Benchmarking Your Business

**WORKSHEET #1: Calibrating Your Objectives**

Please rate the following on a scale of 1-5, with **NO MORE** than one 5 per section (only five 5’s per worksheet)

“If you focus on everything, then you are focusing on nothing”

*N/A = Not applicable 1= Not interested 2= Low priority 3= Nice to have*

 *4= Important 5= Mission critical top objective*

|  |
| --- |
| **What does your business need to focus on in 2020 & beyond?** |
| Add more doors/owners to our portfolio |  N/A 1 2 3 4 5  |  |
| Increase our overall company revenue |  N/A 1 2 3 4 5  |  |
| Find and hire the right staff |  N/A 1 2 3 4 5  |  |
| Add more services to our offering |  N/A 1 2 3 4 5  |  |
| Set rents and fees more accurately to the market |  N/A 1 2 3 4 5  |  |
| Increase our word-of-mouth referrals |  N/A 1 2 3 4 5  |  |
| Manage my company brand or reputation |  N/A 1 2 3 4 5  |  |
| Acquire more investment properties |  N/A 1 2 3 4 5  |  |
| **SECTION 1 TOTAL**  |  |
| Improve our accounting, accounts payable, or banking processes |  N/A 1 2 3 4 5  |  |
| Sort out our taxes and 1099s more efficiently |  N/A 1 2 3 4 5  |  |
| Institute or expand online (EFT and credit card) payments |  N/A 1 2 3 4 5  |  |
| Reduce expenses and budget better, day-to-day |  N/A 1 2 3 4 5  |  |
| Forecast annual revenue and expenses more accurately over time |  N/A 1 2 3 4 5  |  |
| Pay vendors and owners faster and more easily |  N/A 1 2 3 4 5  |  |
| Improve accounts receivable and rent/fee collection |  N/A 1 2 3 4 5  |  |
| Become more profitable |  N/A 1 2 3 4 5  |  |
| **SECTION 2 TOTAL**   |  |
| Put more business processes on autopilot |  N/A 1 2 3 4 5  |  |
| Use more technology to help us work smarter |  N/A 1 2 3 4 5  |  |
| Find and keep good contractors/vendors |  N/A 1 2 3 4 5  |  |
| Improve property turnaround times between residents |  N/A 1 2 3 4 5  |  |
| Manage legal and compliance issues |  N/A 1 2 3 4 5  |  |
| Be more proactive about preventative maintenance/inspection |  N/A 1 2 3 4 5  |  |
| Improve maintenance ticket response and tracking |  N/A 1 2 3 4 5  |  |
| Create better work/life balance for me and my staff |  N/A 1 2 3 4 5  |  |
| **SECTION 3 TOTAL**   |  |
| Make leasing or contracting faster |  N/A 1 2 3 4 5  |  |
| Improve screening and tenant selection |  N/A 1 2 3 4 5  |  |
| Create (and enforce) more consistent leases, policies and evictions |  N/A 1 2 3 4 5  |  |
| Get more of the leasing process online (applications, etc.) |  N/A 1 2 3 4 5  |  |
| Manage or share documents and leases more efficiently |  N/A 1 2 3 4 5  |  |
| Improve our web presence |  N/A 1 2 3 4 5  |  |
| Market and syndicate our vacancies more effectively  |  N/A 1 2 3 4 5  |  |
| Standardize renter’s insurance |  N/A 1 2 3 4 5  |  |
| **SECTION 4 TOTAL**   |  |
| Build stronger relationships/loyalty with owners/clients |  N/A 1 2 3 4 5  |  |
| Build stronger relationships/loyalty with residents/tenants |  N/A 1 2 3 4 5  |  |
| Improve communications processes |  N/A 1 2 3 4 5  |  |
| Build or improve an online Owner Portal |  N/A 1 2 3 4 5  |  |
| Build or improve an online Resident Portal |  N/A 1 2 3 4 5  |  |
| Create a more social community within our properties |  N/A 1 2 3 4 5  |  |
| Better manage (or reduce) owner or tenant requests |  N/A 1 2 3 4 5  |  |
| Improve reporting to owners |  N/A 1 2 3 4 5  |  |
| **SECTION 5 TOTAL**  |  |

**WORKSHEET #2: Identifying & Prioritizing KPIs**

This worksheet represents possible Objective Focus Areas & relevant KPIs your business could be tracking. Not every item may be a fit for your business, so mark an **X** next to the items you care most about or are already tracking in the “Priority” column.

