helps to identify brand-loyal customers who companies can foster into brand advocates.

FUN FACT: you can send out an NPS survey to your landlords in Console Cloud via a tool called Yardstick.

CSAT

"On a scale of 1-5, how would you rate your overall satisfaction with the {goods/service} you received?"

CSAT measures the short-term happiness of your customers. It's a versatile metric that allows you to ask a variety of questions about a single interaction or touchpoint. CSAT targets a "here and now" reaction to a specific interaction, product, or event, but it is limited when it comes to measuring a customer's ongoing relationship with a company or loyalty.

CHAPTER TWO

plays for profitability

Increasing revenue without increasing commissions

For many property agencies, it can be a real challenge to generate sufficient profit. And with no industry-standard structure for how agencies should be compensated for their efforts, the path to greater profits isn't always clear.

That said, it definitely doesn't lie in discounting. Instead, we believe that the keys to increased, sustainable profits can be found through innovation and a little bit of negotiation. With that in mind, let's look at the different ways to generate revenue without under-pricing services or increasing commissions.

In our 2021 **State of Rental Market Report**, 22% of respondents listed downward pressure on commissions as a top challenge. When asked what could be done to overcome challenges faced by agencies, numerous responses suggested standard industry commission fees so that agencies 'can compete on service, rather than costs'.

CLICK TO DOWNLOAD

Play #4
Use partnerships and referrals as new streams of income

This one isn't just about taking a punch of the ticket when you call in a tradesperson to do maintenance. It's about extending your network and making it work harder for your business.

Build strategic relationships with the service providers that your tenants and owners are likely to use, then recommend them in exchange for a commission or referral fee.

Partnerships: who do you commonly share customers with?

Common partnerships with property management businesses include insurance brokerages, tradespeople, connections and utilities services, and compliance services. But that's just the start. Ask yourself who in the community shares your goals, vision and—most importantly—customers.

Gardeners, dog- and house-sitters, cleaners, furniture stores, even local restaurants—build or join a network of local businesses and help each other out with more paid referrals.

The power of word of mouth

Word of mouth is one of your most effective tools when it comes to marketing. Incentivising your owner for referrals is not only a cost-effective way to acquire new customers, it will also build further good will with your strongest advocates.

Play #5
No surprise costs

If there's one thing that's likely to upset owners, it's additional fees and charges that don't stack up with the value provided. While adding on loads of administration charges for everything from printing to postage might boost profits in the short term, it's not always an effective strategy for sustainable growth.

This one comes down to your agency's own particular situation. For those of you in particularly competitive markets, dropping headline commission and making up the shortfall with activity-based fees may be the most sensible approach. But for everyone else, consider how you can raise your charges through adding value instead of tacking them on for services you'd normally perform for free.

That said, there's no harm for asking your customers to pay for reasonable business expenses, as long as you're upfront about it.

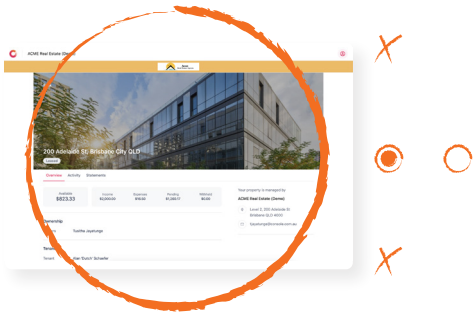
Be clear about what you're charging for, what it costs your agency, and how it provides value to your owners, and you'll avoid all sorts of unpleasant discussions, as well as loss of clients.

Play #6
Add extra value to justify higher charges

There are plenty of valuable services you could be offering to your owners in exchange for added fees and charges, and they don't have to break the bank.

It could be something as simple as providing them 24/7 online access to a property portal or hub (e.g. Console Owner Portal), managing special contractors on their behalf, or providing a gold-class service experience.

As far as administrative fees go, consider bundling them as one set admin fee, regardless of anything else. That way you can respect your owners' preferences and wishes without shortchanging your business.



Play #7
Stop discounting your commission

We know you shouldn't do it. You know you shouldn't do it. But with a cut-throat market full of agents ready to discount their services to win owners away from your business, it's pretty hard not to.

The problem with discounting is this: a 2% drop in commission does not equal a 2% drop in revenue. In the below example, a drop of 2% in commission actually equates to a 37.5% drop in income for that property.

Where commission is 7%				
Property	x 7% Commission	= income p.w.	x 52 weeks	= annual income
$500 rent p.w.	x 0.07%	= $35	x52	= $1820

Where commission is 5%				
Property	x 5% Commission	= income p.w.	x 52 weeks	= annual income
$500 rent p.w.	x 0.05%	= $25	x52	= $1300

Difference between these commissions

Discounting from 7% ($1820) to 5% ($1300) resulted in a 37.5% drop in income.

Here's how to stop discounting

Include more services than your competitors for your commission, and be really specific about it.

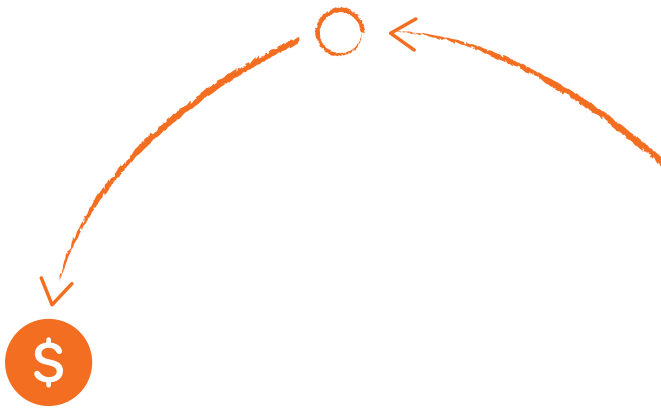
If you haven't already, pull together a menu of every little thing your business does to manage a property. Include this in your presentations to the owner. And then ask: is there something in here that other businesses usually charge for, that could be included in the commission, such as a lease renewal fee or admin charge? Is there perhaps something else we could include the commission that we normally don't charge for?

During the negotiation process, make sure that the owner understands the difference between what is included in your commission fee, versus what is included with the discounters down the road.

Play #8
Charge differently, but be aware of the implications for your bottom line

Flat fees are not for everyone, but they do create an alternative to discounting. If you are finding it difficult to keep or grow your rent roll because of a heavy discounter down the road, you could go this route.

To get an idea of what you should be charging, calculate what income you would need across your rent roll to be a sustainable business. Charging a flat fee structure also has the advantage of equalising the importance of all properties in your portfolio—so low-work owners become the most valuable to your business, and high-work ones become the least, regardless of rent.



Play #9
Change what is measured, to change what is achieved

Property management is ultimately asset or wealth management.

When you're trying to win over an owner, focus on their long-term goals instead of your commission. If you can demonstrate that you have what it takes to help them achieve their financial aims, you may find they care less about how high your rates are.

To make this one rock solid, include some statistics. How much has the rent increased per property across your portfolio year on year? How much are the homes in your portfolio worth versus the rent they yield? What is your arrears follow-up like? What else have you done to improve your owners' asset values?

Objection handling tips

All of the above is nice in theory—but if an owner won't see eye to eye with you despite the above strategies, it might be time to straight out handle their objections. Chief amongst these is 'I can get the same service cheaper elsewhere'.

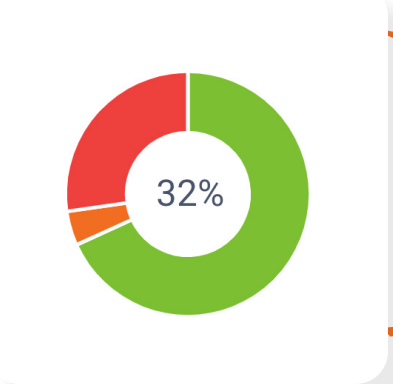
What to say instead

If you charge the market rate for your area, point to evidence of this. Then walk them through what is included in your service above and beyond what other agents provide. It's possible they don't understand that for most agencies, commissions are their only major revenue source

Finally, make sure they understand the pitfalls of going with agencies that discount their commission.

Most likely owners will end up facing one or more of the following:

- Hidden fees to compensate for ultra-low commissions
- Get-what-you-pay-for service that misses the mark
- Inexperienced staff who won't maximise investment income
- A hike in fees or commissions later on.

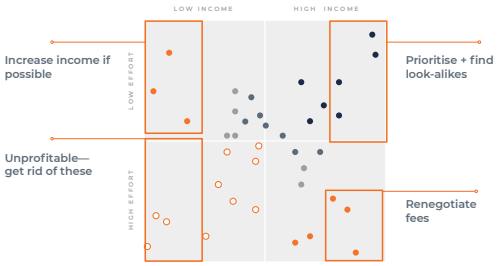


Play #10
Rank and yank your unprofitable properties

When we talk about which properties are the most profitable in your portfolio, there are two facets to consider: which properties generate the most income and which cost the least to manage.

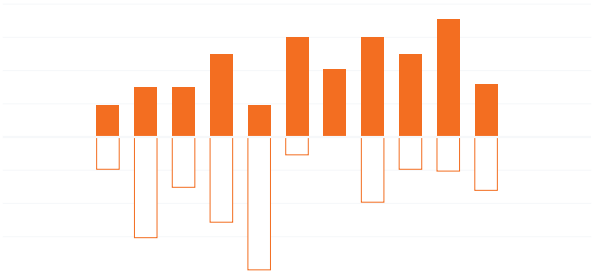
Income minus expenses equals profit. So, in a property management context, working out profitability means being able to rank your properties from best money-makers to worst (or biggest money-takers).

