Top 5 Reasons Property Managers Get Fired
And How to Avoid Them
In the property management industry, our clients are frequently the cause of terminating employment. As a property manager, it’s your job to perform well and deliver results that please your clients. When clients voice their displeasure, your manager may have to either a) reassign you, or b) terminate you.

Because you are constantly under client scrutiny, you must understand your vulnerabilities and build up your indispensability to the property, to your organization and to your client. Here’s how.

**Reason #1: Missed Expectations**

The topic of expectations is a large one. This single topic could be the area for most failures on the job. It’s so basic and elemental, yet it’s easy to miss. Why? We assume too much.

We might assume that we should do things as previous owner wanted them done. Or, we assume someone else is responsible. Or, we assume the property is already up to code. Worse yet, we assume we know what our client wants.

However, the smart property manager knows to ask clients what their expectations are at the outset—and keep asking them throughout his or her relationship.

If you listen carefully, clients will tell you, often without being asked. They’ll often tell you exactly what they want every time you interact with them.

Here are some areas of expectations worth knowing:

- Your client’s short and long-term goals
- Your employer’s near-term objectives
- Who gets what information by when
- How work gets approved (delegation of authority)
- How to communicate effectively

**Fix: Create an Expectations Management Strategy**

1. **Find out your client’s needs and wants**

Priorities are continuously getting reshuffled by the “crisis du jour.” I’m always asking what’s up (and new) with them.

- “What do you need from me right now?”
- “What’s the most important...
  - …deliverable today, tomorrow, this week?”
  - …deadline to be made?”
  - …use of my time right now?”
2. Don't leave them guessing

Lacking timely information, clients—humans in general—will create their own perceptions of how the property is being managed.

One client told me “If I’m ever wondering about the status or resolution of an issue, it’s because I don’t have good information. If I’m without good information, that’s bad.”

Provide frequent updates. Check in at day’s end with a quick status update or email or phone call that covers:

- What’s been done?
  - Issues resolved
  - Boxes checked
- What’s in progress (WIP)?
  - Where things stand
  - Who owns what
  - When they can expect results
- What’s next? Who owns what’s going forward

3. Take control of client updates & agendas

Things slip through the cracks without a comprehensive tool that lists all aspects of the property, its operation, its tenants, its projects and its issues. I’ve created something called a Master Project Summary as such a repository.

From that, regularly scheduled client updates and/or meeting agendas can be derived. Typically, clients have limited time for such calls or meetings, so they just want to hit the highlights. By following the WIP process above, you’ll demonstrate that nothing falls through the cracks.

Reason #2: Not Responsive

When clients ask for something, it’s usually because they need it immediately. Unless you tell them otherwise, they have the automatic expectation that you are getting it for them right then.

They have the expectation of responsiveness. This correlates directly with a sense of urgency about everything, especially their requests.

Some clients think you only work on their requests. Once they request something, the clock starts ticking. “How long should it take my property manager to do X?” Some even pile on several other requests while they’re at it. After all, you work for them.

So, when do you raise the white flag? When is it OK to reset expectations? Clients will usually give you some latitude if you can show them the priorities of theirs you are currently working on and allow them to help you prioritize what’s left.

“I’m working on the lender reforecast, preparing default letters and finalizing the monthly report. All three are due by EOB today. Does this new project take priority over those tasks?”
**Fix: Create an Expectations Management Strategy**

1. **Surprise them—in a good way**
   Clients usually hate surprises as they are usually unexpected bundles of bad news. Bringing results to your clients before they expect it (or hear it from others), however, is a good surprise; one that goes a long way to boost your responsiveness score and makes them feel proud of hiring you.

2. **Calibrate your results with client’s deadlines**
   Knowing what your client’s deliverables are and when they’re due can go a long way to help them meet their obligations, achieve their objectives and elevate your importance.

   It’s your job to find out their reporting deadlines and routines so you can schedule the delivery of your results with their deliverable due dates.

3. **Know (and demonstrate) how you spend your time**
   Clients continuously remain bewildered at how much time it takes to get things done. It’s up to you to accurately inform them (without boring them or defending your work pace) of the steps necessary to turn things around effectively.

   That means you must really know your business, obtain information efficiently, delegate quickly, and communicate effectively.

   - Know the steps necessary to perform the task
   - Organize your information intuitively (database, shared drive, hard files, etc.) so searching for what you need amidst the sea of documents can be done efficiently
   - Call in your troops and assign sub-tasks with an expected ETA
   - Respond diligently with your client as to the results obtained

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**Reason #3: Costly Mistakes**

Every day we set foot on our property, we have infinite possibilities to make improvements. We have just as many possibilities to make mistakes.

Not all mistakes are bad. Most can be corrected. Some can be devastating. In the latter case, it’s vital that you accelerate your speed to resolution. Letting things linger, fester or go unattended rarely results in an acceptable outcome.

