AllUpdate

Resident Satisfaction—What Really Counts

BY BRIAN CARNAHAN AND HOLLY BEARD, Ph.D.

achieved through quality property management than by offering apartment and community amenities, according to research reported in the Journal of Performance of Constructed Facilities by Paris and Kangari entitled "Multifamily Affordable Housing: Residential

> The researchers found that great physical surroundings do not make up for poor property management. While location and neighborhood factors are not unimportant, it was not as significant as the way a property is managed.

Satisfaction" (May 2005).

esident satisfaction is more likely to be

Why is resident satisfaction important?

A satisfied resident is a valuable resident. Satisfied residents are more likely to remain in the apartment community and pay their rent on time. Not moving out saves costs, such as redecorating and advertising and marketing the vacant unit.

Satisfied residents also create a stable base on which a community can be formed. Often, residents who care about the community and treat their physical surroundings with attention and respect are more

satisfied. Thus, resident satisfaction lowers maintenance work and expenses, with the added benefit of improved marketability.

Finally, a satisfied resident can be advantageous to the owner and property manager by recommending the community and recruiting new residents. Conversely, it is more likely that an unsatisfied resident will work against a property by not recommending it. Word-of-mouth resident recruitment can be an important tool for owners and property managers.

owner or manager of an affordable apartment community? Most affordable housing industry professionals intuitively think they understand what satisfies residents. If asked, housing

What does this mean for an

professionals are likely to respond that residents are satisfied by factors such as reasonable rent, large unit, or a wellmaintained property.

However, this research suggests that resident satisfaction does not necessarily involve spending additional money but rather involves having the right systems, policies and procedures,

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NATIONAL AFFORDABLE HOUSING MANAGEMENT ASSOCIATION (NAHMA)—Protecting the Interests of Affordable Housing **Property Managers and Owners**



and expectations in place to ensure resident needs are met. Owners and managers may have to change the focus of their resident retention efforts from those that involve money to those that focus on services.

For example, it may not be rent concessions or new carpeting that keeps residents but rather elbow grease in the form of solid customer service. Implementing policies that support resident satisfaction may be an

important tool to reducing vacancy and turnover, which are important factors in an affordable housing market that is struggling to find financial stability.

The manager of an apartment community can take steps to sustain and even increase resident satisfaction by:

Implementing a fair but firm tenant selection plan. Satisfaction for all residents depends upon having residents in place who will be respectful of the community and its residents. Appropriate implementation of the tenant selection plan also protects the property manager from accusations of discrimination.

- Focusing on enforcing expectations and responsibilities outlined in the lease and house rules. Those rules exist to help all residents live in the apartment community as harmoniously as possible.
- Responding to maintenance requests in an efficient and effective manner. Basic customer service remains an important consideration. Effective maintenance provides evidence that management cares about residents and their well-being. More importantly, it shows that property managers are living up to one of the basic responsibilities of property management—providing safe and appropriate shelter.
- Being "for" the resident is important. This means that managers create an environment where residents do not feel like they are a burden, but rather a priority. This causes them to be the most satisfied residents.

How do you know what residents want? Ask them.

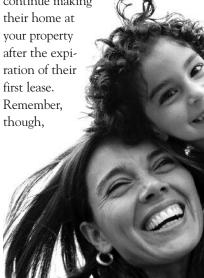
While the above steps help to build and sustain resident satisfaction, an owner must listen to residents.

One way to do this is by conducting surveys and interviews with residents, or providing comment cards. Surveying residents can occur at different points: at move-in, move-out, and on an ongoing basis with current residents.



Interviewing residents at move-out provides—to the degree the departing resident is willing to share his or her opinion—insights from someone who has decided to leave. This will offer perspective on some of the greatest areas of weakness and strengths of the apartment community associated with resident satisfaction.

Surveys can also be conducted of current residents, particularly those who just moved in to their apartment home. The information that can be gathered from these residents can help meet the needs of those residents, likely leading them to choose to continue making



Consider Customer Service Surveys

Property managers and owners can learn about resident preferences through interviews or questionnaires.

