

Focused On Retention

Like the rest of the nation, the student housing sector is dealing with an employee shortage – just as students are spending more time in their residences.

By Nellie Day

Student housing has a problem. It's not a unique problem, mind you, but one that is nevertheless affecting owners, residents and bottom lines. It's a lack of labor. The Great Resignation, as many call it, has been in full swing since April 2021. It reached a new high in November when 4.5 million workers — or 3 percent of the U.S. workforce — quit their jobs, according to the Labor Department's latest stats.

While there aren't specific numbers on the student housing industry, the trend certainly isn't helping the sector. Some roles, such as maintenance workers, have also been more impacted than others.

"The pandemic has turned the workforce upside down," says Sara Clark, senior vice president of property management for Raleigh, North Carolina-based The Preiss Company. "From a site perspective, our greatest impact has been in staffing shortages within our maintenance teams."

Clark notes her firm relied on vendors to assist when Preiss's properties were short staffed, but many vendors had staffing issues as well.

"Utilizing vendors to handle maintenance-related tasks has proven cumbersome from a timing perspective and cost standpoint," she continues. "Turn was a challenging time, as many vendors had fewer employees to handle the large number of beds needing to be turned."

This less-than-optimal result convinced Clark of one thing: staffing shortages and operational inefficiencies needed to be top priorities if Preiss was going to provide the type of student housing experience it promises.

Attention On Retention

It's common knowledge that it's more efficient to retain an employee than to publish a "help wanted" job listing, interview applicants and train the selected candidate. Retaining an employee, however, isn't always easy. Especially in this environment. Especially with maintenance workers.



SARA CLARK
Senior Vice President,
The Preiss Co.

Clark notes her firm relied on vendors to assist when Preiss's properties were short staffed, but many vendors had staffing issues as well.

"Utilizing vendors to handle maintenance-related tasks has proven cumbersome from a timing perspective and cost standpoint," she continues. "Turn was a challenging time, as many vendors had fewer employees to handle the large number of beds needing to be turned."

This less-than-optimal result convinced Clark of one thing: staffing shortages and operational inefficiencies needed to be top priorities if Preiss was going to provide the type of student housing experience it promises.

Attention On Retention

It's common knowledge that it's more efficient to retain an employee than to publish a "help wanted" job listing, interview applicants and train the selected candidate. Retaining an employee, however, isn't always easy. Especially in this environment. Especially with maintenance workers.



Managed by the Michaels Organization, the 3,402-bed Park West is walking distance to the Texas A&M campus. It features maintenance-heavy amenities like a 50,000-square-foot rooftop lounge with three resort-style pools, multiple fitness centers and on-site convenience store.

"The biggest challenges are in maintenance positions," says Casey Petersen, COO at Atlanta-based PeakMade Real Estate. "When we lose someone in maintenance, we overwhelmingly see that they are leaving for significantly higher pay, many times to other industries. Not surprisingly, we find that replacing those roles ends up being much more expensive."

Nick Morrison, talent acquisition manager at Denver-based Cardinal Group, has also witnessed a migration of maintenance workers to higher-paying positions within other industries. He believes this trend will continue until the student housing industry and its decision-makers start taking a proactive approach to recruiting and retaining talented workers.

"Our industry does a poor job of painting a picture of growth and opportunity for potential maintenance personnel, yet we act surprised when all we see from a recruiting

perspective is a static pool of potential job seekers in each market," Morrison says. "I would bet that many fellow talent professionals in our space would agree that, regarding maintenance, it's a revolving door of the same characters in the same markets who would — and rightly so — move to the community down the street for a dollar more per hour."

Of course, retaining talent can involve many different strategies for maintenance workers and other highly sought-after talent. One of the biggest — and most effective — strategies involves higher compensation. Petersen notes PeakMade takes a preemptive approach to combating turnover by identifying positions and local markets where they might have exposure. It then adjusted compensation to preemptively try to prevent the position from turning over.

Putting A Value On Talent

Cheree Lujan, senior vice president of student living management at the Michaels Organization, adds that although many people view maintenance roles as "entry level" or "low-skilled," that isn't necessarily the case.

"Skilled technicians are hard to find, so we find that we are paying more than what we originally budgeted," she says. "It's that, or



NICK MORRISON
Talent Acquisition
Manager,
Cardinal Group

STAFFING

you continue the search.”

