

## **What the Heck Does That Mean? Using Management Software Reports to More Effectively Manage Our Storage Facility**

With improving management software programs, we are in a much better position to maintain tenant information, track income, late fees, move-in and move-out activity and financial information about our facility. At a glance we can see occupancy levels, monthly income, the number of rented and vacant units and the accounts receivable.

### **Management Summary Reports**

The Management Summary report is one of the most important tools you can use to review the performance of a property. However, there are some steps you should take to make sure your management summary report is working in the best way possible for you.

The first step is making sure the report gives you the information you need, including money collected; any concessions given to tenants; rental activity; economic, unit and square foot occupancy; potential rent; and rents that are past due.

The second step is to double check how the metrics are calculated. Metrics can be calculated in many ways and can skew the analysis if not calculated properly. For instance, a metric called "actual total rent" on one report could be called "projected rent" on another, and both are calculated as the sum of the monthly rent rate for every renting customer on a given day. The metric names are not necessarily indicative of their calculation. However, one cannot live on a management summary report alone. Without a frame of reference, the report does not tell you enough about how the property is performing compared to its potential.

### **Potential revenue reports**

Sometimes this report is called a unit mix report or occupancy statistics report. Whatever the name may be, this is an important report that lists all existing unit types at a property, tells you how many of them you have, how many are rented and at what rate and the current street rate for that unit type. If your move-ins are slow, you may want to study this report along with the competitive rates to make sure you are priced correctly.

If your existing tenants are paying much more than your street rates, you may be able to increase the street rates marginally. If you have one or two unit types with many vacancies, you can use this report to determine if you should do a conversion, taking down some walls to create larger units. You need to have the right unit mix at the right price to maximize profits.

### **Accounts Receivable/Collections Worksheet Reports**

Far too many self-storage operators avoid learning about or understanding this critically important report. The ability to effectively collect rent is the lifeblood of the self-storage business and this report assists in the systematic review and understanding of the status of the accounts receivable.

- Categories of past dues
- Amounts due in each category
- Tenant name, address & phone numbers
- Paid thru date
- Total amount due
- Last paid date

- Last paid amount
- Additional names and phone numbers

It is important to review this report/worksheet:

- Lien steps
- Tenant flow
- Documentation
- Updates

### **Demographics/Marketing reports**

Most management software systems have a survey tool built into them. This allows you to ask new and potential tenants a few critical questions at move in such as:

- How did you hear about us?
- What is the most important factor to you when deciding where to store your belongings?
- Did you use a printed phone book to look up our telephone number?
- How far away do you live?

The answers to these questions will help you determine if your marketing efforts are working and, subsequently, where to spend your marketing dollars going forward to get the highest return on investment. Study who your customers really are so you aren't marketing to those who aren't.

### **Audit Reports**

### **Non Standard Reports**

### **Trend Reports**

### **Exceptions Reports**

### **Discounts & Concessions**

**Your Management Software Reports should be used to operate your facility at its peak efficiency:**

- **Are you renting units? More or less than in the past?**
- **How much revenue can you collect and how much are you collecting?**
- **Where do your customers come from?**
- **Are policy and procedures being followed?**
- **How can you increase revenues?**
- **Are poor sales skills restricting potential income?**
- **How can you increase the value of your facility?**
- **Can you identify potential theft?**
- **Does the level of activity match the payroll?**

**Use your Management Software as a Partner in Profitability.**