

Automate Your Way to Peak Efficiency

Leveraging AI & other technologies to streamline property management tasks



We're lucky to live in a time where technology has evolved to the point where many tasks that were once time consuming and manual have now been automated. In the early days of property management, owners operated at a much smaller scale. Oftentimes the hardest task was collecting rent. Marketing and advertising consisted mostly of classified ads and word of mouth, which were typically enough to keep units filled.

However, as urban centers began to explode with growth and the portfolios of property management companies moved beyond local and regional holdings to large national groups with tens of thousands of units under management, more complex solutions were needed. In the 1990s, property management software started being used by more and more multifamily businesses. While this did help with organizing the process, it did nothing to eliminate the manual tasks that still took a long time to complete and report into the property management software.

Fortunately, that all changed about a decade ago. It wasn't that long ago that almost every rent payment was made via check, but in the last decade that payment method became the exception rather than the rule with adoption of online payment methods for paying rent.

Think of all the time saved not having to be in the office to collect, input, and process payments. It might seem small in the grand scheme of things but it's a big win, and that's just the tip of the iceberg. Programs like AI powered ChatBots, powerful accounting and budgeting software, to robust

CRMs that allow you to track leads more accurately across the entire renters journey, many of them driven by automations, are just a few technological advancements released in the past few years that have streamlined property operations. Over the course of this ebook we'll discuss how these automations built into property management software increase efficiency, reduce costs, and lead to an improved resident experience.

Section 1: Automating rent collection and accounting practices

When approaching accounting and payment management, it's important to implement a system that was built with multifamily businesses in mind. Many nuances associated with generalized accounting programs might require customizations to manage your bookkeeping.

Online payments - meet residents where they are

We touched on this in the introduction, but online payments are much more convenient than bringing a check into the office or mailing it, even more so when residents sign up for monthly automated payments.

When deciding which software to use, make sure it has the flexibility to offer a variety of different payment options to your residents, including ACH, credit/debit card, and e-check. As a best practice, we suggest incorporating signing up for automated payments during the application process. This significantly reduces the possibility of late payments by the resident.

Incorporate automations into accounts payable processes

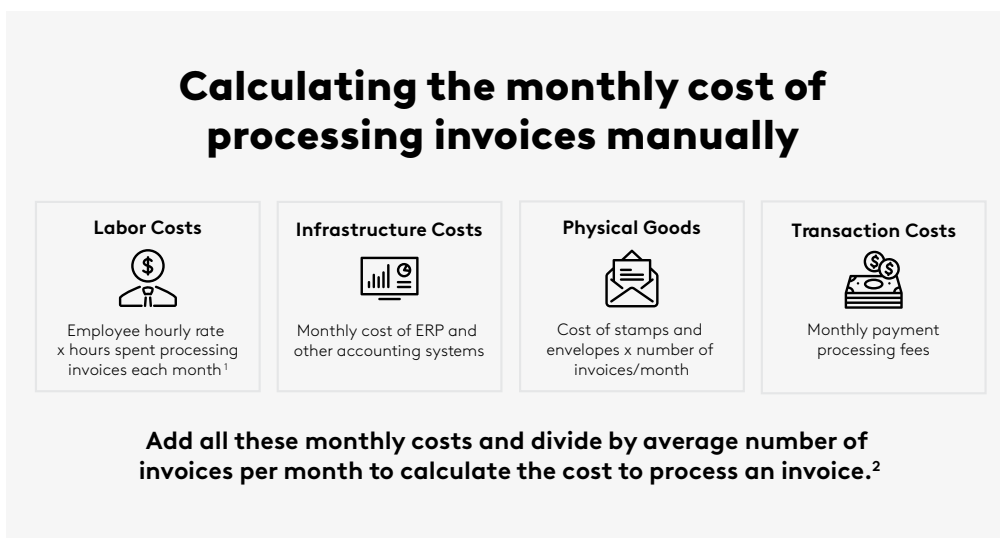
Many multifamily businesses have not made the switch to completely digital, paperless accounting. With many citing the switching costs associated with implementing a new solution as the reason they've resisted change. But monetary costs are just one piece of the puzzle to be considered when deciding to make such a dramatic change to this important business process, including:

- How long it will take to implement?
- Possible downtime that impacts customers or vendors.
- The emotional switching costs for your employees.
- Will it work nicely with solutions I already have in place?
- Are my local suppliers and vendor partnerships prepared to handle this change?

