

ENUMERATE::.

Measure What Matters: Top KPIs for Building Successful Communities



Introduction

In the world of managing community associations where technology, customer expectations, and competition are constantly changing, Key Performance Indicators (KPIs) are more important than ever. They give managers the tools to identify areas for improvement, recognize successful strategies, and understand how each part of the company contributes to the overall business health.

KPIs help address various challenges for property management companies that go beyond just administrative tasks by pinpointing gaps to fill and revealing new opportunities to take.

Table of Contents

03

What are KPIs?

Why are they important?

What challenges do they address for community management?

05

7 KPIs to build successful communities

07

How to track and analyze

What are KPIs and Why are they important?

Key Performance Indicators (KPIs) are measurable values that reflect how effectively a company is tracking towards their business goals. In community management, KPIs help track financial growth, operational efficiency, and service quality. These insights enable data-driven decisions and help deliver value to both clients and residents.

KPIs are not just about measuring current performance—they also provide **leading indicators** that help businesses forecast future trends and make proactive adjustments. For example, tracking resident sentiment or service response times allows management companies to address potential issues before they impact clients or residents.

By regularly measuring KPIs, management companies can also **align their team's efforts**, ensuring all departments—from community association managers (CAMs) to financial services and operations—are working towards shared objectives. This ongoing tracking ultimately supports both short-term success and long-term growth.



What community management challenges do KPIs address?

Management companies face numerous challenges that can hinder profitability and client satisfaction. In a resource constrained world, KPIs help staff focus on the most important results for the business. Here are some of the key challenges KPIs can address:

Financial Management:

- **Challenge:** Balancing the budget, ensuring timely AR and AP, and managing cashflow.
- **How KPIs help:** Financial KPIs like budget variance, delinquency rates, months of cash on hand, and reserve fund balances help track the financial health of the community—making it easier to adjust strategies to reduce delinquencies and make budgetary changes.

Resident Engagement and Satisfaction:

- **Challenge:** Keeping residents engaged and satisfied can be difficult to manage, especially in larger communities where there may be diverse needs.
- **How KPIs help:** Surveys or feedback mechanisms to measure resident satisfaction allow property managers and community associations to address concerns before they escalate, improving overall living experience.

Scaling Services and Profitability:

- **Challenge:** Managing increased demands for services, ensuring consistent quality, and controlling rising operational costs. As the business grows, the balance of it all becomes increasingly difficult across a larger portfolio.
- **How KPIs help:** KPIs such as Net Operating Income (NOI) and profitability per community can help identify opportunities to grow or cut back to maintain your business operations.

Operational Efficiency:

- **Challenge:** Managing day-to-day operations smoothly can be a challenge, especially when resources are limited or poorly allocated.
- **How KPIs help:** KPIs like staff productivity, maintenance completion rates, or resident response times can highlight operational gaps, so managers can optimize processes and resource allocation.

Staffing:

- **Challenge:** Hiring the right people, training them on the business and retaining them over time requires significant resources.
- **How KPIs help:** KPIs like average days to fill open roles, staff satisfaction and regrettable attrition can help monitor performance over time and highlight areas for improvement.



7 KPIs to support growth in community management

The following KPIs are pivotal in helping community management companies track performance, address challenges, and capitalize on growth opportunities:

1

Net Operating Income (NOI)

Why It Matters: NOI is the money left over after operating expenses are subtracted from total revenue, offering a clear picture of financial health. It's particularly important for assessing profitability of the management company. For associations, it can be a good health check as to whether they are operating within their means, which is important for non-profits.

What to Track: Gross income minus operating expenses.

2

Cash Available

Why It Matters: Cash on hand is key to maintaining operations of the management company and is also important to monitor at an association level. A healthy association should have operating cash at month end equal to 2-3 months' worth of their operating expense budget.

What to Track: (Total operating cash – prepaid owners assessment)/monthly budget.

3

Profitability per Community

Why It Matters: Every community under management has different needs and costs to serve. Understanding this metric will ensure you charge the right amount to maintain your profitability.

What to Track: Allocate all shared costs to each community based on estimated usage (e.g., % of residents). Summarize those costs along with direct costs for the community. Subtract that from the fees you make from that community to get to profitability per community.

4

Resident Satisfaction Rate

Why It Matters: A high customer satisfaction rate directly correlates with client retention and the likelihood of future referrals. By tracking this, community management companies can make timely adjustments to service delivery.

What to Track: Positive reviews, complaints, survey results, or Net Promoter Scores (NPS), which is $(\text{Promoters} - \text{Detractors}) / \text{Total Respondents}$. Net Promoter Score (NPS) is a 0 to 10 rating of would you recommend this company. Scores of 0 to 6 are detractors whereas scores of 9 or 10 are promoters. NPS is the % of promoters - the % of detractors.

5

Board Satisfaction Rate

Why It Matters: Board satisfaction directly leads to your retention of the community. High turnover of communities means higher marketing and operational costs. This KPI is an early indicator as to whether they are retaining clients.

