



That Was Then...

This Is Now:

**Working with the Family and
the Next Generation**

presented by:

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Alan Cunningham, Marc Cunningham

and **Greg Cunningham**





Melissa Prandi, MPM® , RMP® & Matt Borries, RMP®

Melissa – MPM® President/CEO

30+ years in the industry

Former NARPM® National President

Published Author



Matt – RMP® Vice President/Property Manager

8+ years in the industry

Manager & Broker





Matt

- Most kids grow up with a Dog or Cat.....
- Not Matt – He Grew up with Miniature Sicilian Donkey’s, being born in the business, a Mother with a lot of Ideas & always on the go.....
- Matt grew up with one big FAMILY - NARPM



Meet Pablo & Luna way back when





The Way We Used To Do It



1980 ' s



Reflection – NARPM

.....The way it used to be –
I so remember

Change is not a bad thing...just
difference



When Matt Started In 2007

- Email: shared AOL email account with 8 employees
- Paper: each email and lease document were printed
- Rent: all rent paid via check, and copied again
- Advertising: printed newspaper ads

• Website: outdated, no photos, minimal

• Best form of t

STAFF	IN	OUT	1	2	3	4	5	6	7	8	9	10	11	12	NOTES
J SMITH	●														
V SINGH	●														OVERSEAS
T WILSON						●									
L CHEONG	●														
P TRANH					●										
E AZZARD									●						
A THOMSON	●														SICK LEAVE
R WILLIAMS	●														
B JONES		●													