Here's how we might look at our properties if we were preparing to rank them from best to worst:



To rank your portfolio, you'll need to know the income per property, less the effort and time spent managing each property. Then you'll need to line up your properties from most profitable to least. Your bottom 10% might be costing your business more than they bring in. And for these bottom properties, it might be time to sell, fire, or fix them for the sake of your business's health.

The impact of high work properties on your bottom line can cancel out any income they generate.



Why do this?

If you take the time to rank your portfolio by income vs effort, you'll likely find that a portion of your rent roll is actually uneconomical to keep. The 80/20 rule applies to property management as much as it does anywhere else: 20% of your rent roll takes 80% of your time to manage.

And with profit margins so slim in property management, it is critical to weed out those that aren't making you enough money. They are preventing your business from growing.

How to do it?

If you have Console Cloud, open Insights Pro (or activate it in the Marketplace tab) and head to the Work v Income report. This powerful report measures all the interactions, activities, and other time spent managing each property, as well as tracking the true income value that each property generates.

To identify which properties are your best and worst, simply click into the pie charts and check out the list view of properties. You can see which ones are ranked as economical, uneconomical, high work, high income, and so on. Take your bottom 10% of properties, and make a plan to either charge more to manage them, fix low-income properties if they are under-rented, or sell off or fire them from your rent roll.

Ranking and yanking if you don't have Console Cloud

If you don't have Console, your property managers could make a call based on gut feel to identify which 10-20% of properties take the most effort to manage. From there, focus on working out the income v effort by looking at all fees and commissions each earns.

Then calculate how much time (as an hourly rate) it takes to manage these properties per week. Average that out over a year and then subtract your income per property from the approximate expenses to manage it. There you have it: the true profit and worth of those properties to your business.

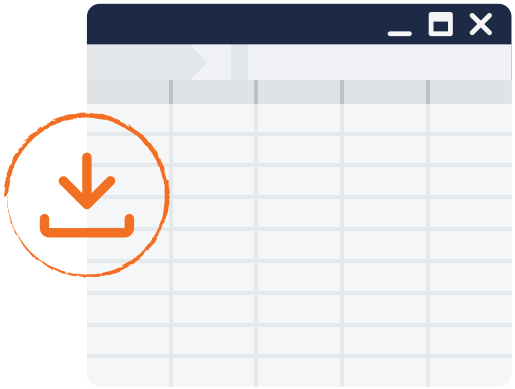
Play #11
Fix under-rented properties

For Console users:

Click into the pie chart showing the portion of your properties that are under-rented, and view the list to see which properties are being rented below market rates. Export this list, and create an action plan to improve the rental yields on them.

For non-Console users:

If your PM software allows you to review your work vs. income reports, you can follow a similar process as above, or if you're relying on gut feel (see play 11) head straight to your action plan.



Play #12
Monetising your pain points

Now that you've identified your least profitable properties, it's time to make a call on what you'll do about them. You can either fire or sell these properties, or you can change the fee structure on those properties to compensate for the cost to manage them.

In Console Cloud, you can create any fee you like in our on-demand fees feature. So for our users, it's as easy as identifying what activities are the most time-consuming or expensive to manage (e.g. excessive phone calls, excessive issues getting maintenance approved), creating suitable fees to compensate for them, and then updating management agreements with the owners of these properties to agree to charge for them.

TIP: If your state or territory legislation allows, schedule a rent review for all of these properties and process CMAs proactively with your owners to bring them up to market rates. If there's insufficient time between rent increases or the amount of rent that needs to be increased exceeds the legislation, schedule CMAs at the earliest possible time.

Play #13
Take down arrears with automation

If you're a Console Cloud customer, you have the option to turn on automated arrears SMS and emails in the Arrears Workflow. Workflows are a set of features in Console Cloud that link together complex processes, and allow them to be automated, optimised, and managed contextually in multiple parts of the system.

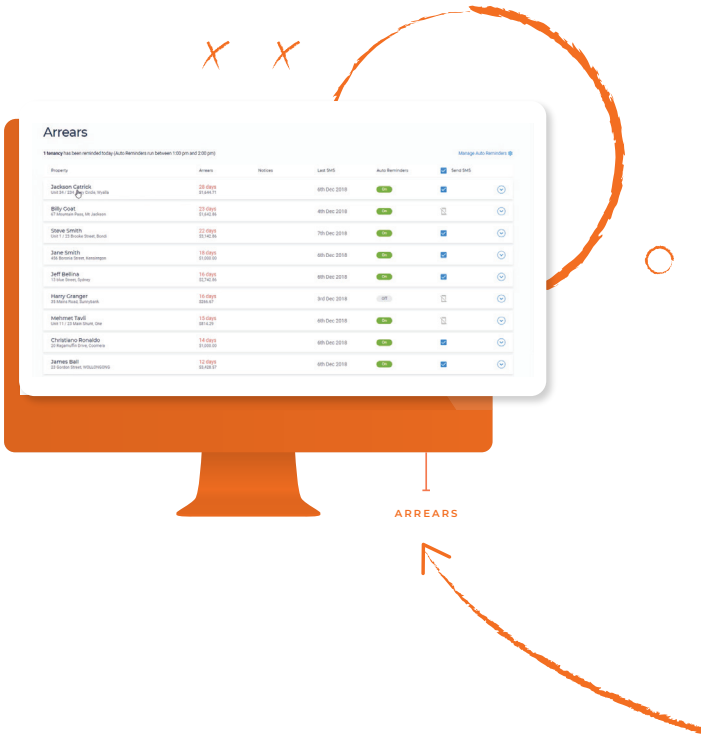
Agencies that take advantage of workflows see huge boosts in productivity, and a measurable reduction in arrears—from 7+ days (for those that didn't use the workflow) to 2.8 days on average (for those that did). They see these productivity gains because:

1. They spend less time looking for and chasing stuff
2. Console Cloud automates certain communications, and uses snap replies (this is where a recipient presses a button, such as 'renew lease', and Console Cloud updates the workflow with that information automatically)
3. Agencies who use these workflows develop tighter, more repeatable processes with more knowledge about what happens next because of its visibility within the system. The process efficiency that workflows give teams can help them complete tasks as much as 40% faster on average.

Console customers have the option to turn on automated arrears SMS and emails in Workflows.

Workflows, not task management

Many property management systems talk about workflows, but it is really just a nice name for automated task management. If you're looking to achieve the radical productivity and profitability gains as given in the example above, look for a system that automates the everyday tasks, not task reminders.



Play #14
Know your AAMI: should you be charging more?

What is your AAMI?

This original formula created by Real Estate Dynamics and their rent roll wunderkind Dean Yeo is a great way to get a handle on how profitable your business is on average. AAMI stands for Average Annual Management Income, and it's a good indicator of overall portfolio health and performance.

You can calculate your AAMI by working out your AWMI, or Average Weekly Management Income, and then multiplying this by 52. To find your AWMI, find the average rent per week of your portfolio, and the average commission or management fees you charge per property.

Then multiply your AWMI by 52 to calculate your AAMI.

What to do once you know your AAMI.

Work out your business's break-even figure, or head back to Chapter #2 of this book to set your growth rate targets. If your agency has a sales component, exclude those figures from your calculation—they will distort the figures and may not give you a true picture of how your property management business is performing.

Now take your AAMI and multiply it by the number of properties in your rent roll, and assess: what is your current profit margin? Is this a healthy business, or are you struggling to make ends meet? If the gap between profit and break even is thin, it might be time to change how you're charging, and what you're charging.

Too often we try to lower our cost to serve and, in property management, the chances are you are already doing it as economically as possible.

So test out some hypotheticals. What would your AAMI be if you (a) increased the average weekly rent, and/or (b) increased your average commission? What if you charged for different activities? Make a plan to grow your profit margin and continue on the path to sustainable growth.

Ampersand real estate wants to work out its AAMI.
Ampersand's average rent per week: $450
Ampersand's average commission is 7%.

Step 1: calculate AWMI by multiplying commission by weekly rent.

0.07 x 450 = $31.50 (AWMI)

Step 2: calculate AAMI by multiplying AWMI x 52.

$31.50 x 52 = $1,638.

Ampersand real estate's AAMI is $1,638.

Try it yourself

average rent per week: $__

average commission is _%.

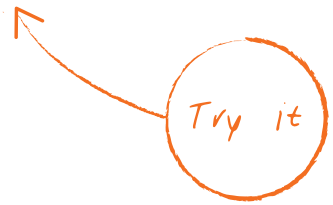
Step 1: calculate AWMI by multiplying commission by weekly rent.

__ x ___= $___ (AWMI)

Step 2: calculate AAMI by multiplying AWMI x 52.

$___ x ___ = $____

Your AAMI is $_____



CHAPTER THREE

plays for growth using goal setting

The KPIs to track for financial growth and profitability

In this chapter, we explore the key metrics that can focus your business on the right kind of growth. While it's hard to argue that any sort of growth is bad, there are some key strategies to adopt to ensure that it's sustainable, measurable, and long-lasting.