Interviewing residents is an effective survey method because, generally speaking, it is much easier for the person answering the survey. However, interviews, either in-person or by telephone, can be a costly endeavor.

Questionnaires are a more cost-effective method of surveying residents. Two forms of questionnaires are the most popular: pen and paper and Internet-based surveys.

Pen and paper surveys, in the form of a memo or post card, are usually the easiest and less expensive method of obtaining resident feedback. Written surveys are best when residents may not have access to the Internet, and they are very easy to produce. The drawback to this type of survey is that answers have to be hand keyed in to some type of software, such as Excel, for analysis.

The second form of questionnaire is the Internet-based survey. If you collect email addresses from residents, this survey method could be very effective. Internet-based survey tools such as Survey Monkey or Zoomerang are available for experienced and inexperienced users. Internet-based services offer templates, best practices and other tools to help you craft a useful survey. These tools also offer basic analysis and exporting of your survey responses to other programs.

In addition to selecting your survey tool, time should be taken to think through the purpose of the survey, the questions to be asked and the wording. Thoughtful consideration of survey tool selection and development of the questionnaire can dramatically influence the results and usefulness of the survey.

that if you collect the opinions of residents, particularly current residents, you have to be transparent and act on what you learn, or explain why you cannot follow through on a resident suggestion.

It's not the money, it's the time.

Resident satisfaction is not simply a matter of spending money; it is about spending time by having the right policies and expectations in place. It is about management and excellent customer service. This could be good news for an industry facing significant financial constraints in the face of stagnating rents and increasing costs. NU

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Mitigating Property Losses | by scott reithel

uring trying economic times, employees who generally appear to be good employees can make unwise decisions.

Thus there appears to be an increase in the number of on-site employees committing thefts, such as the misappropriation of rental and security deposit payments. The use of varied and complex schemes include such practices as selfendorsing financial instru-

material items as a serious grievance and that legal action will be taken.

- 2. While cash is the U.S.'s legal tender, encouraging the use of other financial instruments for rental payments such as money orders, credit cards, cashier's checks and personal checks rather than cash should be considered.
- 3. Discourage residents from giving management unsigned and/or incomplete money

ments at varying times by supervisory property managers will assist in determining if the apartment is truly vacant.

- 7. Periodically, take inventory of maintenance supply invoices and work orders to determine if supply purchases are in line with completed work orders and supplies on hand.
- 8. Most importantly, encourage open-door communication to all employees and

ENCOURAGE OPEN-DOOR COMMUNICATION to all employees and residents by allowing them to discuss any concerns with you. Listen intently to "between the line" comments. Another employee or resident is often the initial avenue to uncovering a misappropriation.

ments and making deposits into personal bank accounts, allowing unauthorized persons to live in apartments while pocketing the "rent," and stealing maintenance supplies and reselling for profit.

As a supervisory property manager, it is your fiduciary responsibility to attempt to mitigate these incidents.

While totally preventing employees who are intent on stealing is nearly impossible, here are some suggestions on how you might be able to fulfill your fiduciary management responsibility to mitigate property losses.

1. Make certain all your employees, early in their employment, understand that the company views the misappropriation of financial and

orders, cashier's checks and personal checks in order to pay rent. While property managers often view their completing the financial instrument as a resident accommodation, especially on senior citizen properties, this practice is frequently the source of financial misappropriation.

- 4. Issue rental receipts to your residents for all forms of rental transactions. This should be a mandatory policy.
- 5. Making periodic contact with residents who appear to be delinquent with their rental or security deposit balances will assist you in determining if the resident is truly delinquent or if rental receipts are being diverted.
- 6. Making unannounced inspections of vacant apart-

residents by allowing them to discuss any concerns with you. Listen intently to "between the line" comments. Another employee or resident is often the initial avenue to uncovering a misappropriation.

While the vast majority of property managers are quality, honest employees, those committing the misappropriation of project funds cause many more problems than just financial difficulties at the offended property. The implementation of consistent common-sense practices will assist professional supervisory property managers to mitigate these unfortunate situations. NU

Scott G. Reithel, CPM, NAHPe, CGPM, is Vice President-Property Management for Community Housing Partners in Richmond, Va.