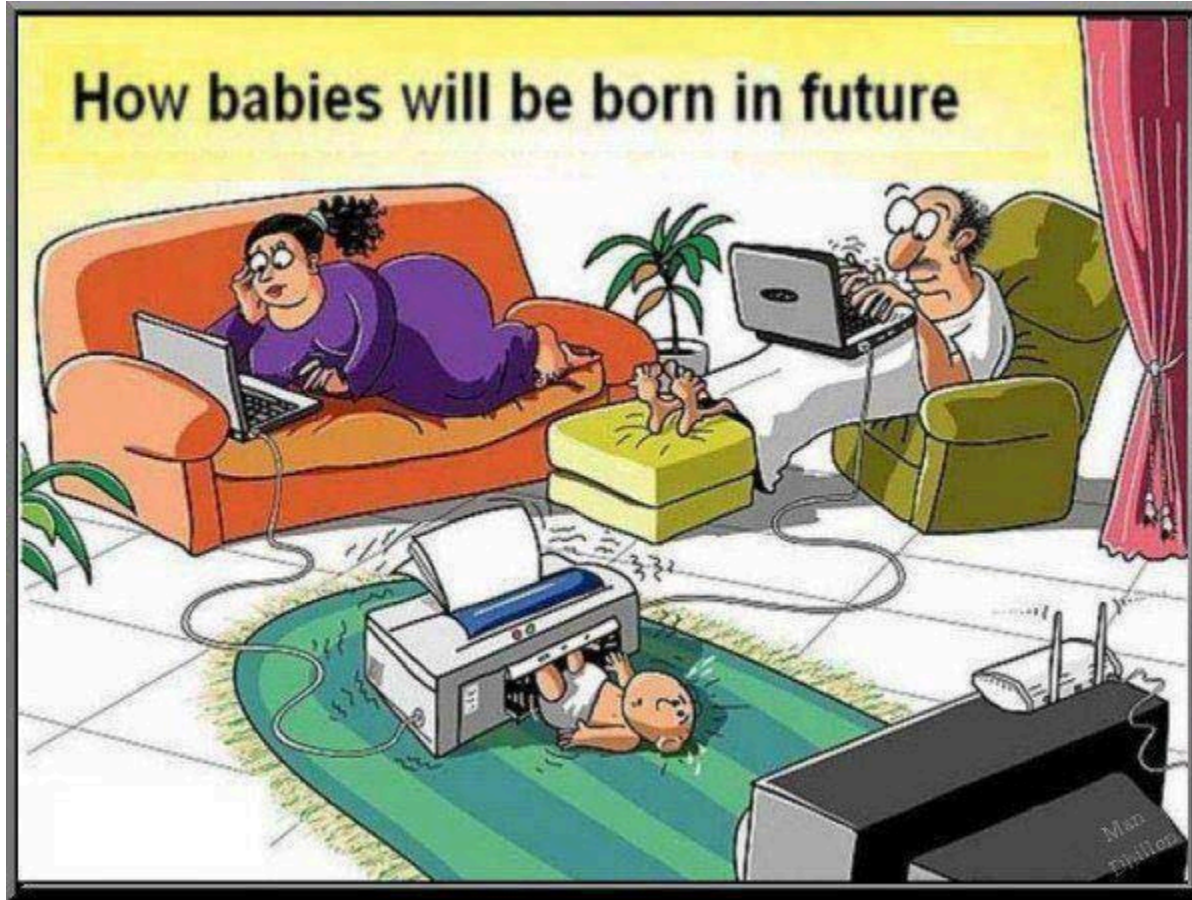




In Comes The Next Generation

www.Matterport.com







The Way We Do It Now

- Email/Phones: individual accounts and personal lines
- Paper: scan, scan, scan!
- Rent: 75% of rent paid via ACH
- Advertising: online ads with Zillow, Trulia
- Website: user-friendly, high-res image website
- Fax: online fax and online portals = fax machine

“Hello...online applications!”



Business World Today: Blinds.com

- No blinds. No inventory. No warehouse.
- Great call center & fantastic website
- All orders sent directly to the manufacturers
- Products are made and sent out within 2-3 days!
- Expert at buying leads from online sources (Google)
- Firm will generate more than \$110 million this

year



Generational Differences

- Millennial's compromise 50% of rental market
- Prior generations own the majority of rentals
- “It will be our job to bridge the gap in customer service needs.” –Cassandra Swanson, RMP®

National Multifamily Housing Council





“You Gotta Adapt”

- Craigslist decline
- More Zillow/Trulia leads
- School Ratings
- Property history
- Neighborhood information
- Walk Score



Walk Score

Walk Score

Transit Score

Bike Score

90-100	Walker's Paradise Daily errands do not require a car
70-89	Very Walkable Most errands can be accomplished on foot
50-69	Somewhat Walkable Some errands can be accomplished on foot
25-49	Car-Dependent Most errands require a car
0-24	Car-Dependent Almost all errands require a car



Setting Expectations

24-48 hours response time used to be acceptable, now the expectation of response is within minutes





On-Going Battle With Yelp!

“They employ some of the most incompetent, at times nastiest SOB's in the area to manage the house. I'm not saying not to use them, either way.”

“Rabid chimpanzees with typewriters would be more helpful than anyone I've communicated with here. This company is a joke.”

