



Property Management Software Selection GUIDE

Selecting property management software might seem like an overwhelming and time-consuming process, however if you have right tools to hand it doesn't require deep technological knowledge or long consideration. To go in-depth, all you need is a disciplined selection process – the one you probably already have available, assuming you are growing in the challenging property management industry.

We have prepared a guide reviewing the most critical steps in the property management software selection process. If you follow this guide, the selection process will be less risky and you'll be far more effective in your search for new software.

There are 11 steps you need to go through in the selection process:

1. **Determine your business pains**



Think about the really difficult challenges you are facing right now, and how life would be easier without them. Go through every part of your business processes and identify what is most painful for your efficiency, productivity, turnover & growth. List each item, and every time you start questioning your

choices refer back to them and check if the selected software can address the most painful parts of your business processes and heal your business.

2. Determine your new software requirements (separate the “must have” from “nice to have” things).



After determining what hurts the most, it's time to decide what key capabilities you need from the software. You have already determined the challenges; now think about what causes them, is it something related with your current system functionality and capabilities? Think about what your current system is not capable of doing, but which needs to be done. Talk with your co-workers to gather as much information as possible. This will be the foundation for the entire selection process. However, identify “must have” functionality and “nice to have” functionality, make a list and stick with it as you go further into the selection process, since one part is a must, but the other will cost you more for something you may never use. By knowing what you are looking for, you will be able to keep to a stronger position and tell the vendor what you need, rather than have him telling you.

3. Research the property management software market



Today there are so many property management systems you might get lost while exploring. At this stage, you need to filter out the valuable information from among all the whitepapers, presentations, blog articles, etc. This is where you need information allowing you to understand the basic property management functionality of the system and whether it offers more advanced functionality, but most importantly to imagine if the software has the capabilities you are looking for, and if it can improve your business processes.

The good side of this process is that most providers offer a lot of good content both on the system also on the industry itself. Therefore, in parallel with the software selection process you are also acquiring new and valuable information about the industry.

4. Build a short list



It would take months or even years to evaluate all the property management software in-depth, so drawing up a short list of software providers is a critical move. Narrowing down to just a few software vendors is one of the most difficult and most time-consuming steps, which could take weeks. However, since you already know what you are looking for in a new property management software solution, start with the list of all your reviewed systems, crossing out those not made specifically to serve your division or to manage your type of property. Then eliminate the systems that are not right for your business size, or serve the high-level of your determined requirements. Lastly, if you already know at least rough pricing, cross out the systems that seem out of your budget scope. Stay with no more than 5 vendors.

5. Try the software



There is no better way to feel the system than to try it yourself. A lot of vendors nowadays offer free trials. Use the opportunity to go for a test drive with your shortlisted systems. Try to run your most common routines and see how the system handles them. Try running the functions you are missing in your current system right now. How does it feel? Is the system capable of doing what you need? Even if you feel lost, or are missing something - chin up, you are using the system for the first time. And it is technology, so there might be much more to explore and more functions that can benefit your needs and help you make your property management business more efficient.

6. Get in touch with the vendors



The next step is to contact the vendors on your short list. The most important thing here is to educate them as much as possible about your needs. Only in this way will they be able to help you the most and show you the features and

software capabilities you need. Start by explaining that they will be evaluated along with the other vendors on your short list. Share your feature requirements and highlight the most important ones for your business. Let them know your timeline, what steps you are planning to take, and when. Explain what you expect from them during the selection process. In this way, they can guide you and help you in the best way possible during the selection process, demonstrate how their software can help you the most, and deliver what you need.

7. Ask for a live demonstration



For you, this is the most important step, this is where you see the systems and find out how they can help you. To get the most out of it, prepare specific demo scenarios with a list of processes and share it with the vendors. Let them know what you expect to see, and what functions the demo should cover. Otherwise both of you will be wasting time on things that are not important to you. Invite your colleagues and management to participate in the live demonstrations. Set a specific time and date for every demo of the different software systems, make notes on every specific process you asked to be demonstrated, ask questions and compare notes with your colleagues after the “show”.

8. Evaluate the software systems



So finally, you have seen the demonstrations and should now have a clear view of which solutions would benefit your needs. But don't rush into the decision-making. Go back to your list of “must” and “nice to have” functionalities and tick down which software providers offer what. This will enable you to eliminate those who do not offer your “must have” functionality and rank the rest. The ones offering all your “must have” functionality and most of the “nice to have” should be at the top of your list. Think about which vendors addressed your pains the best and kept to your demo scenarios most efficiently. Discuss this with your co-workers, find out what they think. You think you have a winner? Seems like the end of the process? A few more steps to go.

9. Evaluate the total cost of the solution



Although the most important thing is that the software will benefit your business needs, price is also very important. The software may do magic, but if it is out of your budget... you just can't afford it, period. So, request a detailed price quote from the selected vendors; just don't forget or hide necessary data for any reason (e.g. number of users). Be sure to ask for the total cost of the solution including indirect expenses such as training, support, upgrade fees, add-on modules, etc. Ask about the technical requirements from your side to run the system. Different vendors might offer different pricing models (license purchasing, subscription model), so be sure to find out all the pricing models each vendor is offering. The last thing is to unify the prices so that you can compare them easily on an orange-to-orange basis. Keep two or three vendors until the end. But finally, ask yourself one question: will this system handle both property management and financials, or do I need another system for accounting? And only then make a decision.

10. Ensure the vendor is credible



After the previous step, you should be ready to go with one vendor: the one who can best meet your requirements, listens to you and offers the best price for the value given. The next step is to ensure the vendor can be trusted and has done something similar before. Tell the one you have chosen that you are considering them and ask them to provide one or more customer references for situations similar to your case. Be sure to find out how the vendor handled the implementation, what the customer did not like about the system, what they would change in the system, but also do not forget to ask how it helped them.

11. Sign the agreement



You like the software, you are okay with the price, the vendor has been verified and seems to be credible, everything seems good and you are ready to go. One last step – the agreement. Discuss the terms with the vendor and wait for the agreement to be prepared. Make sure you review all parts of the agreement: the terms are as you discussed, the price is right, there are no hidden fees. Everything is right and in place? Congratulations, you have successfully finished your software selection process and are ready to go ahead!



Let your challenges become your motivation to change your business for the better!