Scoring High on REAC Inspections

Be Prepared!

TUD's Real Estate Assessment Center (REAC) recently provided new guidance and tips to assist owner/agents (O/As) in preparing a property for upcoming REAC inspection. HUD's objective is to provide helpful inspection preparation information that a property can use to effectively prepare for a REAC inspection.

REAC Tips can be found on HUD's website at http: //www.hud.gov/offices/reac/pro ducts/pass/PDFs/guidance4insp ect.pdf.

HUD also recently posted a new Bulletin that applies to all physical inspections conducted using the HUD UPCS protocol. It incorporates all previous guidance that HUD has given on a number of matters pertaining to physical inspections. This Bulletin also provides answers to some of the most common questions received from inspectors in the field and clarifies certain areas of the inspection protocol.

The information in this Bulletin has been previously communicated through email, training sessions and other methods. It has been compiled in a single document for ease of reference. This edition of the Bulletin supersedes all previous editions and separate guidance.

The new REAC Bulletin can

be found at http://portal.hud.gov/ hudportal/documents/huddoc?id =compilation-bulletin.pdf.

PREPARING FOR THE INSPECTION

Prior to the REAC inspection date, conduct a complete (100%) inspection of the property. This should include the site, all building exteriors, all building systems, all common (non-residential) areas and all units.

- This 100% inspection can be completed using the 2.3 public version of the inspection software, which is available for download from the REAC website at http://www.hud.gov/ offices/reac/products/pass/soft ware.cfm, if you choose to complete the inspection electronically.
- If you prefer to complete the inspection manually (on paper), there is a formatted inspection form available that allows you to inspect all the inspectable items, but it does not have the definitions readily available for each of the deficiencies. However, using this form allows you to enter the level and then check the accuracy of the findings after returning to the office or completing the inspection. The URL for this document is: http://www.hud. gov/offices/reac/products/pass/ma terials.cfm#upcs.

While conducting the 100%

inspection, keep in mind that if an inspectable item exists on your property, it must function as designed by the manufacturer.

The actual REAC inspection is hands-on. Whether the property staff or a contract inspector conducts your 100% inspection, they must physically test the function of all windows, doors, fixed lighting, stoves, etc. You will not be able to accurately determine if the inspectable items function properly without first checking.

In addition to the "Top 20 Deficiencies," which can be found at www.hud.gov/offices/ reac/products/pass/materials.cfm, special attention should be directed at any possible "Exigent Health & Safety" deficiency that may be found. They are:

- Propane, natural, or methane gas leaks
- Exposed wires or open electrical panels
- Water leaks on or near electrical equipment
- Blocked or unusable emergency or fire exits
- Blocked fire escapes or ladders
- Missing or misaligned chimney for gas-fired water heater or **HVAC** unit
- Window security bars preventing exit
- Expired fire extinguishers
- Inoperative or missing smoke detectors. NU

NAHPUpdate®

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There's No Place Like NAHMA

Credentialing for Maintenance Staff

here is no place like NAHMA for earning the best credentials in affordable housing. This is true for everybody who staffs our communities—including those who maintain them.

NAHMA's prestigious credentials are dedicated solely to recognizing and promoting achievement of the highest possible professional standards in affordable housing management.

The National Affordable

- Two hours of training related to REAC inspections
- Two hours of training related to lead-based paint
- Four hours fair housing training
- Eight hours of training in at least four different maintenance specific topics, which could be electrical, plumbing, HVAC, appliances, construction, or other related areas.

Experience requirements for NAHMS include an accumulated minimum of three years

or local protected class.

Credential holders are recognized in front of their peers at local AHMA meetings or at the local AHMA annual conference. By earning these certifications, the recipients demonstrate a commitment to extensive professional development to their employers.

PennDel AHMA was very proud in October 2010 at its annual conference to recognize five individuals from AIMCO

NAHMA'S PRESTIGIOUS CREDENTIALS are dedicated solely to recognizing and promoting achievement of the highest possible professional standards in affordable housing management.

(NAHMS) and the National Affordable Housing Maintenance Technician (NAHMT) are NAHMA's credentials for individuals who have met the highest possible industry standards in the field of maintenance.