Despite all these potential drawbacks, the cost savings alone should be enough for businesses to want to incorporate automation into their accounts payable practice. Recent research has found that 57% of businesses still use a manual invoice data entry process with 72% of teams spending more than 10 hours each week completing manual data entry tasks with the average manual invoice costing approximately \$15/invoice, those costs begin to

pile up, especially for large enterprises processing thousands of invoices annually. Luckily, these tasks can easily be modified to save valuable time and resources.

Being able to reallocate site team members to customer facing roles at properties with centralized accounting and leasing environments will give you the ability to scale more easily, reduce headcount, and ultimately deliver a better experience to residents.



Setting up your accounts payable team for success

Let me know if this sounds familiar to you. You get an invoice from a vendor. It gets filed away for payment. Your staff has to determine the appropriate property to charge it to or to split out the invoice among multiple properties what the vendor's preferred payment is and then submit an ACH payment request, or worst of all, cut a physical check, all while ensuring the GL code is assigned correctly. Which might not seem like that big of a deal, but as your business grows and you have to do this process thousands of times per year, it can really add up.

In an effort to find ways to make this process more efficient, you should evaluate each step to determine how long each step takes and if there are ways to improve those slower processes, either with automation or some other means.

At the same time, you'll want to evaluate the cost of each step and see if there are ways to reduce costs without impacting the quality or speed of the process or the experience for your vendors or customers. As accountants, we should be good stewards of the company's money and lead by example when it comes to fiscal responsibility.

¹ For every employee that is involved in processing and approving invoices

² [Quickbooks Accounts Payable Automation](#)

For example, one of the easiest costs to eliminate are transaction costs. When you use an ACH payment or cut a physical check there are costs ranging from .60 cents to \$1.50 for every payment, but if you switch to a virtual card, those costs can be eliminated. For businesses that process 1,000 invoices a month, that can be a savings of \$18,000 annually. Additionally, there are a number of virtual cards out there that offer a rebate for use back to the operator, which if used correctly could offset the cost of AP processing software.

That savings increases significantly when you start automating payment processing, which reduces much of the labor cost associated with accounts payable. When you're able to eliminate transaction fees and labor costs, you'll be paying just a fraction of the \$15 per invoice described above. In fact, research has found that through automation and the elimination of fees, businesses can get their invoice processing costs down to as low as \$2.90 per invoice.

Managing growth through accounting

The best way for businesses to manage growth in any part of their business, but especially with accounting, is to create processes that are scalable. When your business is small and you only have a couple of hundred invoices to process each month, you might be able to justify inputting data and cutting checks manually.

But at a certain point it won't make sense both from a cost and an employee time perspective. When your business starts to process thousands of invoices every month, you need to look toward automation, not only to ensure all of your vendors get paid in a timely manner, but also to cut back on errors that also slow down the vendor payment process.

As noted, a majority of accounts payable teams are spending at least 10 hours per week processing invoices. Over the course of the year that ends up taking up 13 weeks of an FTE's time over the course of the year. And that number is only going to increase over time, so you'll have to decide if it makes more sense for you financially to hire more accounting staff or look for ways you can be more efficient. The primary way to accomplish this is through automation.

Section 2: Streamline resident communication and management

After your finances are in order, the next step is to make sure your residents are happy and satisfied. One way to do this is by letting them engage with your properties on their terms. When evaluating property management software be sure it includes a resident portal that makes it as easy as possible for residents to connect with you. Whether they have a need for maintenance or just want to know what's up in their community, it should be front and center in the portal and on your resident app.

When it comes to communication, ensure residents can connect with you on the communication channel of their choice, including text, chat, email, or phone. Every resident is different and they'll want to engage with you through channels they are most comfortable with.