The usual KPIs like arrears are here to stay—but they're not the subject of this playbook

We aren't suggesting you stop tracking the operational stuff like arrears, vacancies, bond disposals, maintenance and so on. What we are suggesting is that you start tracking more growth-focused KPIs, and doing so religiously.

After all, it's difficult to achieve what you're not measuring.

Growth focused KPIs help you identify how your business is tracking against its growth goals. Typically, agencies focus exclusively on rent roll growth as the north star of growth goals. But it's actually not the best indicator of success on its own—it is after all possible to have a huge rent roll and still be financially going out the door backwards.

While you should absolutely track rent roll growth as a metric, there are better indicators of financial success and growth that you can use to track your progress.

Play #15
track your growth rate

We are talking about the growth rate of your portfolio in financial terms, not the number of properties you've added to your portfolio. It measures the cumulative increase in income of your rent roll cumulatively as a percentage of your current rent roll income. The utility of measuring growth rate rather than portfolio growth is it keeps leadership focused on profitability, rather than just market share.

How to do it

You'll need to work out the total annual income generated by your rent roll first, which you can calculate as follows:

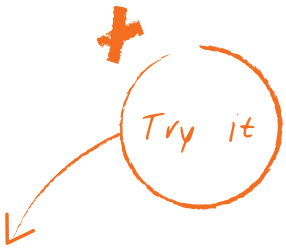
1. Average weekly rent x average commission expressed as a percentage (e.g. 7% is 0.07)
2. Multiply this figure by 52 to get your AAMI (average annual management income).
3. Multiply your AAMI by the number of properties in your portfolio.

To set growth rate goals, it may help to start by working out your current and past growth rates. Measure at quarterly intervals (or monthly, if you can), and find your average historical growth rate.

When you are ready to measure your growth rate, here's the formula:

Growth rate = absolute change / original value.

To find your absolute change, subtract the new or current value from the older or previous value. Then divide the absolute change by the original value and multiply by 100 to get the growth rate expressed as a percentage.



Example:

Ampersand Realty's original rent roll value of 200 properties is estimated to be $750,000 at the opening of the first quarter of the new financial year. When they measure it again at the end of the quarter, its value has grown to $786,000.

Absolute change in value = $786,000 - $750,000

Absolute change in value = $36,000

Absolute change of $36,000 / original value of $750,000) x 100 = growth rate

($36,000 / $750,000 = 0.048) x 100 = 4.8%

Ampersand Realty's growth rate is +4.8% per quarter.

Try it yourself:

Rent roll size = __

Rent roll value start of FY (original value) = $____

Rent roll value end of Q1 (current value) = $____

Absolute change in value = current value - original value

Absolute change in value = $_____

(Absolute change of $____ / original value of $___) x 100 = growth rate

Your growth rate is +__% per quarter.

Ampersand Realty's growth rate is +4.8% per quarter.

Play #16
measure and track Measure and track against the average cost to serve per property

This one is really about making your agency's processes as scalable and efficient as they can possibly be. But also, there's a correlation between business growth and revenue efficiency. The bigger you are, generally, the less it costs you per unit to generate an income.

How to do it

Work out how much it costs on average to service a property, including things like operational and capital expenditure, advertising, banking, human resources and so on. Commonly, agencies find the biggest, hairiest costs to doing business are the administrative ones.

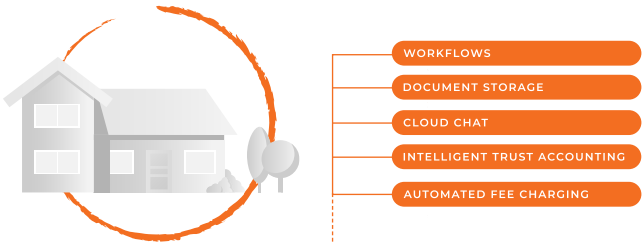
If you are in Console Cloud, double down on the features that have been designed explicitly to help you lower your cost to serve per property. These are:

- Workflows
- Document storage
- Cloud chat (internal chat service)
- OCR scanning for automatic invoice processing
- Intelligent trust accounting
- Automated fee charging
- Automated communications and snap replies
- Contextual layout (so you can see information that relates to each other in the same screen)
- And more! We're always building new features to help our customers do less. You can keep an eye on updates here.
- And more! We're always building new features to help our customers do less. You can keep an eye on updates here.

Play #17
measure and grow your average weekly rent price

Calculate your AWMI (average weekly management income) using the formula supplied in Play #14 every month, and try to improve your average with a focused rent review program.

Set a goal to improve your AWMI, for example, by $5 per week. It may not sound like much, but lifting your average rent price across your entire portfolio keeps your property managers focused on that growth and more likely to achieve it. A small lift in AWMI can make a huge difference in revenue each year, especially if you have a larger portfolio.



Play #18
landlord lifetime value (LTV)

Lifetime value helps businesses understand the true value of a customer. In terms of property management, lifetime value measures how long landlords stay with your business, and how much income they generate during that time. Unsurprisingly, the bigger the income and the longer they stay, the better.

To calculate this, you'll need to work out:

1. What is the average tenure of your current owners? How long do they stay with your business? Start by looking at your current portfolio and make educated assumptions from there.
2. How much income do they bring to your business on average during this time period? You can use your AAMI as a shorthand to work this out, and adjust for other fees and services.

For example, Ampersand Realty's average owner tenure is 4.5 years. It's AAMI per property is $1800 per year, but with fees and extras, it averages at closer to $2000 per year. An owner that has one property with Ampersand Realty can be therefore expected to have a lifetime value to that business of 4.5 years x $2000.

4.5 years x $2000 per year = $9000

NOTE: this calculation does not account for rent increases, introduced fees, or inflation. You should adjust your LTV forecasts based on these factors.

Why track this metric?

First up, it gives you an idea of where your break-even point is. How long does an owner have to stay with your business to justify the cost of advertising, negotiation, on-boarding, and servicing. If you know that an owner needs to stay for at least a year for your agency to break even, then you can align your growth strategy around retaining owners for longer.

Secondly, it's a great indicator of churn and organic growth. When your owners' LTV average increases, you're making more income without any of the cost associated with acquiring new customers. On the flipside, if that LTV starts to drop, that can be an indicator that owners are not having a good experience. In most cases, it's easier and cheaper to keep an existing customer happy than it is to find a new one to replace them. Aim to increase the tenure of owners with your business to increase their lifetime value.

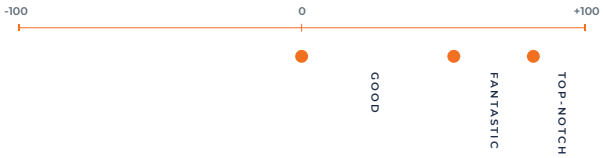
Play #19
Measure your Net Promoter Score (NPS)!

Net promoter scoring measures customer satisfaction on a scale of 1 to 10, with 1 being 'extremely dissatisfied' and 10 being 'extremely satisfied' (see play #3). Typically, businesses send out NPS surveys to all their customers every quarter or six months, then quantify the results to give them a score of between -200 and +200.

Best of all, they are not anonymous—you can usually see who gave you what score.

What should your NPS be?

Generally, your NPS should be as close to +100 as possible. If it's below zero, more of your customers are detractors than promoters, and it's time to look at what you could do differently.



Why track this metric?

Your NPS is a proxy for customer satisfaction and experience. Focusing on improving your NPS is a growth goal because it ties directly to customer satisfaction and retention, and, therefore, value.

Beyond that, NPS is a powerful leading indicator of churn and growth in your business. It tells you ahead of time who is thinking about leaving your business and who is a good bet for a referral or five-star review.

Both of these pieces of intel help you with business growth. The former lets you save unhappy clients (which affects landlord LTV as we have seen). The latter becomes a marketing and growth tool that you can use to promote your business.

How to do it

Console Customers

If you are a Console customer, you have access to our native net promoter scoring tool called Yardstick. Simply send a quarterly one-question survey to your owners from Console Cloud, and Yardstick will do the rest.

The best bit about Yardstick? Besides giving you a customer satisfaction score you can track against, it actually keeps a note of how each owner scored you, pinned to their contact details. It means you can always see how happy (or not) they are with you before, say, you pick up the phone and give them a call.

If you don't have Console

There are a number of reputable net promoter scoring tools out there (e.g. Survey Monkey, Typeform). You'll just need to connect the app to your owner database to get started.

Play #20
Find your local market share

With a clear path to growing your profit margins, you should also be looking at your market share and market share potential. More specifically, you should be looking at your two or three closest rivals and tracking your performance against theirs.

Market share measures relativity

Your performance as an agency will always be, at least in part, dependent on the performance of your competition. By calculating market share, you can see where both you and your rivals are at, and how this relationship has changed over time.

The beauty of measuring market performance is that it gives you clues about what to do next—which is ultimately the goal of any business intelligence and analysis strategy.

What exactly is market share in the context of property management?

Market share is a measure of how much of a given market your business controls.In Australia alone, there are an estimated 10- 20,000 real estate agencies operating, and around 2.6 million rental properties, so it's worth keeping track of how much of that pie you own.

How to measure your local market share

To identify your current market share we are going to need to:

1. Identify your territory in terms of suburb sizes
2. Identify the gross number of rental properties in your territory (of a type that you are able to service)
3. Divide this by the number of properties you manage.