Continuing the search is exactly what student housing operators will have to do if they're not willing to play ball and fight for individuals with highly valuable skill sets.

“There is still considerable competition for talent coming from the broader multifamily industry, which is throwing a lot of money at candidates with experience in any residential product type,” notes Josh Logelin, managing director and head of the student housing search practice at Specialty Consultants, an executive search firm. “Our most recent student housing compensation survey showed a flattening last year, and that will need to change if companies are serious about attracting and retaining key employees.”

Of course, money isn't everything. Having a voice is important, too. That's why Cardinal created Group Facilities Managers and Maintenance Talent Advisors. These representatives act as advocates for and trusted advisors of the maintenance community. They also serve as ambassadors to the multifamily industry within specific trade schools and groups.

“These specialized teammates participate in every discussion around how policies, procedures and initiatives would affect our maintenance teams,” Morrison says. “Their mandate is to ask the bigger questions and give a voice

to the maintenance teams in a larger setting.”

These talks have led to discussions and benefits surrounding healthcare, retirement planning and tuition reimbursement.

“Above all else, they have an opportunity to have a permanent station where they have a voice in how a multifamily asset is run,” Morrison continues. “By utilizing these teammates — each of whom began as porters and are now in leadership roles — to tell authentic stories, we are able to penetrate the veil and show potential maintenance candidates that a career at Cardinal includes benefits not only for the potential candidate, but also for the people the candidate cares about. They are given reward, opportunity and a well-deserved, yet often underappreciated, voice.”

Opportunity for advancement and larger responsibilities is another key retention strategy. That's because a real or perceived lack of up-



JOSH LOGELIN
Managing Director,
Specialty Consultants

ward mobility can cause key personnel to look elsewhere. Lujan knows this, which is why the Michaels Organization likes to promote from within whenever possible.

“We have so many talented individuals eager to take that next step and advance within their current organization — but they need the opportunity,” she says. “I often hear, ‘they're not ready for that next step.’ In some cases that may be true, but nine times out of 10, they will surprise you. They only need one person to believe in them and take a chance.”

And if ever there were a time to take a chance on existing employees, the pandemic was it.

“Workforce shortages have given us the opportunity to spread responsibilities to other members of our teams,” Clark adds. “This, in turn, is helping them prepare for future career growth and moving into the next level position.”

Logelin points out that the media was hyper-focused on schools going virtual and students foregoing in-person classes in fall 2020. He believes this also led many student housing professionals to jump ship in favor of perceivably greener pastures. This, of course, exacerbated the nationwide employee shortage already underway.

Then supply chain issues led to a service backup, further straining the staff that did

