The value-based tech buying guide for multifamily

7 steps for choosing technology that maximizes net operating income (NOI)

knock

Welcome

Technology is a strategic investment. When you invest in new technology, you need to ask: What return am I going to get? Will this tech give my business a competitive advantage? Are my goals aligned with what the tech partner is providing?

One more question: Do your executives, owners, or investors understand that the right technology can optimize your budget and increase NOI? They should.

In this guide, you'll learn how to strategically evaluate tech products for their ability to add value to your organization and increase NOI (net operating income), including:

- Identifying the goals and KPIs (key performance indicators) you need the tech to address.

- Involving and securing buy-in from owners and stakeholders across your organization.

- Finding and selecting tech that can handle your must-have needs, like accurately measuring leasing performance as well as team performance.

Plus, you'll have access to all the handy templates and resources along the way.

knock

TABLE OF

CONTENTS

7 steps for a value-based technology evaluation

No matter what caused you to download this guide, before moving into requirements or research, take a look at your organization to determine if you're ready to undertake a value-driven approach to your tech.

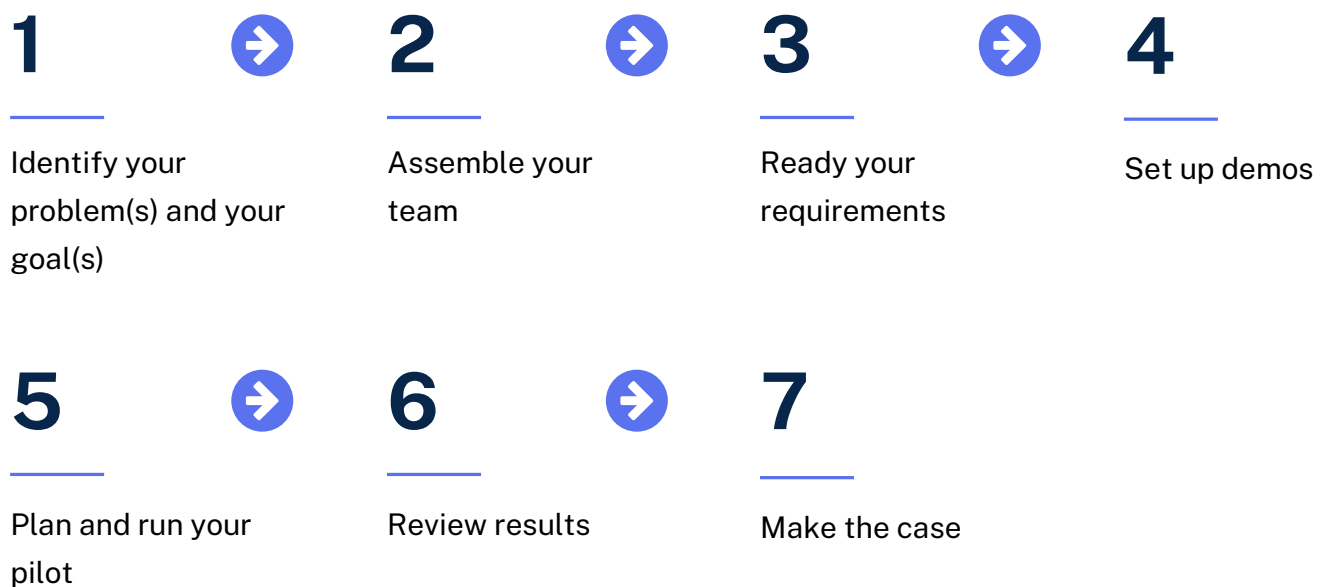To start, answer these three questions:

1. Can I further optimize our NOI?

2. Are my teams happy with the tools we've provided? Can we do better?

3. Am I interested in meeting prospective residents where they're at, and in the ways they prefer to engage with my brand?

Did you answer "yes" to some or all of them? If so, then you've identified some of the key drivers of value for your technology and your business.

Next steps? Use a value-based framework outlined in the steps that follow. Each will give you instructions and a blank template to use for your own organization.