This calculation will give you your absolute market share—or a measure of how much of your local market you control.

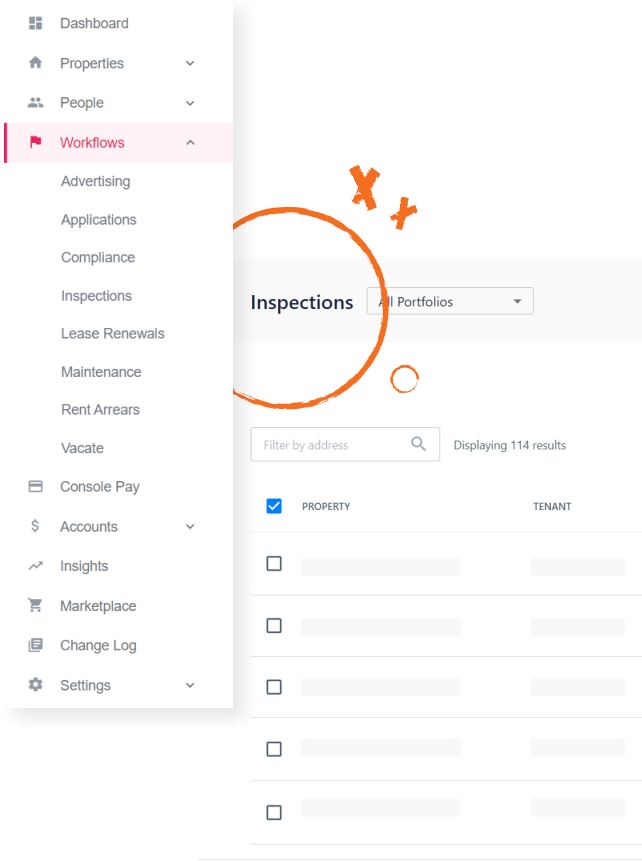
Need more guidance on how to do this? Check out our ebook which goes into more detail, How to calculate your local market share

CHAPTER FOUR

plays for process maturity

In this chapter, we look at how to nail operational consistency across your business. This is a key consideration, as even when an entire team uses the same tools and software, their approach to everyday tasks can differ. And while in the short term this may not matter, this lack of consistency can create errors and confusion that hamper effective growth.

Play #21
Lock down SOPs so everyone uses the systems the same way



Having all the right infrastructure, tools, and people in place to run your business is only half the battle. It's well understood that if everyone uses your trust accounting platform differently, then of course you're going to find discrepancies and possibly non-compliance. Most businesses will have a standard operating procedure (or SOP) to manage this side of the business.

But the rest of your business can benefit from that kind of framework as well. So what are SOPs?

What are SOPs

SOPs are not just checklists or file notes. They're an articulated, documented set of instructions and decision-making procedures that describe how to do things. They take the form of flowcharts and decision trees, manuals, and process documents, and a charter that binds employees to use them.

Why do it

SOPs are designed to produce a specific, repeatable outcome. This makes them a major asset to growth, as they help your team work faster and give them more confidence in their decisions.. They're also a great way to ensure that you capture the same (and correct) data over and over. And they help you deliver on promises of consistently high-quality customer experience.

Play #22
Create ceremonies (and stick to them)

Ceremonies are recurring meetings with specific goals, participants, and agendas. They're a great way of providing a structure for you and your team to continually assess, offer feedback about, and improve business performance.

How to do it

For ceremonies to work, they need to be structured with a purpose in mind, and they need to be managed tightly so they run to schedule. Here are a few ceremony examples:

Monthly retro or look-back

You might make this ceremony a recurring appointment on the first monday of a month after EOM. In this ceremony, you would present last month's results and reporting, then open a structured discussion about performance. Your agenda might look like this:

Meeting run time: 90 minutes

Frequency: monthly

Agenda:

1. 15 minutes: team lead goes through last month's retro results and follows up on actions
2. 10 minutes: team lead presents results
3. 5 minutes: set stage for the retro (remind everyone to focus on problems and ideas, not people)
4. 15 minutes: retro section 1—what went well? (5 mins writing, 10 mins discussion)
5. 15 minutes: retro section 2—what didn't go so well? (5 mins writing, 10 mins discussion)
6. 15 minutes: retro section 3—how can we improve or build on our performance this month? (5 mins writing, 10 mins discussion)
7. 15 minutes: retro section 4—actions

Daily WIP or standup

This ceremony should run for no longer than 15 minutes each day. It's a simple whip around for your team (at your desks, or standing up) to list what they hope to achieve that day, and identify any blockers or issues with their work. This is partly to keep everyone accountable and focused, but it also gives you a chance to identify any issues your team might be facing that prevent them from completing tasks.

Meeting run time: 5-15 minutes

Frequency: daily

Agenda:

1. Team member one tasks (1 minute)
2. Team member two tasks (1 minute)
3. Team member two tasks (1 minute)
4. Team member two tasks (1 minute)

(and so on)

Quarterly planning + town hall

This ceremony is about taking a breather and bringing everyone together to talk about how the business is going. Even if you are an office of three and don't want to call it a town hall, the process of articulating the messy stuff about how you are tracking as a business provides clarity to the team about their priorities, and it builds trust and loyalty.

Ask your team to think about the last few retros and come prepared to share some ideas about what they think you should do next quarter.

Meeting run time: 120 minutes

Frequency: once each financial quarter

Agenda:

1. Town hall update and business performance discussion (30 minutes)
2. Retro roll-up (summary of the last three retros) and playback (30 minutes)
3. Break (10 mins)
4. Quarterly activity planning and brainstorming session (40 minutes)
5. Playback: team lead summarises what the plan is and what happens next (10 minutes)

Personal goal setting meetings

Off the back of quarterly planning, set a 1:1 meeting with each team member to discuss their personal goal setting and performance targets for the coming quarter. This meeting is about what they want to achieve, not what you want them to do. Some goals they might consider include getting an upgraded job title or pay rise, taking on more responsibility, learning a new skill, or breaking the record in your office for a particular metric.

Make sure you're giving your team the space to prepare some goals in advance. This meeting should be to formalise and workshop their goals with you to find a balance between what would be good for them and good for your business.

consolecloud

"Integrate your day with technology to maximise your own efficiency, but never hide behind it."

PEARD REAL ESTATE EBOOK

Play #23
Use fit-for-purpose filing and naming conventions

Creating a filing system is really about making it easier and faster to both find documents and decipher what they relate to.Here are a few principles to get you started.

Principle 1: Think about how you find information first.

Brainstorm with your team to find out how they think about documents when they are looking for them. By this we mean, suppose you have a bookshelf at home filled with books. If you are looking for a particular book, how do you search for it? Are your books lined up alphabetically? Are they arranged by genre, author, type? Do you look for a particular coloured spine?

This is how you should be thinking about document retrieval. Do your team think about locating something in terms of folders such as property addresses? Document types? File types? Work out what is going to be easiest and most intuitive for your team, and structure your folders around that.

Principle 2: Folders as closed boxes.

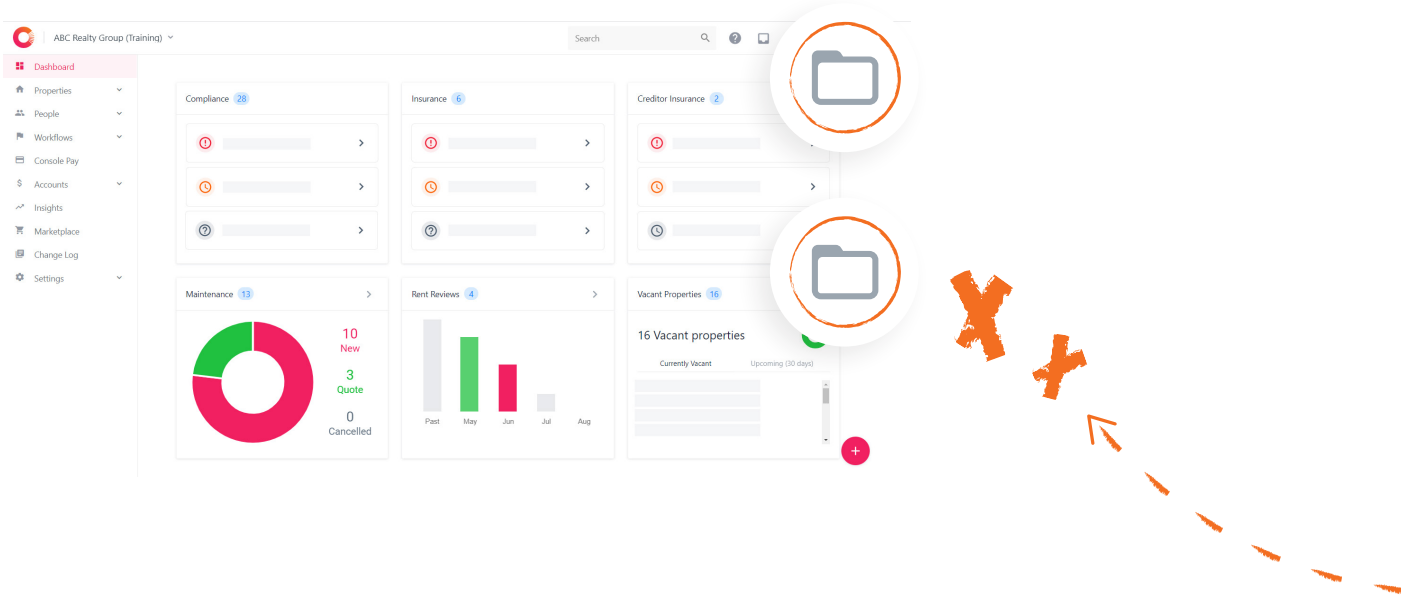
When you are creating a folder, be strict on your naming conventions and subfolders. It's far too easy to create a folder, drop in what you need, and close the folder. Of course, when you are trying to retrieve information, it's the equivalent of searching through a shelf full of closed boxes. You only have what is written on the box to guide you. If you can get agreement around folder and sub-folder structures, it'll save everyone time in the future.