After 30+ years in this industry, I have yet to see mistakes “self-correct.” If you are in error, fess up quickly. During my years at working with Roger Staubach, one of his axioms was the following admission:

Sure, we make mistakes. We’re human. But you can expect that we’ll be fast to admit it, address it and correct it.

Not all costly mistakes have a direct economic impact. Some are damaging to reputation, political capital, or worse, the client’s ability to trust you in a crisis or delicate situation. Examples of costly mistakes are:
• Blatant mishandling of situations
  • Clicking “Reply to All” in email communications
  • Saying the wrong thing to the wrong party at the wrong time
  • Using the Owner / Client as a scapegoat
    • Blaming conditions on directions from ownership
    • Claiming to be the “good cop”
• Miscommunication of facts
  • Asserting inaccurate information
  • Multiple corrections of data
• Expensive surprises
  • Ignorance of code compliance measures
  • Missed notice deadlines or due dates

Fix: **Develop a Holistic Property Management Plan**

Review your operations manual, business plan, operating and capital budgets on a routine basis and refresh them to reflect current conditions. Information contained in these documents can be exhaustive, especially if the property is over 20 years old and has had multiple tenants and/or owners.

Being able to put your hands on disparate areas of property operations efficiently can mean the difference between being responsive and getting fired.

Some topics to consider when updating or assembling your Holistic Property Plan:

• Emergency Preparedness
  • Life Safety Training
  • Risk Mitigation Routines
• Code Compliance
  • Licensing
  • Permits
• Lease Abstracts
  • Tenant contacts
  • Critical dates
• Annotate Contracts
  • Management Agreement
  • Primary Service Agreements

**Reason #4: Can’t Prioritize**

Recognizing what’s most important at any given point in time can be difficult. You might be on the phone with an irate tenant when the fire alarm goes off at the very same moment your client walks into your office.
Wait. What? That may be a stretch, but for most of us who've been in the industry for a while, it's not too far from reality.

How you respond in everyday situations is one thing. How you respond in a crisis sets you apart and may determine the fate of your employment.

If you were ever unclear as to what your priorities are, you must ask your client to confirm them. Don't expect a clear answer every time. They may actually flip it around and ask you what the normal priorities are. If so, then here's a guide.

**Fix: Adopt a mental framework Prioritization Tree**

- Life Safety / Property Damage / Risk Mitigation / Code Compliance
- Revenue Generating Activity (Leasing)
- Client Requests
- Scheduled Work

1. **Life Safety & Risk Mitigation**
   You’ve got to be clear and ask yourself what matters most. First things first: human life above all else.

   I once took over the management of a high-rise office building in a downtown submarket that suffered from severe deferred maintenance. The list of immediate fixes seemed endless. In short order, I broke things down to three major buckets of priorities.

   I explained to my asset manager, “The first bucket of fixes will keep people from getting killed. The second keeps them from getting hurt. The third bucket keeps the property from falling apart.”

   He loved it, not because it was cute; he loved it because it was clear.

   Take care of your fellow man. Nothing will get you fired faster than an incident that took a life because you let this priority slip.

2. **Revenue Generation**
   What do all clients think about next after life safety (admittedly, sometimes before life safety)? Money!

   As property managers, we must drop everything (within reason) to generate income. Leasing, then, becomes a top priority. That could be a property showing, a brochure mailer, or answer to an RFP question from your leasing team. Whatever it is, you must respond immediately.

   That means that all vacancies are in show-ready condition, repaired, inspected, lit up and sparkling. Also, be sure to walk the entire route the prospect will likely take to get to your office and the vacancy itself. Make sure that every detail of the prospect’s experience is taken care of.

   If you’re really good, you’ll generate new leasing leads, clinch the pivotal lease renewal or figure out new ways to add to the top line yourself.
3. Client Requests
Your client will (OK, should) understand that emergencies and top line revenue producing activities take precedence over their demands.

If there are follow-on issues that result from an emergency, like drafting an incident report, documenting an insurance claim, then share those pressing deadlines with your client so he can weigh in on your plan of attack.

Please refer to our responsiveness discussion in Reason #2 as recovering from more urgent tasks and priorities must be a swift process. Your client needs to know that your clutch is good and you can switch gears effectively. It’s not like his needs and demands will go away just because you had an emergency. It only buys you some time before he starts looking at his watch.

4. Routine Work
Believe it or not, the Top 3 priorities listed above are not routine, even though they might happen to you routinely. Before any of these occurrences, you do actually have a day job that requires the performance of routine tasks.

Sure, we must prepare for and budget our time to allow for these situations, but our routines must still be our ongoing priority.

So, how do you prioritize routine work? For me, it gets back to the basics of answering a few questions:

- Are we prepared for an emergency?
- Are there marketing tasks that could make leasing more effective?
- Are there client initiatives still in progress?
- Are there some important tasks that have been indefinitely delayed or remain undone?