1 →   **2** →   **3** →   **4**

Identify your problem(s) and your goal(s)

Assemble your team

Ready your requirements

Set up demos

5 →   **6** →   **7**

Plan and run your pilot

Review results

Make the case

1. Identify your problem(s) and goal(s)

Start with the big picture, and identify the problems you want to solve in your overall strategy and execution. Some of these could include:

- Unable to accurately find and understand blind spots and problems at communities.
- Poor leasing reports which can adversely affect business decisions.
- Having trouble maintaining consistent oversight across your portfolio's many properties.

Know Why

Think about why a specific problem is happening — what's behind it? The process is like peeling back the layers of an onion. If you think you've answered the question, ask why again. What are you missing? Keep going until you are positive you understand what is actually driving the problem and where you think tech can be used to solve it.

Set Your Goals

The next step is to create goals and KPIs (key performance indicators) around your goals. Goals focus on solving these kinds of problems, while KPIs measure your progress to goals. Maybe it's increasing conversions by 10% month-over-month, or cutting response times down to under an hour. Whatever you choose, make sure the KPIs are both actionable (meaning specific enough to take tangible steps) and measurable.

Use the Problem Solving Template

Answer the questions outlined in the template. They will guide you in identifying your problems and goals.

	Attract	Convert	Retain	Pricing
Volume & Conversions	Do you know what pipeline you need and where to invest to create it?	Are you meeting your sales conversion standards?	Do you have renewal predictability?	How should you be pricing to maximize revenue and conversions?
Insights	Do you know exactly where to ramp up or decrease spend to hit your goals?	Which leasing agents are over and under performing? Why?	Do you know which residents are likely to renew and which are not prior to notice?	Do you have current pricing benchmark data?
GOALS:	What are 2-3 goals and associated KPIs you can create based on your evaluation?			

Download template

2. Assemble your team

Now that you have your goals, it's time to assemble your team. That means reaching across your organization to stakeholders from various departments.

Involve stakeholders early, because technology decisions have significant — and sometimes unexpected — downstream impact. Plus, no one wants to be surprised.

Understand their perspective on the problem(s), goal(s), and how they want to be involved. Over communication is always better than lack of communication, and be sure to set an agreed-upon communication schedule to maintain expectations.

Use the Stakeholder Map Template
Fill in the answers in the Stakeholder Map below to help you understand who you will need on your evaluation team, and how to best involve different groups in the decision-making process.

	What are their primary KPIs?	What do they care most about?	Will this technology decision impact them? If yes, how?	When do they need to be involved in the decision-making process?	How should they be involved in the buying process?
Ownership					
Operations					
Training					
IT / Innovation					
Finance					
Legal					
Onsite					

Download stakeholder map

3. Ready your requirements

Know what you need vs. what you want.

First, the must-haves: Requirements for value-based technology should be things that you absolutely need to meet your goal(s), accurately measure leasing performance, and ultimately increase NOI.

If you have the time (and budget), only then consider additional nice-to-haves.

Use the Technology Readiness Worksheet
Answer the questions included in the worksheet. These will also come in handy during Step 6.

[Company name] Technology Readiness Worksheet
Core business problem: How do I describe the core business problem(s)? What is the current impact on NOI? What happens if we do nothing?
Top KPIs to improve: What KPIs do I associate with this problem? What am I trying to improve?
Problem causes: Why is this a problem? What is causing it? What did I look into and discover?
Top 3 solution requirements: What are the must-haves vs. nice-to-haves? Are there things we need to avoid or pitfalls we're aware of?
Integration requirements: Does this tech work with my current technology (PMS, CRM, etc.)?
Key internal stakeholders: What other people/departments need to be involved in this decision?

Download worksheet

4. Set up demos

Now that you've identified your problems and goals, it's time to explore tech options that might work for you.

Start With Your Network
Start with recommendations from coworkers, industry friends, social media forums, and even consultants, because they can share what has or has not worked. You can also explore what competitors use, attend trade shows, and search the web. Then, do a bit of research to decide if — on the surface — these companies have the tools to help you reach your goals. The ones that look like they can go on your short list.