Principle 3: Naming conventions that are simple, unique, and scalable.

They need to be built in a way that doesn't create double-ups as your document library grows. You might use something simple like [reverse date] [property address] [document type]. Or you might want to use fewer folders and subfolders, and opt for a code or leading zeros at the start of each document (e.g. 000328 [file name]).

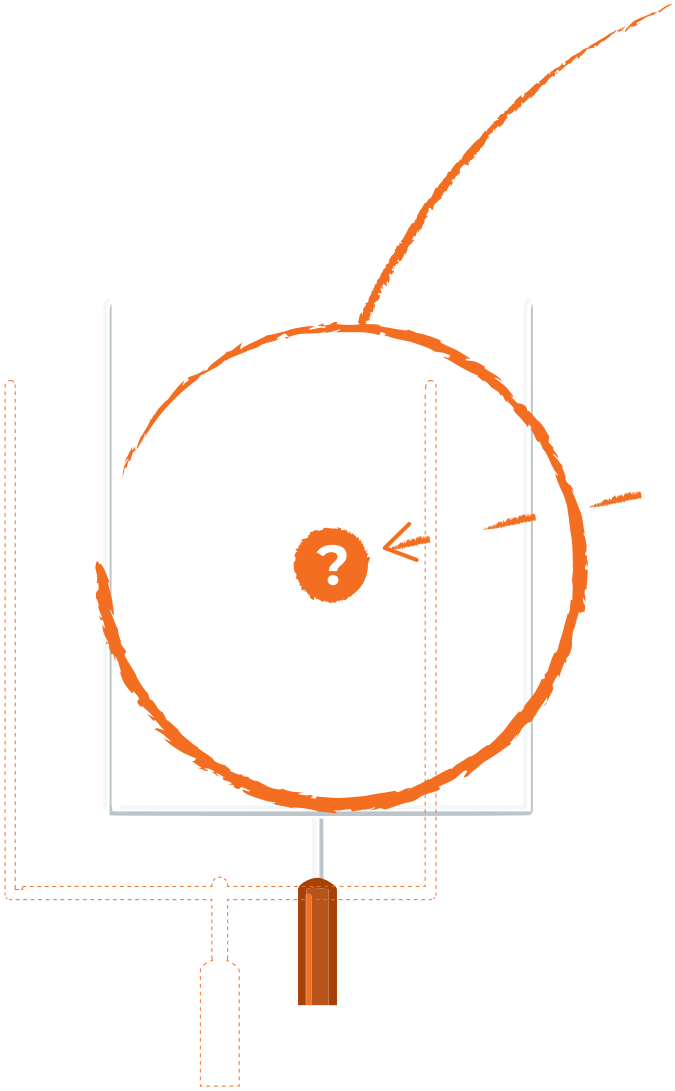
Principle 4: All documents should live in the cloud

Documents can be saved in multiple places, but they all must have a home in a cloud-based platform. Documents saved to people's hard drives are inaccessible and vulnerable to being lost or misused. Whatever digital storage option you go with, make sure it's secure and accessible to your team via their internet connection.



Play #24

Stick to your system & process goalposts



There are plenty of business systems that benefit from continuous evolution and improvement. But if you want to create that consistency, speed, and confidence in your team, you cannot be constantly moving the goalposts. Doing so simply reintroduces the error and confusion you probably started with.

All of these plays for maturity depend on them being used, maintained, and relied upon for outcomes. When you are confident you've got the right structure in place to run your business well, introduce a level of governance that prevents people from changing processes on the fly.

Come up with a simple procedure that triggers a review or update in your processes and locks it in place, so that there's a level of control over revisions to any agreed documents or procedures.

CHAPTER FIVE

plays for technology maturity

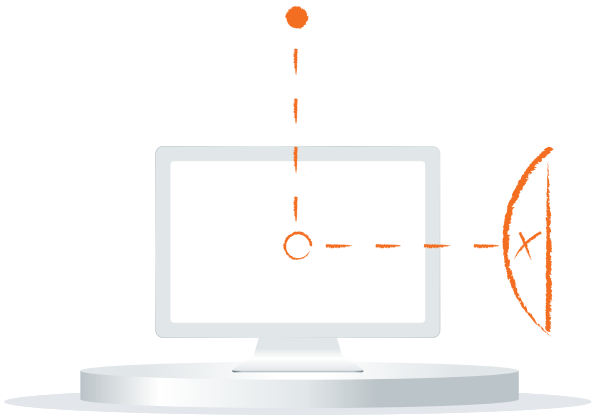
Technology as a cultural norm has been beset by notions that it replaces or de-prioritises people, or that it simply 'digitises' the way things have been done in the past.

The truth is technology is neutral. It's how you choose to approach it in your business that can make a real difference to business performance, customer experience, work-life balance, collaboration, communication, and team culture.

Play #25
Build a tech-forward culture

To build a tech-forward culture, start challenging your team members and yourself to see what problems technology might be able to solve for you—starting internally. Something as simple as using Console Cloud's office chat, Slack,or other internal messaging platform to collaborate online can encourage more organic, open communication, and make work easier, and maybe even more enjoyable.

Another hurdle some people face is not knowing where to start or how to use technology effectively. If there's someone in your team that fits that description, a one-and-done training session probably won't work. Check in with them regularly and make sure they are getting the support they need (quietly) to master the software.



Play #26
Do a tech stack assessment

One of the most difficult parts of tackling technology maturity is getting a complete picture of what your agency relies on when it comes to IT infrastructure. But the rewards are well worth the effort. Once you know what software you use, what it integrates with, and whether it increases or impedes your capacity to grow, you can start to whittle away at what's holding you back.

There are 4 key steps to any good tech stack assessment.

Step 1: Check your apps

Map out all the various software you and your team uses on a regular basis. Start with what you use daily, then build your list out until it includes all of the software you rely on to perform any business function, no matter how minor.

Step 2: Check your integrations

Then, start to draw lines between which of these pieces of software talk to each other. Does your property management software pull or send information from other apps? Does your email capture customer data? What about marketing software? Work out where and with what each piece fits.

Step 3: Check your users

Finally, work out who in your agency uses what. This can be a challenge to fully collate, so you might want to workshop this with your team or create a survey to gather responses.

Step 4: Check your ROI

Once you have all of this information, you can start to see the benefits emerging. Work out how much each piece of software costs and how often it's used, and establish if you have any redundancies, such as multiple apps to perform the same task. From here, you can cut, consolidate, or even add to your stack to fill any gaps.

Console offers complimentary Tech Stack assessments to qualified agencies. You don't have to be a customer to apply. Find out more here.

Play #27
Double down on your technology

When you've got your lean, mean, integrated tech stack together, it's time to double down on it. Push your software to its limit and see what it can do.

Options for Console customers

For Console Cloud customers, we have all sorts of offerings including:

1. NEBULA—a free e-learning platform where you can grow your cloud skills, and flex your new chops as a certified Console expert in your own time
2. Quarterly webinars where we showcase our new features and upgrades with the express purpose of helping you get more value out of our software
3. A growing Console community on our Facebook group, Console Insiders—a one-stop shop for engaging with other power users, accessing sneak peeks, and taking part in live training sessions

Non Console customers

Speak to your PM software provider about their training options, join their Facebook group to meet other users and check out community forums for latest tips and tricks.

Making the most of your technology and continuing to improve your mastery of it unlocks everything from finding more leads to winning more disputes. Make it work for your business.

Play #28
Collaborate + communicate online

Collaborating online just doesn't mean typing instead of talking. It means creating a system that makes it easier for your team to transfer and share information, particularly when that information will affect their workload and the decisions they make. Remember that old property manager adage: "if it's not in writing it didn't happen".

Cloud-based property management software is the perfect example of how this approach can pay real dividends for an agency. Instead of the siloed processes and systems of server-based software, cloud-based platforms allow everything to be accessed and worked on by multiple team members at once. Notifications go to everyone whose roles they affect, and all information is updated live, so there's no need to wait to find anything out.

Likewise, online portals and apps allow owners and tenants alike to access instantaneous, self-service information about their properties. Owners might be able to see investment information and property details without having to ask for them, while tenants might be able to raise maintenance requests or check the details of their next inspection.

Not only does this make property management more collaborative and accessible for everyone involved, it requires virtually no extra effort as all the parts of the system talk to each other and share relevant data.