Answers to these questions will allow you to think of your own “highest and best use.” A bonus question to consider is: Am I working on the highest priority task right now? Post this one single question where you can see it often.

At first you may catch yourself wandering off course, but with a gentle reminder, you’ll find that you will change your behavior to make high priority performance your new paradigm.

Reason #5: No Value Add

A friend shared the name of a clever radio station that customers rave about: WII-FM. Otherwise known as What’s In It For Me. Some clients may remind you that your value is related to what’s been done for them lately. You need to be prepared.

Many property managers think that, just because they’re busy putting out fires all day long, clients automatically understand and cut them some slack. He still needs to know not only that you’re thinking of him, but that you are hard at work on his most pressing issues.

Nothing says “career preservation” better than having a client brag about the wise decision he made when hiring you and your firm.

“But, don’t they understand the workload that comes with the job? Don’t they see how I’m killing myself meeting their deadlines while preserving their asset?” The really nice ones perhaps. But let’s not kid ourselves.
It’s up to us to communicate our value before they wonder what we’re worth.

**Fix: Implement a comprehensive Communications Strategy**

So how can you equip him with such bragging rights? You’ve got to get smart about your communications with your clients.

Do not confuse this with bombarding your client with useless reports, copying him on endless email trails or calling him every time you do something noteworthy.

No. You’ve got to speak his language and communicate things only he cares about. Mission critical aspects of the property. Here are some suggestions:

1. **“Dollarize” your Decisions**

   Property managers love to be accurate. We love to balance our checkbooks to the penny. But, remaining at this level of detail can be dangerous as value isn’t added here. Your client is probably voting to abolish the penny as we speak.

   That said, every decision you make should pass through the dollarization filter. When you delegate a task to a teammate, push the lowest level tasks to the lowest paid on your team. Your chief engineer shouldn’t be escorting vendors to job sites, for example.

   Think about it. We sometimes catch ourselves talking about a low cost issue for an hour. When we add up everyone’s hourly earnings and the time we spent talking about it, we realize we wasted more time than the cost of the repair.

   Every time we meet for an hour, it costs over $350 per hour in compensating everyone at the table. Take your fully-burdened annual payroll for your property team, divide it by 2,080 hours and see what number you get.

   Learn to recognize this and you’ll soon push many things downstream and be quicker to deliberate. On my properties, my team knows they have authority to resolve issues that cost under $1,000 to fix.

2. **Rock Your ROI**

   Once you begin to exercise your dollarization filter, then next step is to see how your contributions, ideas and efforts contribute to the bottom line. We’re all familiar with the return on investment concept. Sometimes we go to the nth degree in an effort to truly see what the real return is (Google the following: IRR, NPV and AGM if you need to brush up).

   The point is this: measuring the ROI of your activities is what your clients do, whether you realize it or not. It’s the lowest common denominator of real estate analytics. If they’re not realizing the return they expect, they’ll invest elsewhere. Not a good thing.

   You must show them the value of how you think and do your job. There an infinite number of ideas property managers can come up with to “move the needle.” Few of us test them with the rigor of a researcher, implement them and measure their impact in dollar terms.

   So, the next time you’ve got that great idea, think in terms of ROI and communicate your value in terms your client already understands.
3. Anticipate Questions

How many times have you been asked a perfectly reasonable question by your client and you didn’t have the answer? It’s happened to me more than I’d like to admit. I’ve been left baffled and wondering, “Why didn’t I think of that?” It’s humbling, to be sure, but it’s also avoidable if you practice an implication scenario.

Do you know why role-playing is so important? It’s because it evokes questions and situations in real-time that you might not otherwise know were important. Walking through a scenario of problem solving slows things down and allows for a team to consider the implications of experiencing the problem being resolved.

Conclusion

We are subject to our clients’ perceptions of our performance, our results, and our contribution toward their property value. When they feel they are not getting what they pay for or their message isn’t being heard or their expectations are missed, they will take action. They must take action for their own career preservation.

We live in a 30-day industry where we are subject to the whims of our clients. Worse yet, there may be very little your manager can do to protect you from your client’s decision to make a change.

Remember this: once your client is contemplating a change, there is very little that can be done to turn this perception around. The sure-fire way around this is to prevent it from happening in the first place.

Now that you know the dangers of letting your work speak for itself or staying so busy that anyone in their right mind would have to realize your value, you must recognize that someone is forming perceptions of you right now. It’s your job to make them positive.

So take stock of what’s expected of you, see how you’re measuring up and refocus your efforts on conveying the positive results of your performance to your clients early and often. Your indispensability and value will rise dramatically.

Better yet, you’ll be the shining example for your team to emulate as you exhibit how to get the job done and feel good doing it. Any job is worth doing well. Once you kick into this gear called service, your stock price rises. Then, your clients will not only find ways to keep you happy, but may pay you more for doing it.

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