**DEFINITIONS: Objective:** what you want to accomplish in your business | **KPI:** How you will measure it | **Goals:** The desired results
If you have goals already set in 2020 for certain items, please record what the goal is—if not, then set a goal now!

|  |  |  |  |
| --- | --- | --- | --- |
| **Priority** | **GROWTH KPIs** | Current - Today | Goal ( 2020 & beyond) |
|  | Position on Google search when you type in your company name*Goal: your website should be #1 listed* |  |  |
|  | Position on Google search when you type in:“property management [your city]” or “HOA management [your city]”*Goal: be one of the top 5 listed* |  |  |
|  | Lead conversion rate *# of leads that convert to customers in 1 month* |  |  |
|  | Annual properties won - Annual properties lost*Goal: less than 15% turnover. To grow, you should win more than you lose* |  |  |
|  | Customer Referrals per monthCustomer Referrals per year |  |  |
|  | Property management fees *8 - 12% is typical. Are you on par with the market?* |  |  |
|  | Customer Acquisition Cost (CAC) *12mo Sales/Marketing costs / new units acquired in same 12mo = CAC*  |  |  |
|  | Average Contract Value (ACV)*12mo Total Revenue / Units under management in same 12mo = ACV* |  |  |
|  | Customer Lifetime Value (CLV)*ACV / 12 months = Monthly Contract Value x Average # of months unit stays under management = CLV* |  |  |
| **Priority** | **FINANCE & ACCOUNTING KPIs** | Current - Today | Goal (2018 / 2019) |
|  | Yearly Total Revenue |  |  |
|  | Revenue growth *Month-over-month**Quarter-over-quarter**Year-over-year* |  |  |
|  | Reconciling bank accounts*Goal: weekly or monthly reconciliation cadence is best practice* |  |  |
|  | Net revenue from leases |  |  |
|  | Net income *Total from rent, fees & other revenue streams* |  |  |
|  | Average arrears *Goal: minimize the outstanding debt owed to you* |  |  |
|  | Percentage of collected late fees *Goal: 100%* |  |  |
|  |  |  |  |
| **Priority** | **OPERATIONS KPIs** | Current - Today | Goal (2018 / 2019) |
|  | Rent-Ready Costs *Are there opportunities to increase efficiency & lower expenses without negatively affecting other KPIs?* |  |  |
|  | Repair & maintenance costs by unit type *Are you paying market price?* |  |  |
|  | Certificate of insurance compliance *Goal: 100%* |  |  |
|  | Fulfillment time for maintenance requests *Days or hours*  |  |  |
|  | Inspection cadence *Goal: every 3-6 months* |  |  |
|  | Inspection completion time  |  |  |
|  | Staff KPIs* Staff turnover annually
* Staff onboarding time
* Staff efficiency
 |  |  |
| **Priority** | **LEASING KPIs** | Current - Today | Goal (2018 / 2019) |
|  | Occupancy rates *Goal: 95-96% in urban areas* |  |  |
|  | Average Days-to-Lease *Goal: <2 weeks in hot market* |  |  |
|  | Tenant Turnover *Goal: 70% RenewalTypical lease: 12 - 24 mo. in urban markets, 24 - 48 mo. in suburban or rural* |  |  |
|  | Online tenant applications per lease |  |  |
|  | Percentage of internal documents centralized online |  |  |
|  | Percentage of renters who have Renter’s Insurance |  |  |
|  | Percentage of screened of applicants |  |  |
| **Priority** | **OWNER/TENANT MANAGEMENT KPIs** | Current - Today | Goal (2018 / 2019) |
|  | Tenant Communication Response Time |  |  |
|  | Ratio of tenant-submitted work orders vs those called in |  |  |
|  | Fulfillment time for maintenance |  |  |
|  | Annual Tenant satisfaction rating (assuming you conduct surveys) |  |  |
|  | Quarterly Owner satisfaction rating (assuming you conduct surveys) |  |  |
|  | Owner reporting cadence (cash flow, balance sheets, etc) |  |  |
|  | Percentage of rents collected on time *Goal: 100%* |  |  |
|  | Percentage of collected late fees, % payments made online |  |  |

***Do your Focus Areas from Worksheet #1 align with the KPIs you prioritized on this worksheet? If not, consider adjusting!***

Benchmarking Your Business

**WORKSHEET #3: Strengths & Opportunities**

Please rate the following on a scale of 1-5, with **NO MORE** than one 5 per section (only five 5’s per worksheet)
“There’s always room for improvement!”