Console Cloud's workflows are a great example of such a system, as they are able to be accessed and actioned by multiple team members at once. Relevant notifications will be received by everyone that's affected by their triggering, and information is updated live, so there's no need to wait to find anything out.

Likewise, the Owner Portal allows instantaneous, self-service communication between property managers and owners, allowing instant access to reports and property details without the need for double-handling of information or redundancy.

The same is true of the Console Tenant App and the maintenance workflow, both of which allow information to be shared digitally and immediately, saving time, effort, and potential errors in data entry and communication.

Play #29
Automate to win

Automation is a key element of technology maturity. While property management requires plenty of interpersonal skills and quick thinking, it also relies on lots of manual, time-heavy, and sometimes laborious processes. Letting software shoulder part of that burden is an essential driver for growth.

While some property managers can be concerned that automation will reduce the control they have over their processes, it actually ensures the opposite. By using automation to handle the repetitive, data-heavy portions of their roles, property managers are free to bring their expertise to bear where it matters most. In other words, automation lets software do what it's good at, so people can do what they're good at.

Take the work out of your flows, with workflows

Workflows provide a high level of automation and customisation to allow agencies to enjoy the benefits of automation without losing their own individual flavour and way of doing business. Most property management software has workflow capability ranging from task management to automated tasks.

Whether it's cross-keying information to eliminate double-handling, triggering standard actions in response to events, sending templated communications, or creating reminders for important tasks, automation offers property managers the luxury of knowing that their software is always working in the background to help them stay on top of everyday tasks.

Console features a range of specially designed workflows for all sorts of property management tasks, including arrears management, compliance, lease renewals, vacates, inspections, and maintenance, each with built-in automation.

Play #30
Use tech to create scalable experiences

One of the greatest challenges that any growing agency will face is offering a consistently high level of service to an ever-increasing number of customers. That's why it's important to base your business around scalable experiences that won't become too unwieldy, time-intensive, or expensive to operate as your client base increases.

Fortunately, technology can help here, offering a range of opportunities to both enhance the way you serve your existing clients, while also ensuring this experience is scalable as well.

This is where marketplace integrations in your tech stack come in. Take advantage of the available apps in your PM software, and explore cost-effective solutions that help you save time and improve on your client experiences. Some examples of this kind of tech includes tenant apps, owner portals, advertising portal-push, and digital form acceptance, just to name a few.

These technology-based customer service solutions cost no additional money to run, take up no extra resources, and require no real input from property managers—everything is fed directly into your system and delivered straight to customers when they want it.

Console Cloud's Owner Portal, for example, allows users to access self-service information about their investments without needing to directly reach out to a property manager.

Likewise, the Console Tenant App offers renters to check the details of their tenancy without ever having to pick up a phone.

CHAPTER SIX

plays for team maturity

Property management is a relationship business

Few professionals have to deal with so many walks of life as a property manager. Managing the triangle of owners, tradespeople, and tenants over a lifetime of months to years requires a person with the right set of relationship skills. Finding a team of people with that set of skills and who can perform well for your business is a hard thing to do. But like so many of the other plays in this book, it gets easier with structure.

Play #31
Draw up a team charter

Creating a team charter brings clarity of purpose to your team and outlines explicit behaviours that are encouraged, accepted, or unacceptable. You might choose to include rules like, 'We always form a unified front to our owners, regardless of any internal disagreements,' or 'we always have each other's backs, and we aren't afraid to have difficult conversations to make sure this is maintained'.

What you include in your charter is ultimately up to you, but make sure it focuses on creating healthy behavioural norms that promote cohesion and reduce squabbles.

How to create your team charter

Start with the context. Identify your team structure: leaders, stakeholders, contributors, and what everyone contributes to the team. Have everyone write out their own individual roles, contributions, and expectations.

Define your vision and objectives. What does success look like for your team? In an ideal world, what would you accomplish? How are you working to support the rest of the business? Create a succinct mission statement that outlines what you hope to achieve.

Create deadlines, goals, and milestones to support your mission statement. This is where your KPIs come in. If you're looking for organisational alignment from the top-down-and-bottom-up, check out OKRs.

Lay out your checks and balances. To have an effective team charter, make sure you align the realistic with the aspirational. Keep people accountable and your team on track with your ceremonies (see play #22).

Have everyone on the team sign off on the charter. Many teams like to print it out and ask teammates to physically sign the paper, to symbolize their commitment.

Play #32
Hire slow, fire fast

If you don't have an HR person to help you hire staff, look for the following criteria in any potential candidate:

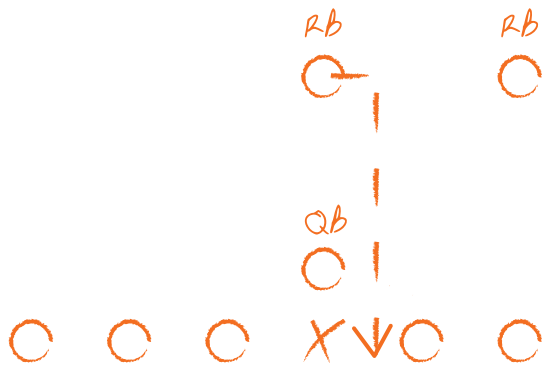
1. Can they do the job? (this looks at experience, skills and so forth)
2. Will they professionally complement the team and fit in with them?
3. Will they leave the business in a better position than when they joined?

Consider your rockstars and lone wolves

We've all worked with them before: people who deliver incredible results but don't always play well with others. While this might not be an issue in some industries, so much of property management is based around effective teamwork that this can create real issues in an agency if left unaddressed.

Whether it's causing their colleagues to leave, encouraging owner churn, or disrupting business operations by not following procedures, there's no shortage of ways that a bad apple can cause problems for an otherwise exceptional agency.

When hiring, keep this in mind and ensure that everyone you choose will complement the people you already have on board. You certainly shouldn't shy away from any high achievers that apply—just make sure they're ready to contribute to the wider team, the business, and, most importantly, to the happiness of your owners and tenants.



Play #33
Understand the forming, storming, norming, and performing stages of team maturity

Getting teams to mature to the point of high performance can be understood as a series of stages: forming, storming, norming, and performing. To accelerate performance, then, it makes sense to accelerate and optimise these stages of development.

How to optimise the forming stage

This is when a new team is formed, or a team gets multiple new members. In this stage, team members are working out what their place is in the team, and what their team's purpose is. You can help your team with this stage by creating a team charter, as we saw in Play #31, and providing other kinds of documentation to team members, like position descriptions, KPIs, and career development plans.

A big part of this stage is simply about working out how to work together. Team lunches and activities might seem awkward initially, but in the early phases of working together, every social interaction counts. Even regular coffee runs with different team members can help build rapport.

How to optimise the storming stage

This is the uncomfortable period for managers where teams challenge each other, cliques form, and bad behaviours begin. This isn't the result of poor leadership or poor interpersonal skills—it's the result of people becoming comfortable enough to change their behaviour.

This is when people start voicing disagreements that they may not have felt comfortable expressing earlier on, and it's important as a leader to listen carefully, and act. Beyond that, continue to provide clarity around expectations of staff, KPIs, operating procedures, and interpersonal behaviour.

Be patient and lead by example. Your team's inflection point is just around the corner.

How to optimise the norming stage

Norming is when consensus begins to form around how the team works together best. If you've embedded ceremonies like standups and monthly retros in your culture (as per Play #22), this consensus will actually evolve faster, because you've created that feedback and improvement loop.

If you haven't, set aside time with the team to formally assess how the team dynamic is developing, looking at what works, what doesn't, and what could be done to keep ratcheting up team performance. This when teams start to become truly effective and start delivering the goods, so to speak.

How to optimise the performing stage

When a team begins to perform well, your leadership strategy should be around how you can preserve and continue that culture of high performance. When a team starts working effectively together, it helps to start putting structures around this like career development paths, delegations of more authority, professional development, and the express freedom to experiment with initiatives.

Teams will never perform perfectly together forever; but with these plays for team maturity and growth, you at least get the chance to bed down the right culture in your business and extend that high performance for as long as possible.

CHAPTER SEVEN

plays for CX

Superior CX in property management is the way forward

Creating a superior customer experience means consistently giving customers the best service they have ever had, every time. It makes customers advocates for your business, and it drives word of mouth referrals, which help agencies grow their rent roll organically.

Play #34
do a CX audit

A CX audit looks at every possible interaction your landlords and tenants have (or might have) with your business. It should encompass all aspects of property management service, contact points, as well as any service (or self service) options, any information / collateral, on-boarding packs or hand-outs you provide people at any point in their relationship with your business, and any adjacent services offered by the business.

How to map your interactions?

This map can help you to identify your touchpoints at each stage of the customer journey, identify where your pains and gains live, and where you need to improve at a glance.

Anything and everything that a customer sees, touches, or interacts with should be included. Then assess these items in light of how they achieve the six golden goals for better CX in property management and real estate. If items pass the goals test, great. If they don't, reconsider their utility, or revise.

Assess whether your CX is in line with the six goals of customer experience.

For each point of contact you surfaced in your audit, ask if it does any of the following:

1. Makes it as easy as possible for people to become customers
2. Gives your owners the ability to customisable or tailor their service
3. Delivers superior insights and valuable information to customers
4. Gives customers more self-service options for faster turn-around
5. Empowers your agency to provide a superior experience,and
6. Makes it as attractive as possible for owners to continue doing business with you.

