

## That Was Then... This Is <u>Now</u>: Working with the Family and the Next Generation

presented by:

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















## 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







- 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





## In Comes The <u>Next Generation</u>

#### www.Matterport.com

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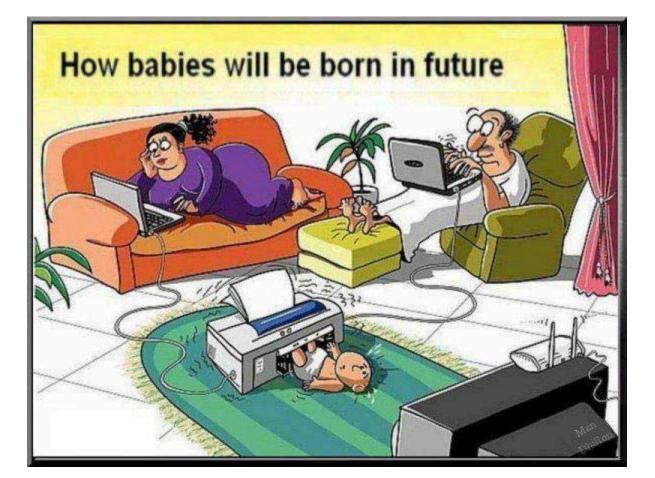








## **The Future**









- 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
  GENEIO...online applications!"







- 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







- 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









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







### Walk Score

Walk Score		Transit Score	Bike Score		
0-100	Walker's Pa	aradise			
	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











"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 compare is a jet is a















- 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"

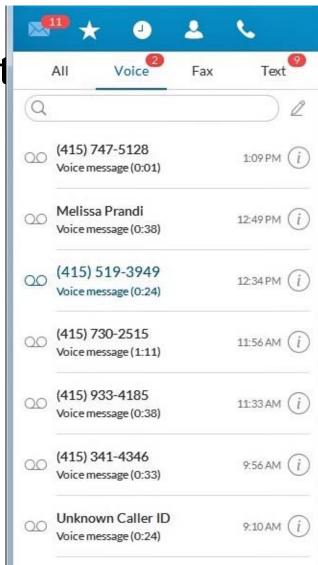






## **Best Implementations**

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







- 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 <u>which</u> 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 PRAND embers that have been there done that MANAGEMENT

## Alan Cunningham, Marc Cunningham **NARPM**



#### Alan – CEO

35+ years in the industry





- Marc President/Director of Operations
- Greg Vice President/Property Manager









- 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







## **Principle Breakdowns**

## Amplification Principle:



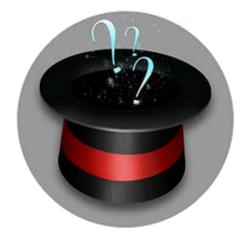
### Interjecting family into business OR business into family will amplify MORE of what is already there







#### 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 <u>should</u> be "what is best for the business"











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 <u>the most</u> generations have a strong sense of purpose

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







## Final Thoughts?



