

Investing in the Right Property Management Software

A step-by-step guide to finding a solution that streamlines operations, boosts profitability, and delights your residents



Introduction

In 2025, businesses will face significant challenges related to the evolving role of PropTech in their operations. One hurdle will be navigating the complexities of property management software. Many companies rely on a patchwork of best-in-breed solutions, which can be confusing and difficult to master. This complexity is compounded by high employee turnover at some properties, leading to a constant loss of knowledge and hindering efficient onboarding of new staff. As a result, businesses must prioritize user-friendly solutions that simplify operations and facilitate seamless knowledge transfer to new employees.

Erin Van Deusen, Director of Operations, United Group of Companies, perfectly summarized the considerations multifamily businesses should take into account when evaluating property management solutions: “[Software should] eliminate ... human error and streamline communication and [reporting] on a day-to-day basis.”

In recent years, there have been considerable advancements in PropTech, which can be a blessing and a curse. It's great that there is so much choice now, but with all these new features being released on what seems like a day-to-day basis, it can become daunting to know what will actually work for your business, and what's just fluff.

But don't worry. We've got you covered. Over the course of this ebook, we'll provide five criteria that are critical to the success of any property management software implementation and provide you with key questions to ask to ensure you have everything you need in your investment in property management software.

Step 1: Identify Your Goals

Successful software implementation hinges on clearly defined objectives. Before any business undertaking, particularly when evaluating new software, it's imperative to establish precise goals to ensure alignment, and maximize return on investment.

Additionally, you should take the time to prioritize those goals to determine what features and functionalities are must haves, and what are just nice to haves. Having that understanding up front will be extremely helpful as you narrow down which software providers to give a closer look at. Some questions to consider when identifying prioritizing goals include:

- Do you want to streamline/automate tasks?
- Do you want to create a centralized data repository that you can leverage in reporting and other activities?
- Are you looking to improve communication between the property and residents?
- Is applicant/resident experience important to you?
- Do you need more accurate reports for forecasting, financial performance, etc.?
- Do you need to make your marketing operations better?



Step 2: Consolidation vs. Integration

With all of the advances in PropTech, there are a wide range of features that you could incorporate into your tech stack, from marketing and leasing, property management, resident experience, accounting and budgeting, generative AI and predictive analytics, robust reporting, and everything in between.

Which brings us to our next step -- deciding whether you want an all-in-one solution or if you want to build a custom solution made up of best-in-breed software connected through integrations. There are pros and cons of each direction, and a lot of this goes back to the previous section -- what are your priorities and what are you trying to accomplish?

One of the biggest upsides to a consolidated or centralized approach is it simplifies the management of properties across your portfolios. Because all of your data is contained in one system, it means you have real-time access to information that helps you improve lead flow and tracking of financial performance.

From a financial perspective, consolidating property management operations under one solution is often more cost effective than purchasing a number of individual software platforms. Beyond that, when you only have one piece of software to learn, it results in a much better experience for employees. Not to mention the fact that having to keep track of only one log in makes navigating between different aspects of your business much easier.

On the flip side, utilizing one solution means you might not have access to all the features and functionality that are available in individual point solutions. Additionally, depending on the solution you choose, you may have less flexibility to customize and modify the platform to meet all of your needs, so when evaluating property management software, identify whether or not they have an open/extensible API to give you the flexibility required if your needs change in the future.

Step 3: Determine How AI Fits

Speaking of advances in technology, one of the most disruptive innovations in recent years is AI. First and foremost, you need to evaluate your data readiness. For example, do you have the necessary data availability required for a successful AI implementation, and is that data of the highest quality? Beyond quality and availability, it's important to have the right infrastructure in place to collect, manage, and store the necessary data to drive your AI models.

Next, you'll need to either hire individuals to manage your AI implementation, or train existing employees on the nuances of artificial intelligence. While many platforms are easy to plug and play, with a little bit of help from your software provider, it doesn't hurt to have experts in data and analytics on your team to help you build out your data sets so they can be most effectively targeted to meet the specific needs of your business.

Currently, content creation is the most popular AI use case for the multifamily industry. AI can be used to help you draft emails, write copy for listings, and draft website copy—among other things. These are tasks that are often very time consuming and many site teams aren't equipped with the right personnel to handle them effectively. By taking those tasks off their plate, site teams are able to focus on delivering a better resident experience, and other high priority tasks.

AI is also purpose built to deliver key insights pertaining to your financial performance, help you make informed decisions about where your next investments should be, and automate time consuming report creation.

Step 4: Find a Solution That is Both Easy to Use and Implement

Next, you should prioritize ease of use. It is more than just a matter of convenience. It's a strategic decision with significant implications for your business. A user-friendly interface with clear navigation and logical workflows is crucial. If your team finds the software confusing or frustrating, they'll be less likely to use it effectively, resulting in low adoption rates and decreased productivity—and ultimately an unhappy workforce. When software is easy to use it requires less training time, which is invaluable in an industry with high staff turnover.



Your property management software shouldn't just be easy to use. It should also be easy to implement. When software is easy to implement, it gets your team up and running faster, allowing you to realize the benefits sooner. The sooner you get fully implemented, the sooner you start working toward achieving a return on your investment.