Which leads us to our next play...

	Awareness	Consideration	Evaluation	Purchase	Post-Purchase Eval	Loyalty & Retention
Customer activities	I really need to solve a problem	Maybe this organisation can help me	What other options are there out there?	This is the one for me!	I have received the service I expected paid for	This is valuable to me, I will stay
Touchpoints	Word of mouth, referrals, advertising etc.	Website, social media	Email marketing, social media, phone call	Phone call, website form, e-Commerce site	Events, subscriptions, consultation, customer service	Referrals, word of mouth, social media, reviews, feedback, renewals
Experience	1 2 3 4 5					
Business Goal	Increase awareness	Increase website & social media views	Quality accurate advice, seamless experience	Quality accurate advice, seamless experience	Deliver on promises, match expectations to reality	Turn customers into advocates
KPIs	Number of ppl reached	New unique visits/ followers	Conversion rate, wasting time	Success rate, waiting time	Reviews & survey feedback	Retention rate, customer satisfaction
Department	Marketing & media	Marketing & media	Sales, marketing, customer service	Sales, customer service	marketing, customer service	marketing, customer service
Process	Marketing activities	Marketing activities	Marketing/sales activities	Marketing/sales activities	Service calls/ marketing activities	Upgrade\referral campaigns
Information Collected	IP	Basic demographics & activity data	Additional demographics, psychographics, activity data	Purchase data, activity data, subscriptions	Service delivery activities, events, engagement/activity data, psychographics, satisfaction, YOY purchase behavior	

Play #35
Make it as easy as possible for people to become your customers

The first steps in a customer's journey are about helping them decide to make that website enquiry or phone call in the first place. Examine the journey a person takes to become a customer or landlord. How easy and quick is it? Is your pricing easy to find or understand? Is it easy to fill in a form or read about what services you provide? What is the process like of becoming a customer?

Fill out the Awareness > Consideration > Purchase sections of the customer journey map.

And on the other side of the coin, there's the enquiry follow-up and on-boarding journey. How long does it typically take a person to go from an enquiry or phone call to being set up as a customer? Can you reduce the steps or the time it takes for owners to start receiving high-quality service?

Play #36
Provide a personable service

Owners have more property management agencies to select from than ever before. That makes them spoiled for choice when it comes to finding the option that suits them.

Being able to offer a number of service tier options to choose from might be how you become the agency that suits a larger market. After all, not everyone wants to pay for a gold-plated or a bare-bones level of service, and not everyone wants to pay based on commissions structures. If your agency can service all of these kinds of clients, you'll become a more attractive option for prospects.

On the flip side, we can guarantee you that nobody likes feeling part of a cookie-cutter process that doesn't take account of their preferences.

That's why a core part of any CX strategy should be about giving customers options and flexibility. Let your owners choose how they prefer to hear from you—they'll probably always prefer email, but some may like paper or text messages. What other options or flexibility could you give them?

Play #37
Provide more value through information and data

Put your expert industry knowledge in the hands of your owners to provide more value for money. Besides rental market assessments, you could consider providing them with information about taxation incentives (consider your partnership & supplier networks, see play #4), or sending out in-depth updates about the state of the housing sector and property market in their suburb vs the market.

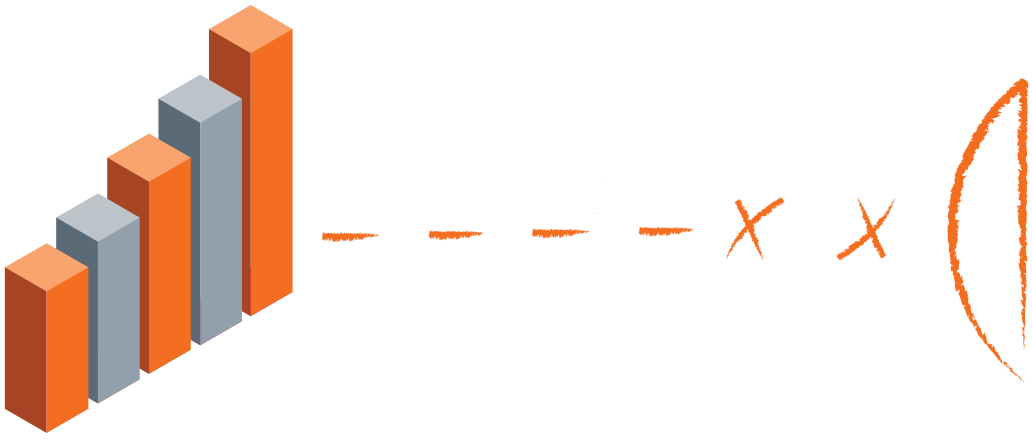
Data can also be a great way to demonstrate your value to landlords. Besides communicating your expertise, showing customers how you have increased the value of their investment demonstrates in very real terms what a good job you are doing for them. At worst, you'll have a more sophisticated customer with whom you can have better conversations.

Play #38
Give them more service and self-service options

Giving landlords more service options is about meeting them where they want to be met. The point of this goal is to make it easier for agencies to give landlords what they want from you, and faster too. This drives customer satisfaction, particularly where you empower them with options for self service (in addition to customer service).

A great way to start is by choosing software that has sophisticated self-service options for owners or landlords (see play #28, #30). At a minimum, they should enable landlords to download statements without a phone call to you.

A portal isn't a substitute for customer service of course. It's an extra means of providing customer service, particularly after hours. Adding this to your customer service options, together with an email address and business + after hours phone numbers means you can start to meet your customer where they want to be met.



Play #39

Help your team deliver a better service

How often has a property manager left or gone on leave, while the person left with their portfolio isn't across the maintenance or other issues when the landlord calls? This is perhaps one of the most common pitfalls in agencies that don't have an adequate system for information sharing.

Information sharing internally is the key to providing quality CX to customers, but it's also good business practice too. Any property manager or other professional should be able to look at a portfolio and immediately gauge where everything is at.

Lean on your property management software more for help with this one.

Console Cloud cross-records all correspondence, arrears, maintenance, and other issues in every landlord, tenant and property's file. You can also see a log of what action was taken and by whom, so that nothing is lost. The same goes for central document storage: Console lets you store documents against files, so they're always there when you need them.

Play #40

Make it as easy as possible for people to continue doing business with you

Regularly ask for feedback from landlords (see play #3). While 95% of them are probably happy with your service, identifying the unhappy 5% can help you reduce churn, and fix their problems before they leave (see chapter 3).

One initiative we've seen agencies take up to improve customer experience is adding in little extra touches, like welcome packs and customer events. No matter the occasion, showing some thought and care can go a long way towards building trust and loyalty in your business.

CHAPTER EIGHT

plays for scale

What we mean by scale

A system that scales is one that isn't negatively affected by growth and remains effective no matter how large it grows. For example, setting up an automated communication system that emails invoices to clients every month takes virtually no extra effort to manage, regardless of whether that system emails one client or 10,000.

In this chapter, we look at how to make property management systems scale more efficiently, so that the effort-to-income ratio is improved, making growth easier for (and on) everyone.

Building capacity

Capacity is 100% of the output your business currently produces with its current resources. Scaling, you guessed it, requires you to be able to increase output—but without necessarily increasing the overheads that produce it.

There are three key ways you can build extra capacity into your business: (1) through infrastructure, (2) through process management, and (3) by building capacity in staff (or acquiring more staff).

Play #41
Build capacity through process management

Once you've completed your CX audit (see chapter 7) and are tracking results in your team charter (play #31) and ceremonies (play #22), it's time to look at how you can scale your growth. Conduct an honest audit of your operations, and map how long and by what means it takes your business to do things like:

1. Onboard a tenant or owner
2. Manage arrears on average
3. Process a lease renewal or vacate
4. Manage compliance
5. Manage owners, e.g. response times
6. Manage tenants, e.g. response times
7. Conduct and close out inspections
8. Manage trust accounting operations
9. And what else? Keep going!

This gives you a chance to identify bottlenecks that are slowing you down. It also helps you identify common pitfalls like double-handling of tasks, miscommunications, data loss, inconsistency between staff members, and much more besides.

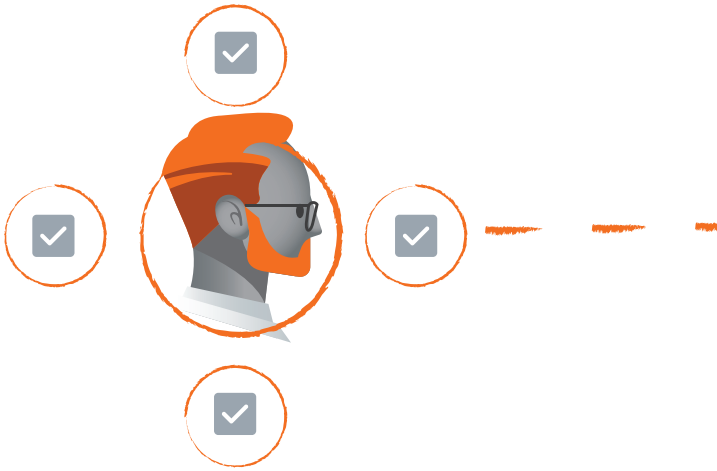
By working with your team) to optimise key work processes, you're creating consistent, repeatable processes that can be completed faster and more accurately.

