Vice President-Property Management
System Manual

GRACE

PROPERTY MANAGEMENT & REAL ESTATE

Mission Statement:

To improve the lives of real estate investors and residents through property management solutions.

<u>Systems Manual:</u>   <u>Vice President – Property Management (VPM)</u>

<u>KRA's – Key Result Areas</u>

Templates:

1.   <u>Office docs</u>
        a.   Behavioral Values
        b.   Office Policy
        c.   Letterhead

2.   <u>PM Hiring</u>
        a.   PM job posting / description
        b.   PM new hire checklist
        c.   PM Independent Contractor Agreement

3.   <u>PM Team Coaching</u>
        a.   Annual review form
        b.   Annual self-review
        c.   Steps for PM discipline
        d.   Disciplinary form
        e.   PE Feedback form
        f.   Continuing Education spreadsheet
        g.   PM Files

- folder
h.   Termination info
        - folder
i.   Turnover Checklists Received
j.   PM Anniversary Dates
k.   One on one vide training
        - folder

4.   PM Payroll
a.   Payroll Totals Spreadsheet
b.   Monthly compensation calculation
c.   Property Managers
        - folder
d.   Payroll Backup for PMs
        - folder

5.   Other
a.   Password template
b.   Recurring monthly calendar - VPM
c.   Owner termination thank you email
d.   New unit spreadsheet
e.   Required Reading List
f.   Reletting fee calculations
g.   PM notification of account shortage - EM
h.   P/E Sheet – VPM
i.   Property Foreclosure Procedures
        - folder
j.   60 Day Owner Check-in EM
k.   Google Review Request
l.   PM 101/201-301 video series
        - folder

Position Overview – Vice President, Property Management (VPM)

Reporting to the President.

The VPM is accountable for the overall daily operations of the Property Managers. The VPM will work closely with the Vice President Operations (VPO) to ensure Property Managers and all PM processes are working smoothly with all other aspects of the business.

All Property Managers will report to the VPM

A primary objective of the VPM is to make each individual Property Manager successful.

The VPM must be fully knowledgeable of the Property Manager System Manual.

System Manual Overview:

Property management done on a large scale is an extremely complex business with many moving parts. In order for Grace Property Management to be successful, it must be <u>consistent</u> in the way it does business.

Systems are simply road maps or instructions that allow the Grace Management processes to be repeated and easily duplicated. The purpose of the system manual is to provide a <u>consistent</u> way of doing business and to define <u>HOW</u> Grace Property Management will VPM property management.

PMs will be provided with position specific <u>measures of success</u> so that each PM always knows whether or not they are succeeding.

PMs should always refer to their specific <u>system manual</u> to determine the answer to a question before bringing that question to the Director of Operations.

Any deviation outside of the system must be recognized as an <u>exception to the system</u>. While exceptions are necessary from time to time, each exception is by nature <u>inefficient</u>, and should therefore be avoided.

Each PM shall constantly work to improve the system. One purpose of the monthly Performance / Evaluation meeting with the Director of Operations is to ensure that on-going system improvements are suggested, discussed, documented, and implemented.

1- Hiring

Measure of Success: Have fully vetted new PMs ready to start work before the date they are needed.

1. The VPM will work the hiring process to ensure GM only hires PMs who meet GM behavior values.

2. The decision to make a new PM hire must be approved by the PR.
   a. The VPM; working with the PR, shall be responsible for advertising, interviewing and making the hiring recommendation to the PR.

   b. The VPM shall follow the GM hiring process as outlined in the PM new hire checklist (template 2b).

   c. Once the VPM has selected who they believe to be the best candidate, that candidate shall also be interviewed by the PR and the PR together with the VPM shall make the hiring decision.

   d. The VPM may wish to include the VPO in the interview and hiring process and should seek their guidance as is appropriate.

3. Once a new PM hire has been made the VPM shall ensure that **before** the new PM starts, they have all material, their System Manual, office area, and office supplies needed in order to 'hit the ground running'.
   a. The VPM shall complete the new hire's file using the new hire checklist (template 2b).

   b. The initial training process for a new PM should be intensive. The VPM should be BCC'd on all e-mail interactions the new PM is having with tenants and owners and give constant feedback. The BCC should continue for at least 60 days or until the VPM is confident in the PMs communication ability.

4. Hiring mistakes will happens, and when they do, corrective action should be taken swiftly.
   a. If, after hiring a new PM, it is obvious that the new hire is not a good fit (for whatever particular reason) for GM, then the VPM should consult with the PR to determine if the new hire either needs more attention to help them improve or should be fired.

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b. The VPM should always move fast to fix mistakes – especially hiring mistakes. The VPM should not fall into the trap of giving their limited time and resources to low performing PMs in an attempt to "fix" them. Rather the VPM should focus their time and energy on making high performing team members even MORE successful.

c. The GM model for hiring and firing shall be: Hire slow – fire fast.

2- PM Coaching
Measure of Success: Conduct weekly one-on-one meetings with each PM.

1. All PMs will report to the VPM.

2. The VPM should lead and coach the PM's in order to make each of them successful.

3. A necessary aspect of the VPM leading and coaching the PMs is accomplished by the VPM bringing three things to the office every day:
   a. Energy:
   > The VPM must find ways to bring inspiration, excitement, and passion to the PMs so that they WANT to give GM their best efforts.

   b. Clarity:
   > Every PM must be 100% clear on what they must do in order to "win", and understand how what they do contributes to the overall success of the organization.

   c. Accountability:
   > The VPM must continually inspect the work of the PM's to ensure they are meeting their measures of success.