Both credential requirements comprise education and/or training and work experience and adherence to the NAHMS/NAHMT Code of Professional Conduct.

The education component consists of successful completion of 16 hours of training accumulated over a three-year period, such as:

Housing Maintenance Supervisor of experience in affordable housing maintenance. Requirements for the NAHMT include an accumulated minimum of two years' experience.

> The quality and extensive education enables participants to learn or brush up on their basic skill-set training in various areas, which include updated techniques and materials, reasonable compliance with federal, state and local laws and regulations, and instructions regarding equal employment and housing opportunity of any person no matter their race, color, religion, sex, familial status, national origin, age disability and any other state

for receiving their NAHMS. Individuals received a certificate at the conference and came away with a sense of pride for their accomplishments. The recipients encourage others to follow in their footsteps and take advantage of the multiple opportunities offered by the NAHMA credential program.

Additional information can be found on the NAHMA website (www.nahma.org). NU

Suzanne Sigmund, CPM, HCCP, NAHP-e is Vice President, Occupancy and Compliance, for Community Realty Management and is President of PennDel AHMA.

Welcome New Certificants!

NAHP Executive

- >> Nancy Letendre The Community Builders Boston, MA
- >> Holly Kendall Vista Capital Management Greenville, SC
- >> Patrice Leonard Housing Management Resources Quincy, MA.
- >> Kasey Archer **G&K Management** Culver City, CA
- >> Nancy Reno Housing Management Resources Quincy, MA
- >> Livia Bourque The Community Builders Boston, MA
- >> Anthony Bethod The Community Builders Boston, MA

NAHMS

- >> John Roach **Boston Land Company** Peabody, MA
- >> Wilson Rivera The Community Builders Boston, MA

Earn one of NAHMA's prestigious professional credentials, which are dedicated solely to recognizing and promoting achievement of the highest possible professional standards in affordable housing management. Take advantage of NAHMA's training opportunities and add value to yourself as a professional.

For more information, go to www.nahma.org and click on **Education/Credentials.**



Skills and Pride Come With NAHMS Certification

NAHMS: David Ware

MANAGEMENT COMPANY:

AIMCO

POSITION: Service Manager, University Square Apts.

YEAR OF CERTIFICATION: 2010

n 1989 David Ware was hired as a painter at University Square Apartments, a 443-unit affordable housing community in Philadelphia. He liked the work and the company and wanted to advance his career, so he became a maintenance technician, a job he held for 19 years. Three years ago, when the maintenance supervisor retired, he

took over that position.

The suggestion that Ware get his National Affordable Housing Maintenance Supervisor (NAHMS) certification from NAHMA came from his community manager. "At first I was hesitant," he said. "I had core maintenance skills like carpentry, but I did want to advance in plumbing, electrical, masonry and outdoor maintenance-and our manager said this is what I would learn."

AIMCO, University Square's owner and management company, paid for Ware to take the eight-month long course. It met three times a week at a nearby training facility and was taught by

experienced people affiliated with NAHMA. NAHMA also offers the National Affordable Housing Maintenance Technician (NAHMT) certification (see the programs' description on page 5).

"It was definitely worthwhile," Ware said. "I learned a lot, and I'm saving the company money by doing more work in-house rather than them having to hire contractors. I'm also training my staff." Ware supervises a staff of four. In addition to earning his NAHMS, Ware went on to get his HVAC license from the State of Pennsylvania. Now his assistant supervisor is interested in signing up for the NAHMS program.

"I'd advise everybody to do this," he said of others in his field. "With my knowledge from this, I've become more of a people person, and I definitely know a lot more. I now get asked by AIMCO to work at some of their other properties. There's room now for advancement."

In addition to getting the skills, "Getting the certificate made me feel great," Ware said. "Not that many people get it; I think there are only four others in this area. Getting the certificate made me proud. I am now recognized by AIMCO Corporate as one of their assets and being profiled in many of their maintenance trainings." NU

PROTECTING THE INTERESTS OF AFFORDABLE HOUSING PROPERTY MANAGERS AND OWNERS

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