Play #42
Building capacity in your staff

A key aspect of scaling an agency is making your staff more independent and capable. It's about reducing the time wastage that can come with too much red tape, too much bureaucracy, and too much middle management.

If you mapped your operational processes and discovered there were a lot of bottlenecks around approvals, maybe it's time to give the power to approve something to someone who has more capacity or is more present to assist.

A final word on building capacity in staff: this should also include cross-skilling and upskilling staff. Why? Because it helps build capacity in your team to get work done at 100% or near to 100% capacity, even when someone is sick or on leave.

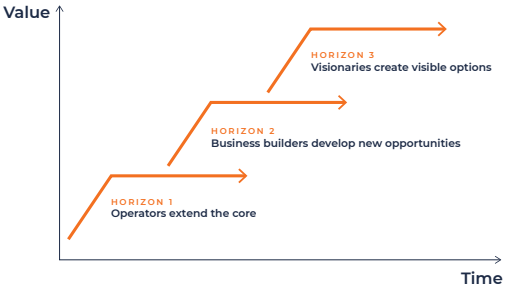


Play #43
Consider the three horizons of growth

A common trap agencies that grow organically fall into is thinking that what helped them grow to their current size is the same strategy that will successfully help them grow in the future. As companies grow, their needs and strategies change. What makes sense for an agency with a portfolio of 50 properties will not make sense for an agency with a portfolio of 500 properties.

Overcoming growth inertia

To keep growing your rent roll, you will need to keep innovating. And to help you do that, the McKinsey Institute has a framework called the three horizons of growth. It looks like this:



How to use this structure

An agency should be working in these three horizons concurrently, at all times during its life.

Horizon 1: The first horizon is about optimising core business, lowering the cost to serve, and mastering the basics (chapter 1 & 2).

Horizon 2: This horizon is about continually researching and looking at ways to extend and grow your business. This can mean finding additional sources of revenue, increasing profitability, and growing the type or number of services your agency offers (chapters 3-7).

Horizon 3: This one is for the leaders. In your third horizon, you are free to experiment, research, learn, and think without boundaries. Where could your business be? What could you do? The third horizon is about risk-taking, and being a visionary. It's always future-focused and innovation-centred (chapters 8 and beyond).

Play #44
Spend more time in horizon 2

You know the saying: work on your business, not just in it. But if you're wondering how you might meaningfully dedicate time to this practice without routinely working until midnight, these strategies might help.

Escape management think with team brainstorming

Have you heard the expression, 'When you're holding a hammer, every problem starts to look like a nail'? Like everyone else, managers can tend to think about solutions in terms of things they can do or control, which sometimes limits their creative thinking.

By engaging your team, your professional network, and a range of other opinions in your brainstorming, you can potentially unlock far more interesting solutions and ideas.

Let go of some stuff

In line with building capacity in your staff, it might also be time to loosen the reins on some stuff. What do you do now that can be delegated or outsourced? Are there excessive meetings? Are you booked out constantly? It's hard to work on your business if you are constantly busy with other things.

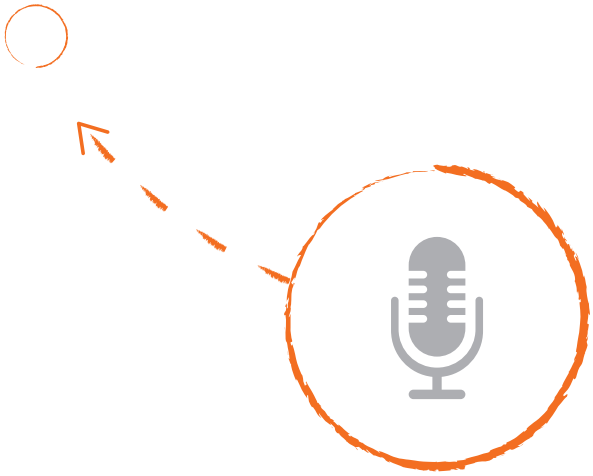
Then schedule in horizon 2 time

We cannot stress this enough: if you book in time to work on your business, ensure you use the slot for just that. Don't just book in a recurring invitation to yourself and then use it for something else.If this means you need to schedule that time week by week, so be it. Better to have a movable feast than a standing appointment you never show up to.

Consume content that inspires you

This one is a little more fun. Listen to an industry-focused podcast on your commute, read an article on your lunch break, or take some time out to attend a course or event.

Find content that inspires you to change how you do business and make it a part of your routine. It will make all the difference in how you see everyday challenges and opportunities.



CHAPTER NINE

plays for change

It's possible to get good at making change

If you've ever wondered why it's hard to make change stick, it's often a matter of psychology, rather than resources or processes. To drive change in your business, you have to understand what lies at the heart of the human relationship to change.

Play #45
Understand the principles of change

Principle 1: People don't hate change, they hate it when people try to change them

Mindfulness. Weight loss. Different haircuts. Traveling or living abroad. Home renovations and interior decorating. Books and courses about how to be more productive, sleep better, stress less, be kinder, and get fitter.

Perhaps the most human trait we all share is a desire to constantly change and improve ourselves and the world around us. The old-school management idea that people don't like change is based on years of badly handled changes.

What people tend to respond poorly to is change being forced on them, especially if they feel tricked into it via PR and spin. These tactics are problematic precisely because they are 'tactics'. It's a kind of thinking that treats the person who has questions or resists change as a problem to be fixed. This can backfire, creating a hold-out group of people who dig in their heels and resist whatever is changing, regardless of the logic.

Principle 2: Ditch the words 'buy-in' from your change management vocabulary

Nobody has to 'buy-into' changing their hairstyle or looking for a new career. When people understand the reasons for changing something, they don't need to be convinced to 'buy-in' to it.

The problem with 'buy-in' is that it is treated as a checklist item, which you can tick off by showing your team a flashy sales presentation or roadmap for the quarter. Of course these presentations are part of the process, but the difference is that they shouldn't be a substitute for the process.

Instead of staff 'buy-in', flip it around. Come with them on the journey, and stick with them through the entire process. Leadership must start at the top.

Principle 3: People don't have to like it, they just have to accept it

Your team needs to deeply, truly understand why a change is happening. This requires honesty and full disclosure from the top. A related problem to 'buy-in' is the notion that the goal should be to make everyone like the change, and this often leads to skimming over the negatives, or white-washing them altogether.

Nothing can be more damaging to trust than lying about or downplaying the negatives. Don't panic if people aren't overjoyed at what you want them to do, as long as they get why you're doing it.

To put it plainly: your team needs to understand why a change is necessary and desirable, and what the future looks like with and without it. If that 'why' is crystal clear, candid, and compelling enough, your staff will probably get it, and accept it. And that is the behaviour that correlates strongly with following through.

Play #46
Head vs. heart

It is widely known that emotions can play a bigger role in consumer behaviour than we'd like to give ourselves credit for. Good examples of this include impulse buying and retail therapy; when we just really need those shoes, or that watch— - even when the bank account says no.

What is sometimes surprising, however, is how often B2B purchases are made for emotional reasons. This actually makes a lot more sense when you think about it: if you are purchasing a software subscription, for example, you are really entering into a relationship with that provider. Of course it makes sense to pick a business that you, on some personal level, like or feel an emotional attachment to.

Sometimes however, this instinct can steer you wrong. Creating business cases, sitting through endless loops of demos and meetings, and crafting presentations is time-consuming and unfulfilling work. You usually know before you even begin doing competitor comparisons which one you want to go with, and your research will skew to that bias.

In the end, though, picking someone just because you like the account manager or team may mean you're overlooking serious flaws, poor software performance, software that degrades rather than evolves, and most obviously, picking the software that is actually right for your agency.

Not everyone needs to use the same tools, because not everyone works the same way.

If you are involved in a buying decision, identify your role in the process, and acknowledge your biases towards or against certain options. Assume that your gut doesn't know best, and try to measure software as blindly as possible. You're way more likely to make the right call.

Play #47
Build a brick house, not a house of cards

Here's a truism that actually rings true: people like structure. For your change to succeed, it's essential that you make a structured plan to cover all bases, articulate that plan, and make it transparent and available to your team.

Put timeframes on it, rather than just tasks, too. Knowing what needs to be done this week or this month is a much easier way for your team to prioritise what you need them to do. This ties into bringing everyone along on the journey. The more clarity and structure you can bring to changes within your business, the much less scary and manageable appear to everyone involved.

Of course, being more open about what's going on may initially lead to more objections and questions, but better to deal with them early than have them arise when you're already too far ahead to slow down or swap course.

Pro Tip: Print out your roadmap / strategy and display it somewhere everyone can see it. At Console, we host quarterly webinars and publish monthly product updates to make it clear what our roadmap looks like, and to encourage team & customer buy-in.

Start your journey towards growth today

No matter where your agency is on its journey, it's always the right time to lay the right foundations for long-term growth and success. We hope this playbook has provided you with the tools you need to get started, as well as inspired you to work more efficiently, collaboratively, and strategically than ever before.

If you'd like to find out more about Console Cloud, check out a quick demo of cloud or at **team@console.com.au.**

Or, if you're an existing customer and would like to see how you can get even more out of your Console Cloud subscription, check out the Nebula app for our full range of training courses and resources.

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