Book Product Demos
Once you've narrowed down your list, book demos with your top choices. Demos are the time to understand what is possible. Initial demos are often followed by more technical conversations as you narrow down your search and dig into capabilities and integrations.

Use our **Vendor Solutions Capabilities Research Worksheet** to assist in this process.

During the demo process, you may initially talk with a salesperson, and along the way could speak with a product expert, integration engineer, or even executive leadership of the vendor. Be sure to ask all your questions so you have the details to make a highly informed decision.

Evaluate the Partner
When you evaluate tech, you're not only reviewing capabilities — you're also evaluating your relationship with the vendor, their customer service and tech support, and their roadmap (the vision for the future of their product).

Because every multifamily company is different, there is no one right solution. Each organization decides what is valuable for them by determining what helps them accomplish their goals, fits into their capabilities, and ultimately drives NOI.

Serious due diligence is the name of this game. Go as far into the weeds as possible. Our **Vendor Demo Evaluation Worksheet** can help. This is also a time when IT and other partners should be involved, because integrations are vital to the success of value-driven technology. The product and service that comes out on top of these will be the one that best suits your business and organizational needs and helps you hit your goals. Remember, it's OK if you need more than one tool to do this — just make sure you have a plan and process for how the tools you choose work together.

Use the Vendor Capabilities Research Worksheet

Evaluate potential vendors against the requirements you previously outlined using the Vendor Solutions Capabilities Research Worksheet.

Vendor Solution Capabilities Research Worksheet					
Vendor Name	Core capability	Requirement 1:	Requirement 2:	Requirement 3:	Yes or No?
Vendor 1:	Include the main function of the vendor here. What was it created to do? Is this the core capability today?	Using your research, does this vendor meet your requirements?	Using your research, does this vendor meet your requirements?	Using your research, does this vendor meet your requirements?	Do you want to move forward with a demo from this vendor?
Vendor 2:					

Download worksheet

Use the Vendor Demo Evaluation Worksheet

The Vendor Demo Evaluation Worksheet helps guide your conversations and track the details during your evaluations. The vendor with the highest score is likely the best choice to move forward with a pilot.

Multifamily Growth Technology Partner Evaluation Form								
Score (#) Key	**Goals**							
E = evaluating / not enough information / digging into it	**1** [fill in goal]							
0 = does not meet requirements / blocker for success	**2** [fill in goal]							
1 = meets some requirements but not a good solution for goals	**3** [fill in goal]							
2 = meets some requirements and could support goals with significant work	**[Vendor 1 Name]**		**[Vendor 2 Name]**		**[Vendor 3 Name]**		**[Vendor 4 Name]**	
3 = meets base-level requirements / solves critical need and could support goals with some work								
4 = exceeds requirements / solves critical need and support goals with little work	[Main contact name]		[Main contact name]		[Main contact name]		[Main contact name]	
5 = exceeds expectations / solves critical need and supports goals out of the box	[vendor website]		[vendor website]		[vendor website]		[vendor website]	
Highlight top 5-7 must-haves in yellow. These directly support your goals.	[date evaluated]		[date evaluated]		[date evaluated]		[date evaluated]	
	#	Notes	#	Notes	#	Notes	#	Notes
Company health and growth								
Leadership team experience w/ tech (What is the leadership tenure?)								
Leadership team experience w/ multifamily								
Funding / investors (Stability, will you be around in 3 years? In 30?)								
Employee tenure								
Year-over-year growth (performance, customer base, employees, etc.)								
Dedicated integration engineers and product support								
Dedicated [insert important feature] engineers and product support								
Available referrals (not from investors)								
[insert additional requirement]								
Only add rows in this section above this line	0		0		0		0	
Company health and growth notes: What is the customer support / bug resolution process? Do you have 1:1 access to support or is there a process? What is typical timing? Escalation process?	[enter notes]		[enter notes]		[enter notes]		[enter notes]	

Download worksheet

5. Plan and run your pilot

Now that you've chosen a tech solution from among your demos, it's time to run a pilot of the product.