Actual Reviews







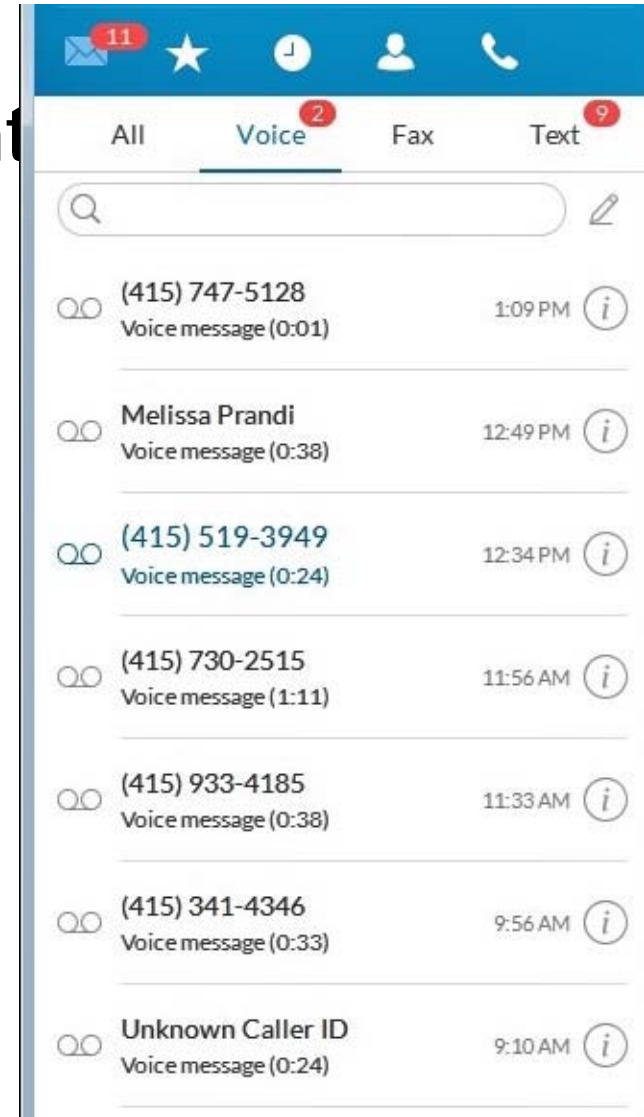
Responding To Reviews

- Respond to each review—whether good or bad
- Flag reviews 1-2 times a month:
 - that are not legitimate, are derogatory, include name-calling or don't have a direct "customer experience"
 - sign off from the response as "Director of Legal Affairs"



Best Implementations

- Digital phone lines - Ring Central
- Live after-hours answering
- Cloud Based Time Tracking
- Wide Angle Lens
- Desktop Scanners





Blending Generations

- Pick up the phone
- Speak with your customers the way you used to
- Call someone just to check-in
- Hand-write "thank you" notes

While sometimes considered "old school," going back to the basics also works!





Taking a Poll

- Working with Family & The Next Generation
 - If you currently are working with a Family Member please Stand up.....
 - CHANGE -
- Just when you think things are great – THINGS might change – Matt - - The Future and thoughts at 28.



NEXT...Family Business Breakdown

- Deciding if you want to work with family
- Determining which family members to work with
- Defining partnership roles in business and family
- Re-assess how well you work with family
- Transitioning business ownership to family
- Why reinvent the wheel – DO the NARPM thing – surround yourself with other NARPM members that have been there done that.



Alan Cunningham, Marc Cunningham & Greg Cunningham



Alan – CEO

35+ years in the industry



Marc – President/Director of Operations

Greg – Vice President/Property Manager





Some Facts

- One-third of all companies in the S&P 500 index are defined as family businesses
- Less than 30 percent of family businesses survive into the third generation of family ownership



McKinsey & Company, 2010

Amplification Principle:



Interjecting family into business OR business into family will amplify MORE of what is already there

Hat Principle:



Everyone must always know if they are acting in the capacity of owner, employee, or family member

Partnership Principle:



When hiring family members, use the same filters you would use if you were taking on a business partner

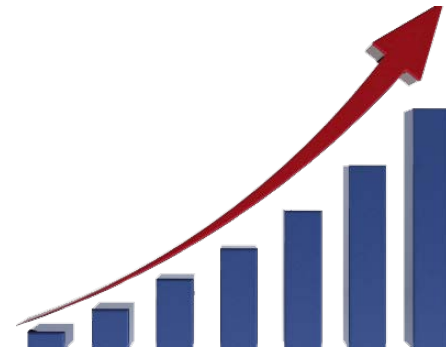
Market Rate Principle:



When working with partners, each partner should be paid market rate compensation for what they contribute to the business



Best For Business Principle:



The filter for all decisions should be “what is best for the business”



Baton Principle:

When transitioning from one owner to another, you are not tossing the keys—rather, you are handing off the baton



Important Take Aways

Family businesses that tend to survive for the most generations have a **strong sense of purpose**

Survival of the business does actually depend on the ability to foster future (*and*) competent generations **that all commit** to the continuity of where your goals are going





Final Thoughts?

