Property Managers Meeting Kit

WHAT'S AT STAKE

Property managers oversee and maintain residential units, apartment buildings, commercial stores, office complexes, and community/homeowner associations. Renters, tenants, and owners expect property managers to keep their properties safe, secure, and properly functioning. While the job tasks and properties may vary, property managers must always manage safety first.

WHAT'S THE DANGER

THE DANGERS OF RISK MANAGEMENT

Risk management one of the top priorities of property managers.

- **Administration Risk.** A property manager works with a lot of data and handle ample contracts, rent rolls, tenant lists, and maintenance tasks. Without the right administrative system, it would be challenging to manage all this data and keep important files organized.
- **Physical Damage.** Property damage is always a potential risk point for property managers. Property managers have plenty of physical property to maintain, from furniture breaking to exteriors wearing down to paint chipping.
- **Tenant Injuries.** Property management companies are responsible for the safety of the tenants in their properties. A tenant who becomes injured on the property you are managing may claim negligence and seek legal prosecution. A property manager will be liable for accidents that take place on the property if it is proven that there was negligence.
- **Risk of Rising Vacancy.** A property manager means being able to find tenants for your clients. It is up to property managers to keep rental properties' occupancy rate high. However, many workers now spending their time working

indoors or losing their jobs altogether, vacancy rates are rising throughout the U.S.’s top metro areas.

- **Physical property risk.** Whether a property manager oversees a few small houses or a billion-dollar property portfolio, there will always be the risk of physical damage. Furniture breaks, paint gets scratched, and exteriors wear down over time.
- **Tenant risk.** Tenants arguably present the largest risk to property managers. Selecting the right tenant “the most important step in the real estate business,”. A single manager may be responsible for hundreds of tenants, with their organization overseeing thousands. Tenants can span from a single individual to a multi-million-dollar organization.
- **Market risk.** Property managers are subject to risk from the external market. The performance of the economy impacts a number of factors that can affect property managers. Inflation and interest rates also present a risk for property managers. When these are unfavourable, they may have a harder time bringing value to potential tenants and entering into new contracts.
- **Legal conflict risk.** If a property manager purchases a piece of property and their ownership is questioned, a lengthy and costly legal process may result.

HOW TO PROTECT YOURSELF

HOW TO MANAGE PROPERTY SAFELY

1. **Recognize the hazards.** The property manager is responsible to be aware of potential safety issues from the get-go and develop a system for responding to and reporting incidents, which also directly impacts the costs of running and repairing your property. Consider all scenarios that threaten people and property, including who to involve in the incident and in what capacities. By implementing early advisory alerts for emerging threats, get ahead of the problem and know what to expect.
2. **Strategic environmental design.** Smart environmental design

for your property is a relatively easy and affordable way to keep employees and tenants safe. Additionally, investing in a security system and strategically locating cameras to maintain a complete view of the property can further help mitigate risks associated when staff on the job.

3. **Effective communications solution.** Preparing, responding, and recovering from a property-related incident requires good communication. And there's no better tool than one that's multipurpose. A mobile-first mass notification service can take care of everyday communication between staff, such as unit inspections and service outages to emergencies like flooding and evacuation. Having a centralized place where employees can access notices on-demand, communicate timelines to staff when services begin and resume, and notify tenants when a service is restored is invaluable.
4. **Lone worker support.** Empower remote or lone workers to initiate emergency alerts or instant notifications to communicate essential safety information. With a mass notification system, lone workers can broadcast their GPS coordinates if they're not visible so others can locate them and step in to support where needed.
5. **Regular training and practice.** Periodically schedule fire drills, test alarm system, and send test alerts and notifications to help prepare maintenance workers, cleaning crews, and administrative staff for how to react during a threat or emergency when it comes to the real deal.
6. **Apply lessons from past incidents and emergencies.** One of the most effective ways to prevent an incident from recurring is to use past events to inform future actions. Promote hazard awareness training for your team, monitor risks on an ongoing basis, and develop a regular review process that investigates how risks relevant to your property may evolve over time and how they can be better managed.

PROPERTY MANAGEMENT TAKEAWAY – PROTECT EMPLOYEES

Because managing risk is a vital part of their duties, property

managers must have a robust communications plan to help minimize damage, inconvenience, and injuries to create better working and living conditions for their employees and tenants.

FINAL WORD

As a property manager, you have the obligation to protect yourself and owners by reducing risks. Not having an integrated risk management approach could be the biggest risk of all.