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FOR: RMK Management Corp.

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Special to Multi-Housing News – Resident Retention Strategies:

The Personal Approach to Resident Retention

There are no secret formulas for boosting resident retention rates. There aren't any short-term steps to follow, no easy solutions to implement. The key to resident retention is providing residents with a well-maintained, well-run community year-round that makes their everyday lives a little less stressful and a little more enjoyable.

As apartment managers, we are being evaluated by our residents each day. So why not treat resident retention as a day-to-day undertaking? The trick to accomplishing this: don't think about corporate goals, think in terms of individual relationships. Maintaining your projected end-of-year occupancy levels is accomplished by retaining one resident at a time, one day at a time. This individualized approach is what will help you retain residents and maintain a successful community.

Resident happiness starts with meeting their basic needs. Presumably, your residents chose to live at your community not only because it was financially feasible, but also because they felt comfortable from their first visit. As managers, it's our job to maintain that level of comfort and to be counted on for our reliability, trustworthiness and friendliness.

For instance, at RMK Management Corporation, it is our policy that all maintenance requests, which can be made through our interactive Web site, as well as by phone or in-person, are responded to within two hours. If it is passed business hours, residents can call our 24-hour operator who will assess problems and contact a staff member if needed. Residents can also use the Web site to pay rent and sign up for utilities.

Responding quickly to maintenance needs is reassuring to residents. But what is even more comforting is having a management staff who is able to anticipate their needs before any maintenance is even required. For example, we ensure that our residents' homes are kept looking new and up-to-date by regularly painting interior walls, and by updating appliances. We've also made certain that all our homes are wired for high-speed Internet access – practically a necessity for today's residents. We also keep our communities' landscaping expertly maintained. Groundskeepers continually keep lawns well-manicured, bushes trimmed and flowers prominently displayed.

An essential part of any strong relationship, however, is doing more than what is expected. These touches often demonstrate just how much you care about your residents. Small gestures like watering a resident's plants while he or she is out of town or walking their dog when they unexpectedly can't make it home are the type of actions that leave a lasting impression. One way RMK has tried to further accommodate its residents is by keeping our leasing office open late two nights a week. By keeping longer hours, we can assist those whose day-time schedules do not allow them to contact us if needed. We even hold "lease renewal nights" to make the process fun and convenient for residents.

Staging events for residents is also a great way to thank them. RMK has events throughout the year to say thanks. For example, we hold an annual "Resident Appreciation Week," which includes barbecues and pool parties. We also offer occasional special perks such as a day of free massages; monthly movie nights; a full complimentary breakfast in the clubhouse; cooking demonstrations hosted by local chefs; Easter eggs hunts and ice cream socials for kids; and wine tastings and margarita parties for adults. It isn't uncommon for RMK staff members to greet residents at 6 a.m. on designated days with coffee and doughnuts, and the morning newspaper.

These events and activities are not only a great way to thank our residents for making the community such a great place to live, but they also provide residents an opportunity to form a true sense of community and to feel like they are part of a family.

For some residents, it's the unexpected everyday conveniences that keep them comfortable at a community. One RMK resident, Mary Barclay, who recently celebrated her 32th year as a member of one of our communities, cited RMK's complimentary van rides to local grocery stores and the mall, and our valet dry cleaning service as part of the reasons for staying put year after year. As she noted recently to our resident manager, Deanna Johnson, "It seems the staff is always doing something to thank us for being a part of this community." Ah, sweet music to my ears!

Unfortunately, as each of us can attest, our communities are not perfect and our residents are not all as fulfilled as Mary Barclay. But we can come closer to our goal of satisfying all of our community members by addressing the concerns of those who are dissatisfied. More often than not, dissatisfaction results from a breakdown in communication. By communicating with residents effectively and regularly, you are much less likely to have a disgruntled resident living at your community. You are also more likely to get a resident referral – which is where the majority of RMK's new leases come from.

So how should we communicate with residents? Provide them with quarterly surveys to evaluate the property and staff; publish a regular newsletter of community news; post a centralized bulletin board in the clubhouse or leasing office for event announcements; and hold regularly scheduled meetings where residents have an open forum to discuss issues or concerns. All these outlets allow you to clearly communicate with your community members.

At RMK, we even provide surveys to monitor the move-in, move-out and maintenance processes. If a resident is moving in, we want to know if we helped make it easier. If they're moving out, we want to know why. We also contact each resident every three months just to make sure there are no outstanding issues we need to address. Open communication with each resident is the key to providing excellent customer service.

Also, be straightforward. If you have less than ideal news to share, such as the announcement of rent increases, provide residents with plenty of advance notice. The element of surprise is never a smart tactic when delivering unfavorable news.

Inevitably, no matter how much energy you devote to resident retention, you will never keep everyone. It is simply the nature of our business to see residents come and go. But by treating each individual who passes through our communities as if they were members of our own family, we can guarantee that their time shared with us at our communities will be a positive one. And who knows, their experience may even lead to a referral or two!

Diana Pittro is executive vice president of Chicago-based RMK Management Corporation. RMK manages more than 7,500 apartments in the Chicago and Minneapolis areas, including the National Apartment Association's 2005 co-winner for Community of the Year, Versailles on the Lakes in Oakbrook Terrace, Ill. The company's portfolio spans a range of apartment types, from high-rise and mid-rise buildings to two- and three-story walk-up, garden apartments.