Automated notifications

Through AI, many of the simple, repetitive communications you have with residents can be automated. These include notifying residents of actions they need to take like reminding them to pay rent, letting them know about events at the property, and informing them about upcoming maintenance to the property or their unit as well as recurring events like pest control or other preventative maintenance measures.

Automating these notifications ensures that individuals receive the right messages at the right time, increasing the likelihood of them proactively completing a task you need them to do. Additionally, automation eliminates the need for site teams to worry about sending out these notifications and allows them to focus on delivering an exemplary experience to residents.

Multilingual communication

Communicating with someone who doesn't speak the same language as you can be frustrating for both parties, especially when trying to convey something technical or something you're not familiar with. For example, if a resident is having a plumbing issue and is trying to explain the problem in English to a maintenance worker who speaks English as a second language, the issue isn't going to be resolved as quickly as either party would like. This problem is easily addressed through AI, which can automatically translate messages into the receiver's primary language. Having this ability mitigates any of that frustration that might have occurred in the past when the only option was going back and forth using Google Translate or some other third-party program. It also increases the likelihood that the work order will be done right the first time.

Sentiment analysis of resident feedback

Collecting reviews and feedback is an essential part of improving the product you're delivering to residents and prospective residents, but it can be hard to not overreact to specific reviews and feedback your properties receive.³ That's where AI comes into play. First, it will examine your online reputation and customer feedback holistically to give you a more accurate depiction of what resident and prospect sentiment is for your properties.

Second, AI has the ability to divide the feedback you receive based on sentiment and prioritize negative feedback for the first response. Beyond that, it can identify trends in your performance and recurring themes in feedback to help you identify potential process and procedure adjustments based on the trends identified. Having this detailed view of your feedback helps anticipate potential issues, allowing you to be proactive and nip any potential problems in the bud. It also gives you a better understanding of what resident and prospect preferences and needs are and directs you how to build programs that address those needs and preferences.

When it comes to review response, generative AI with natural language processing is able to craft personalized responses based on the reviews as opposed to a cookie cutter response that many businesses previously employed. Personalized responses are an effective way to build strong, long-lasting relationships with residents. They show that you are actively listening and take what they are saying seriously. But more importantly, responses to reviews act as a megaphone of your company's culture and resident experience for future renters that might evaluate your properties.

Section 3: Optimizing maintenance and operations

There are AI solutions out there that streamline the process of submitting, tracking, and resolving maintenance requests. With the use of natural language processing, chatbots can read, route, prioritize, and respond to maintenance requests from residents. Having the ability to prioritize on the fly saves time and ensures major problems are solved more quickly, while ensuring the right technician is sent down the first time. Automated workflows will notify residents to keep them informed of timelines, when maintenance workers will be at their apartment, when everything is resolved, and finally collect feedback and reviews once the work is completed.⁴

Having a streamlined workflow for maintenance requests ensures that requests are resolved as quickly as possible and reduces the amount of time residents are inconvenienced by not having access to their apartment.

³ [AI's Time-Saving Impact on the Multifamily Industry](#)

⁴ [Generative AI and Its Applications in Multifamily Apartment Management](#)

Predictive maintenance

Predictive maintenance helps you know in advance when major appliances need service or need to be replaced by tracking data from sensors inside of smart appliances. It's a strategy that leverages data analysis and machine learning to predict potential equipment failures before they happen. This is made possible by layering generative AI capabilities with predictive analytics to improve the overall process.⁵

Another benefit of predictive maintenance is it helps you schedule and hire maintenance workers or contract third parties based on the amount of work you expect to happen. For example, if you foresee the likelihood of repairs increasing, you can staff up your maintenance team or contract a third party before it happens. Currently, many properties are experiencing a shortage of maintenance workers and being able to know when workloads are going to increase will be beneficial.⁶ Additionally, doing so increases the lifespan of appliances⁷ and reduces overall maintenance costs.

Section 4: Making the most out of your data

Your properties produce massive amounts of data each year. Is that data going to waste or are you making the most of it? There are two emerging technology tools that every multifamily business that wants to make data-driven decisions should implement—Business Intelligence and Predictive Analytics.