Before rolling out a new anything to your portfolio, run water through the pipes. This way (to continue the metaphor), you'll find and fix leaks before they cause a flood.

Working with your pilot partner and your team(s), revisit your KPIs to determine if (1) they are still the right ones for the pilot and (2) how these KPIs from their tech will help you reach your goals.

During your pilot, stay in regular contact with the vendor and your internal stakeholders. Set up designated performance conversations so you can fully grasp the product's return on investment and solve support or implementation issues.

And let's be clear — issues will come up. And that's totally OK! The pilot is the time to test and to get things wrong. It's also an opportunity to experience how implementation, training, and technical support will work at scale.

Use the Pilot Planning Template
The pilot will help you determine if you're solving the right problems and if the technology is value-driving. The Pilot Planning Template will help you stay focused on value and organized.

[Vendor] Pilot Period: [Date - Date]				
	Preparation / Kickoff	Implementation and integrations	Training / Onboarding	Adoption and ongoing usage
Timing & Duration				
Vendor Needs & Resources				
Vendor Tasks				
Internal Needs & Resources				
Internal Tasks				
Internal Communication (Who needs to know what and when)				
Bugs/Support Issues				

Download template

6. Review the results

Were you able to improve NOI in a meaningful way? Increase conversion rates? Now's the time to dig through the data and see if the tech made a difference.

However, all this focus on numbers and NOI doesn't mean qualitative inputs aren't valid. They definitely are! How easy was the vendor to work with? How fast did they respond to request? How easy was the product to use? While returns are the most important part of the evaluation, choosing a vendor who works well with and for your teams also creates value.

Use the Pilot Results Worksheet
Promises of the future are nice, but if the tech you piloted didn't provide results, then it's time to evaluate a different solution to help you reach your goals. Use the Results Worksheet to help clarify and distill the data you need to make your case.

NOI Impact

	Before	Month 1	Month 2	Month 3	% Change After Pilot Completion	Impact to NOI
KPI 1						
KPI 2						
KPI 3						

Strengths/Weaknesses

	Strengths	Weaknesses	Satisfied (Y / N)
Integrations			
Implementation			
Onboarding			
Training			
Support			
Adoption			
Vendor overall			

Download template

7. Make the case

If all goes well, you'll likely need to make the case for a larger roll out. It's time to justify the cost and show improved NOI in a business case.

A successful business case typically includes:

1. **Overview of the problem**
2. **Summary results**
3. **Summary of benefits or considerations for other departments**
4. **Summary of how your team will use the technology**
5. **Example of the problem and benefit**
6. **Cost**
7. **Additional considerations**
8. **The cost of not implementing the technology portfolio-wide**

Share the justification with stakeholders who have input into the budget decisions to formalize the approval and buy-in of the value-based technology decision.

Use the Business Case Template
The Business Case Template will guide you in writing the justification of value-based technology. You will use the information from this entire evaluation process to summarize your points and drive home why you need value-driven tech at your company.

Overall Impact

	Before	Month 1	Month 2	Month 3	% Change After Pilot Completion	Impact to NOI
KPI 1						
KPI 2						
KPI 3						

Strengths/Weaknesses

	Strengths	Weaknesses	Satisfied (Y / N)
Integrations			
Implementation			

Download template

Conclusion

As technology continues to play an essential role in boosting the performance of multifamily portfolios, applying a value-based methodology will ensure that investments made today will positively impact your organization in the future.

1 →

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4

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5 →

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6 →

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7

Make the case

Download all the templates in this guide

Knock improves NOI by bringing automation and deep business intelligence into each phase of the revenue lifecycle. Find out how Knock can increase your NOI.

Request a Demo

About Knock

Knock is an award-winning CRM and performance management platform for residential property management companies. Hundreds of the leading apartment managers and owners across North America rely on Knock's automation, integration, and data transparency tools to improve occupancy and renewal rates. Knock is based in Seattle and was founded in 2014. For more details, visit **www.knockcrm.com**.