*N/A = Not applicable 1= Can’t do at all 2= Weak capabilities 3= In decent shape*

 *4= Strong area for us 5= We excel at this*

|  |
| --- |
| **Rate your company’s ability to do the following:** |
| Finding leads for new business |  N/A 1 2 3 4 5  |  |
| Closing new business from leads |  N/A 1 2 3 4 5  |  |
| Strong brand reputation |  N/A 1 2 3 4 5  |  |
| Earning referrals  |  N/A 1 2 3 4 5  |  |
| A focus on working ON the business, instead of IN it |  N/A 1 2 3 4 5  |  |
| A clear business plan |  N/A 1 2 3 4 5  |  |
| Ability to find & hire the right staff | N/A 1 2 3 4 5  |  |
| Ability to onboard & train new staff fast/efficiently | N/A 1 2 3 4 5  |  |
|  **GROWTH TOTAL** |  |
| Electronic payment of rents or association fees |  N/A 1 2 3 4 5  |  |
| Tracking, charging and collecting incremental fees  |  N/A 1 2 3 4 5  |  |
| Reconciling bank accounts in an efficient & timely manner |  N/A 1 2 3 4 5  |  |
| Double-entry book-keeping & general ledger accounting |  N/A 1 2 3 4 5  |  |
| Profit tracking and forecasting |  N/A 1 2 3 4 5  |  |
| eFiling 1099s  |  N/A 1 2 3 4 5  |  |
| Manage and collect arrears |  N/A 1 2 3 4 5 |  |
| **FINANCE & ACCOUNTING TOTAL** |  |
| Responsive, online tenant/resident work requests |  N/A 1 2 3 4 5  |  |
| Maintenance assignment, tracking and payments |  N/A 1 2 3 4 5  |  |
| Online property inspections |  N/A 1 2 3 4 5  |  |
| Work-from-anywhere mobile access |  N/A 1 2 3 4 5  |  |
| Forecasting expenses  |  N/A 1 2 3 4 5  |  |
| Being proactive with upkeep and tenant/resident concerns |  N/A 1 2 3 4 5  |  |
| Establish healthy work-life balance for me & my staff |  N/A 1 2 3 4 5 |  |
| **OPERATIONS TOTAL** |  |
|  Posting vacancies to online syndicated sites in a timely manner |  N/A 1 2 3 4 5  |  |
|  Posting quality vacancies that really “sell” the unit |  N/A 1 2 3 4 5  |  |
|  Strong company website  |  N/A 1 2 3 4 5  |  |
|  Online tenant applications |  N/A 1 2 3 4 5  |  |
|  Electronic leases and signing |  N/A 1 2 3 4 5  |  |
|  Centralized online document storage |  N/A 1 2 3 4 5  |  |
|  Renter’s insurance |  N/A 1 2 3 4 5  |  |
|  **LEASING TOTAL** |  |
| Reply to tenants in a consistent & timely manner |  N/A 1 2 3 4 5  |  |
| Onboard tenants and set them up for success in their home |  N/A 1 2 3 4 5  |  |
| Electronic communications (email, text) |  N/A 1 2 3 4 5  |  |
| Owner reports (cash flow, balance sheets) |  N/A 1 2 3 4 5  |  |
| Resident Portal |  N/A 1 2 3 4 5  |  |
| Owner Portal |  N/A 1 2 3 4 5  |  |
| Collecting rents on time |  N/A 1 2 3 4 5  |  |
| General information sharing (meeting notes, emergency info) |  N/A 1 2 3 4 5  |  |
| **OWNER/TENANT MANAGEMENT TOTAL** |  |

Greatest Strength Area: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Greatest Opportunity for Improvement Area: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