What to Track: Board surveys, complaints, tickets/support issues.

6

Customer Service Efficiency

Why It Matters: Efficiency is a key driver of profitability and service quality. By tracking how effectively internal processes run—like service requests, billing cycles, and response times—companies can identify areas for improvement.

What to Track: Time to resolve service requests, response times to customer inquiries, and automation of administrative tasks.

7

Staff Retention

Why It Matters: Hiring staff is time consuming and expensive – training takes time and a toll on others who are filling gaps. Ensuring you hire, train and retain the best talent can be a great competitive advantage.

What to Track: Employee satisfaction, number of regrettable employee departures, employee retention rate per year.

How to develop and track KPIs for your business

Developing KPIs tailored to your business requires a strategic approach that ties performance metrics to specific goals. Here's how you can develop meaningful KPIs:

01 Step 1: Set Clear Company Objectives

The first step in developing KPIs is defining your business objectives. What are you aiming to achieve in the long-term and short-term? Is it increasing profitability, improving operational efficiency, reducing client churn, or expanding your portfolio? Clear objectives provide a roadmap for the KPIs you need to track.

Examples of Objectives for a Property Management Company:

- Reduce operational costs by 15% through process optimization
- Increase portfolio size by expanding services to five new communities by year end
- Enhance resident satisfaction by improving service response times by 20%

*"Companies that set their performance goals quarterly generate **31% more returns** compared to those who review their goals annually."*

- [Forbes, 2018](#)

02 Step 2: Identify the Steps Needed to Achieve Your Goals

Once your objectives are set, identify the actions required to achieve them. This could include steps such as implementing an [updated accounting software](#), automating billing, refining resident communication strategies through implementing [engagement technology](#), or investing in staff training. Knowing the steps to take will help you pinpoint the right KPIs.

Example Steps to Achieve Goals:

- Invest in automation tools to streamline billing and payment collections
- Launch monthly satisfaction surveys to gather client feedback
- Develop a client retention strategy focusing on engagement and communication
- Implement AI-powered chat to answer resident inquiries

03

Step 3: Select the Right KPIs to Track

With your objectives and action steps outlined, select KPIs that will give you the most valuable insights. Choose KPIs that are specific, measurable, and relevant to your goals. These metrics should help you evaluate the effectiveness of your efforts in real-time.

Tips for Choosing KPIs:

- Ensure KPIs are **Specific, Measurable, Achievable, Relevant, and Time-bound** (SMART).
- Align KPIs with both **short-term objectives** (like monthly profitability) and **long-term goals** (like customer lifetime value).
- Track KPIs that highlight both **performance outcomes** (business results) and **early indicators** of progress towards those outcomes (activity and process outcomes).

04

Step 4: Set Targets and Reporting Frequency

For each KPI, set clear and realistic targets that are based on past performance data, industry benchmarks, and company best practices. Additionally, decide how often you will track and analyze each KPI—monthly, quarterly, or annually. Setting a frequency ensures continuous monitoring and timely decision-making and adjustments.

Examples of Targets:

- **Profitability Growth:** 10% year-over-year
- **Service Response Time:** Resolve 95% of service requests within 48 hours next quarter
- **Resident Satisfaction:** Increase resident satisfaction by 15% in 6 months

Tracking Frequency Examples:

- **Monthly:** Profitability Growth, Service Response Time, Client Satisfaction
- **Quarterly:** Service Response Time, Operational Costs
- **Annually:** Client Retention, Profitability per Community



05

Step 5: Communicate to Employees

Ensure each employee knows the KPIs that are most important for the company, as well as the ones that they are being held accountable for. Discuss the specific action plans and projects that they will be responsible for in order to achieve the outcomes.

“A survey of 11,000 senior executives from over 400 companies revealed that only a third of senior managers can correctly identify their firms’ top three priorities.”

- [London Business School](#)

06

Step 6: Analyze and Act on the Data

It’s important to analyze the data on an ongoing basis. Reviewing KPI performance regularly allows you to identify trends, both positive and negative, and take proactive actions. Often, these actions require further analysis. For example:

- If profitability growth is slower than expected, you might analyze operational costs to identify where changes are needed.
- If service response times are too long, you may need to evaluate team workflows or invest in technology that speeds up response times.

Analyzing the data from your KPIs can also uncover new growth opportunities. For example, you may find that certain types of communities are very profitable for your team to manage. When you are evaluating new management opportunities, you can use this data to set appropriate pricing and ensure you only take on the right fit communities for your company.



Conclusion

Key Performance Indicators (KPIs) are an important tool for management companies to use to achieve their business goals. When used most effectively, each business objective has a clear action plan for achieving it and a few KPIs to measure whether the company is making progress towards and achieving the goal. Finally, it's critical that these plans are communicated across all levels of the organization and ownership is established to ensure that everyone is executing on the same priorities.

Discover how Enumerate's community and HOA management software can help support your KPIs and business goals - [Click here to book a demo](#)