Visualize your data with Business Intelligence software

For the uninitiated, business intelligence is the process of taking your business' raw data and transforming it into something that is easily consumed, actionable, and can be used to improve decision making. This is referred to as data visualization, which enables you to make the most out of all of your data because you can see trends, notice how often specific events are occurring, and identify connections between what your teams are doing and the end result.⁸

Instead of pulling a variety of spreadsheets to prove out assumptions they have about trends, they're seeing like why occupancy is so low, for example, a business intelligence tool can provide users with a property-by-property comparison of occupancy rate. Having this knowledge can inform how and where to invest in marketing, and whether or not you need to reallocate site teams or assets to help meet financial goals.

This can be accomplished quickly by drilling down in the dashboard to specific properties in the portfolio that are underperforming in a matter of seconds. From there, users can see the number of units rented and determine why

⁵ [Improving Predictive Maintenance with Generative AI](#)

⁶ [Reducing Facility Maintenance and Repair Costs with Predictive Maintenance](#)

⁷ [AI's Time-Saving Impact on the Multifamily Industry](#)

⁸ [What is data visualization? Presenting data for decision-making](#)

occupancy is so low. Maybe it's something innocuous like that property has a number of units that are under renovation, or maybe something a little more concerning like that property isn't producing enough leads. Other KPIs that can identify leasing issues include individual agent performance, unit types, location/floor, unit amenities, carpet color, location within property, etc.

If leads are lagging, this data can then be compared side by side with a separate dashboard that visualizes leases vs. applications vs. renewals to get a clearer picture of why the portfolio or property isn't producing the number of leads to meet the desired occupancy. An example of how this problem might be solved is filtering by lead source to determine which leads are converting best. For example, if you are receiving a large number of leads on ILS A, but those leads aren't converting at a high enough rate and you are receiving fewer leads on ILS B, but they are converting at a much higher rate, it might make sense to shift focus away from ILS A to ILS B.

You can also use business intelligence to evaluate performance of your maintenance team against KPIs like service level agreements you have in place for response time and time to resolution. Additionally, you can measure the effectiveness of capital investments into amenities to see how durable they are, how frequent they require maintenance, and how long they last. Finally, you can look at leasing trends against certain KPIs like what days/time of day are best for leasing, which models are most desirable, does weather/time of year impact whether a lease is signed.

Take the guesswork out of forecasting

Predictive analytics differs from business intelligence in that it not only identifies trends, but makes recommendations on how to proceed, whereas business intelligence aggregates large data sets and visualizes the data to give you a better understanding of what has happened. Simply put, business intelligence gives us a view of the past and predictive analytics provides a look at the future.

Tips for getting started

To ensure a successful AI and predictive analytics implementation, it's paramount to have access to quality data and have that data organized in a way that allows it to be effectively leveraged. Having access to all relevant data in one place and configured in a way that it can easily be accessed is the best way to give you a holistic view of your property performance.

Another thing to consider is hiring consultants or dedicated data scientists to operate data analytics and predictive analytics programs. Even better, look inward to identify if you have someone already on the team that is familiar with your business and also excels at digesting data and making good use of it. Putting together an effective process can be complicated, it doesn't hurt to have experts in the building or train capable employees who

are up to the task. Now instead of relying on your gut feelings when making decisions, you'll have the data to back up your decision making process and will be well on your way to make more effective decisions.

When implementing predictive analytics at your properties, it's imperative that the regional and site teams trust the data output and are willing to accept the recommendations and take action on those recommendations. If faith in the data team is lacking, that could sink your program before it even gets started.

Conclusion

While the past was driven by manual tasks that ate up a lot of time, the future of multifamily will be built on automations and AI. These advancements in technology will enable efficient processes and workflows that will free up site teams to focus on delivering resident experience, which will be a key differentiator between properties even more than it currently is.

If you haven't already, you should strongly consider implementing a property management solution that consolidates operations across your entire portfolio. Centralizing operations and incorporating automations into your processes will go a long way towards being more efficient, keeping residents happy, while also keeping costs in check. Entrata's platform was built with all these considerations in mind.

To learn more about how automations from Entrata can save your business time and money, [request a demo today!](#)



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