4. The VPM must constantly work to balance PM **results** with PM **retention.**
   a. GM wants to maximize the productivity of each PM but not push them so hard that a high performing PM would ever want to leave the organization.

5. The VPM shall be the point of contact for each PM anytime they encounter a problem, question, or issue. The VPM should work to guide, coach, mentor and when necessary, discipline PMs.

6. The VPM should ensure that all PMs know and follow their PM system manuals.
   a. If a process problem, question or issue is brought to the attention of the VPM by a PM, the VPM should first ask the PM if their process question is addressed in the system manual.

   b. If the process question is addressed in the SM, then have the PM review the system manual and follow the system manual.

    c. If the issue is NOT addressed in the SM, the VPM should work with the PM to come up with a solution and if appropriate, add that to the PM system manual.

7. The VPM shall step into any PM issue involving any of the following:
    a. Dissatisfied owner-client
        aa. See KRA #6 – Owner-Client conflict resolution for information on how to resolve.

    b. Pending property loan foreclosures
        aa. See property foreclosure checklist (template 5i) for information on how to resolve.

8. The VPM shall conduct weekly one-on-one meetings with each individual PM.
    a. One-on-ones should be conducted every week, and calendared for a 30 minute time slot so that they are on the same day and at the same time each week.

    b. The VPM should keep individual notebooks for each PM where they will keep bullet point notes of each meeting.

    c. A purpose of this weekly meeting is to strengthen the relationship between the PM and VPM and for the VPM to know what current issues the PM is facing and offer guidance, feedback and coaching on a continual basis.

    d. These meetings are to help create a healthy work relationship with each induvial PM and provide a private platform for the PM to talk about what they are struggling with and what they need to meet their measures of success. These meetings should allow the VPM to mentor each induvial PM as needed. Some meetings may not require the full 30 minutes scheduled. Some PM conversations might not be work related and this should be accepted by the VPM to help foster the healthy work relationship.

    e. For more information on how to run a weekly one-on-one meeting review the training item listed as 'Manager tools' on template 7e – (required reading list) and watch the one-on-one video training (template folder 3k).

    f. The final one-on-one meeting of the month should include a review of the PM's Performance / Evaluation (PE) sheet. The PM should bring the completed PE sheet with them to this meeting and the VPM should review and discuss; paying special attention to the measures of success for each KRA. Use this end of month opportunity to give extra praise or coaching if necessary.

9. The VPM shall coach each PM constantly and provide on-going feedback.
   a. The primary time to give feedback is immediately at the time of the event. If this is not practical, then the VPM should note the event in their one-on-one notebook and the feedback should be given at the next weekly one-on-one.

   b. When giving feedback, the Grace Management behavioral values of "responsive" and "candid" should be followed.

   c. The VPM should work to ensure each PM always clearly understands **what** is expected of them, **how** they should do it, and **how** we measure success.

10. The VPM shall track continuing education (CE) and E&O Insurance of all licensed PMs to ensure that all necessary continuing education is current. Template 4.j.c
    a. Track all CE classes taken by licensed PM's and enter on template 4??   (CE tracking sheet)

    b. Track E&O Insurance

    c. Track NARPM membership – local and national

11. Keep PM files up to date with all necessary and required documentation.

12. Meet monthly with the PM to review the progress and status of each PM.

13. The VPM shall be responsible for resolving any inner-office PM issues, whether overt or covert; for the good of the team.

14. The VPM shall run and oversee the weekly Wednesday delinquency / vacancy meeting.
    a. All PMs are expected to attend this meeting.

    b. The meeting should be run with a high degree of efficiency to ensure time is not wasted and the meeting is beneficial.

    c. At the conclusion of the reporting by the DA and DL, the VPM may wish to give a quick update to PMs on current items.

    d. This meeting should not go over 60 min.

e. The VPM should review any and all owner negative balances on vacant properties with the PM's at this meeting. If PM's are properly following their System Manuals, then a negative owner balance on a vacant property should NEVER happen. However, this still does happen and when it does the VPM must follow up with the PM continually to get the negative balance paid, and to use the opportunity to remind all PM's that this should NEVER happen.

f. At the conclusion of the meeting, the VPM should send out a brief bullet point update in e-mail format to all PMs to recap and for any PM that was not able to attend the meeting.

15. Immediately following the monthly team meting, the VPM shall conduct a monthly PM group meeting
    a. The VPM should give any updates to the PMs that are necessary.

    b. The VPM should review one KRA from the PM SM.
        aa. The KRA to be reviewed should be the KRA corresponding to that month. For example: January = KRA #1; February = KRA #2, etc.

        bb. Once all KRAs have been reviewed (which should be in month 6), then a review of the template folders should be followed.

        cc. The KRA should be reviewed in detail as is necessary.

    c. As the VPM is responsible to ensure that all PMs KNOW and FOLLOW their PM SM, the purpose of this monthly review is to ensure that the PM's stay up to date with SM requirements.

16. At least one time per year the VPM should have a full line-by-line system manual training and review with all PM's together.
    a. The purposes of this annual full review of the PM System Manual is to ask each PM:
        aa. Is the System Manual correct in the way it describes what the PM should be doing?
        (if it is not, then this is an opportunity to update it)

        bb. Is the PM doing it per the System Manual?
        (if not, then this is an opportunity for the PM to correct their behavior).

        cc. How can we improve the processes?
        (update the SM)