Finally, user-friendly software is essential for helping to navigate the current labor challenges in the multifamily industry. With a tight labor market and high turnover, easy-to-learn software allows for quick and efficient onboarding of new employees, while also reducing the burden on existing staff. Intuitive tools can also contribute to higher job satisfaction and make your company more attractive to potential hires. Prioritizing ease of use in property management software is not just an investment in your team's success and operational efficiency. It also helps the overall growth of your business.

Step 5: Know What Your Budget Is

Investing in property management software requires a strategic approach that goes beyond simply looking at the initial price tag. To truly understand the value, you need to conduct a thorough assessment of your needs, anticipate potential cost savings, and calculate the longterm return on investment.

Begin by pinpointing your must-have features, considering everything from basic functionalities like online rent payments and maintenance request management to more specialized tools like marketing automation and revenue management. The size and complexity of your portfolio will also play a key role in determining the necessary software capabilities and associated costs.

Next, delve deeper into the potential for increased efficiency and cost savings. Imagine automating time-consuming tasks like rent reminders, late fee calculations, and lease renewals. Visualize a reduction in costly errors and streamlined communication that minimizes time spent with back-and-forths between staff and residents. Also, take time to consider how enhanced resident satisfaction can lead to reduced resident turnover and a stronger online reputation, all contributing to your bottom line.

When researching pricing models, remember to factor in not just the subscription fees, but also implementation costs, ongoing maintenance, and potential add-on features. Compare vendors diligently, evaluating not just their pricing, but also their features, customer support, and overall reputation.

You will also want to quantify the cost savings from automation, reduced errors, and improved communication. Factor in potential revenue increases from higher occupancy rates and optimized pricing. By dividing the net annual benefits by the total cost of the software, you can gain a clear picture of the long-term value.

Don't just focus on the present - consider the future. Choose software that can adapt to your growing portfolio, integrate seamlessly with other business tools, and is backed by a reputable vendor committed to innovation. By taking this comprehensive approach to budgeting and evaluation, you can confidently invest in a property management solution that empowers your team, streamlines your operations, and drives sustainable growth for your business.

Bonus Tip: Ask The Right Questions

Think of your conversations with software providers as more than just sales pitches – they're your chance to find a true technology partner. You're making a significant investment in a tool that should empower your business, while freeing up your time, and enabling you to deliver a better experience to residents. To make the most of these interactions, approach them like strategic interviews. Come prepared with a list of insightful questions that delve deeper than surface-level features. Here are some key areas to explore:

Support is Key: Don't underestimate the importance of reliable support. Inquire about the provider's support channels, response times, and availability. Does the level of support vary based on your chosen pricing tier?

Future-Proofing with the Product Roadmap: A forward-thinking provider will have a clear product roadmap. Ask about upcoming features, integrations, and enhancements. This shows you're investing in a solution that evolves with the industry and your needs.



Real-World Success Stories: Go beyond generic testimonials. Ask for case studies or success stories from clients with similar needs and property portfolios. While provider websites can be helpful, a direct conversation with a sales representative can uncover valuable insights specific to your situation.

Pricing Transparency: Understand the different pricing tiers, features included in each, and potential discounts for longer-term contracts. Clarify the renewal process to avoid surprises down the line.

Uncovering Unique Value: What truly sets this provider apart from the competition? While you've likely formed your own opinions during your research, ask the finalists what they consider their key differentiators. This can reveal hidden strengths and unique perspectives.

Beyond these essential areas, don't hesitate to ask questions specific to your business needs and goals. This prepared and inquisitive approach will help you identify the property management software that truly aligns with your vision and sets you up for success.

The Entrata difference

Entrata isn't just another property management software. It's a comprehensive platform designed to elevate your entire business. Imagine a truly unified system that seamlessly connects every aspect of your operation, from leasing and resident communication to accounting and marketing automation. With Entrata, you gain access to a powerful suite of tools that streamlines workflows, eliminates data silos, and empowers your team to work more efficiently.

But it's not just about efficiency. Entrata prioritizes the resident experience, providing intuitive resident and prospect portals, a mobile-first design, and convenient communication channels that foster satisfaction and loyalty. This commitment to prioritizing the resident translates to increased retention rates and happier residents.

What truly sets Entrata apart is its dedication to innovation and data-driven insights. With robust reporting and analytics capabilities, you'll gain a deeper understanding of your performance, market trends, and resident behavior. This empowers you to make informed decisions that optimize your operations, enhance profitability, and drive sustainable growth.

Beyond its comprehensive features, Entrata fosters a collaborative environment through its open API and extensive partner ecosystem. This allows you the ability to utilize Entrata in a way that works best for your business, either as an all-in-one solution, or by integrating it with best-in-breed solutions you are already using. And with a dedicated customer success team, you can rest assured that you'll receive personalized support and guidance every step of the way.

Learn more

To learn more about how Entrata can fit in with your business,
request a demo today.



Entrata powers over 20,000 communities worldwide
helping clients achieve and exceed their goals.