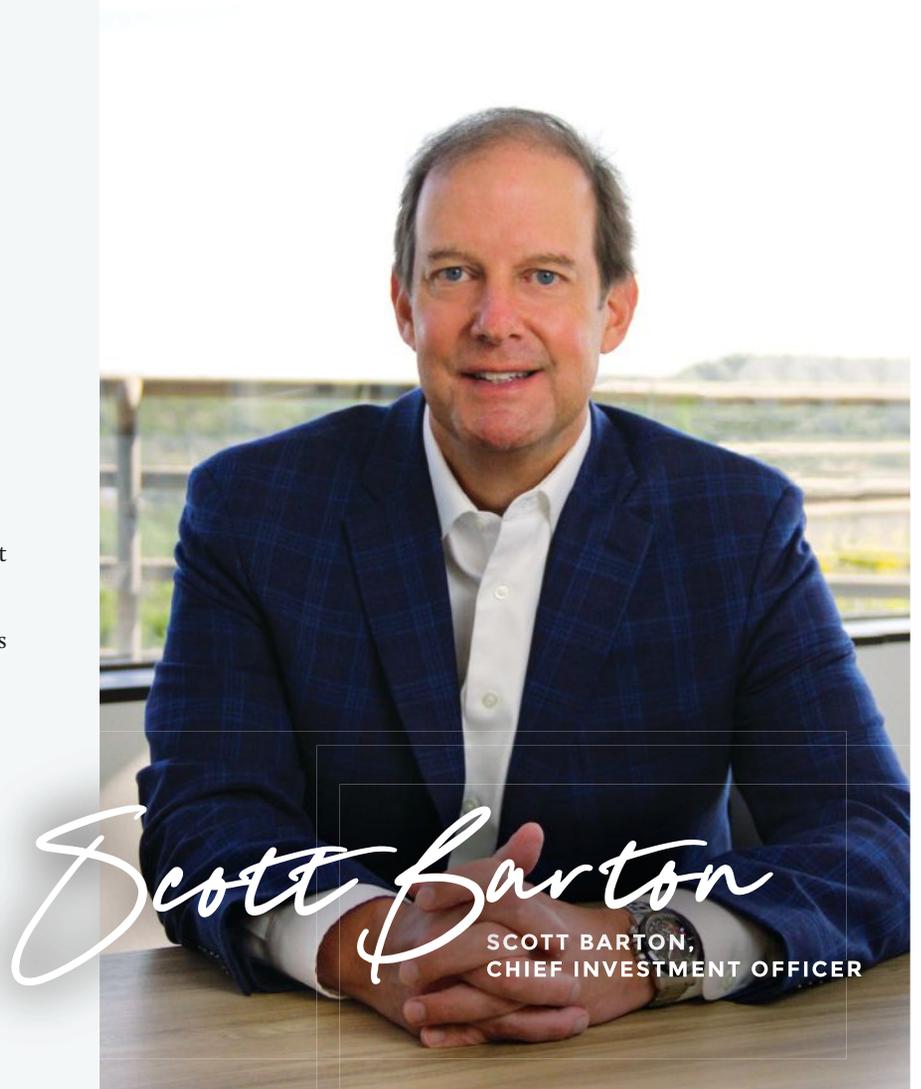


THE RIGHT CHOICE

WHEN EXPERIENCE MATTERS.

With two decades of experience investing on behalf of some of the biggest names in a broad variety of real estate verticals, Scott Barton recently joined Campus Advantage as Chief Investment Officer. His expertise leads him to be more bullish than ever about the opportunities for growth in the student housing sector, and we're proud to announce his executive oversight on behalf of our current and future partners' assets. If you're a private investor looking to participate in this proven vehicle, please visit the link below — there's never been a better time to make an entrance.

LEARN MORE AT [CAMPUSADV.COM/INVESTNOW](https://campusadv.com/investnow)



Scott Barton
SCOTT BARTON,
CHIEF INVESTMENT OFFICER

show up.

“A shortage in staffing resulted in the need for many site teams to roll up their sleeves and work together to get the job done,” says Nick Drummond, regional vice president of Landmark Properties. “This meant many site team members had to adjust their focus and take on tasks that might not necessarily fall into their typical job description.”

And as if this weren’t enough, one additional issue added yet another straw to this camel’s back.

“A resulting dynamic that is not as well known is that students are spending much more time in their apartment communities in virtual learning settings, which only further increased expectations from a service standpoint,” Petersen says. “Student housing has always been a high-touch customer service model, and the pandemic has pushed that concept even further. At Peak, we are laser focused on the resident experience, and closely monitor online reputation, as well as survey a portion of our residents every single month. It’s critical for our business that we have happy customers, so we empower our team members to create memorable moments for them every day. To execute on that strategy, it’s incredibly important that we attract and retain team members who care, and who want to be a part of a service-oriented culture.”

Morrison notes that maintenance workers play a particularly crucial role in the success of a student housing experience.

“A resident will not remember the name of the person they rented the apartment from, but you better believe they know by sight and name the maintenance people who create a memorable living experience,” he adds. “It’s the work of those maintenance professionals who do what they do best that results in lease renewals, not so much the ‘Taco Tuesday’ events put on by the office team. If our industry is to survive past the COVID era, it needs to become serious about recognizing, upskilling and reinforcing the true heroes on site.”

For this reason, Cardinal provides clear and attainable career progression opportunities. This includes the ability for maintenance personnel to obtain their EPA (Environmental Protection Agency) and CPO (Certified Pool/Spa Operator) certifications free of charge.

“I hate doing it, but I have to quote Sir Richard Branson when he says, ‘train people well enough that they can leave, but treat them well enough so that they stay,’” Morrison adds. “When we talk about maintenance in the



CASEY PETERSEN
COO,
PeakMade Real Estate



Park West also includes in-unit washers and dryers, all-inclusive utility packages, garage parking, private bathrooms, rain-style shower heads and high-speed WiFi, making staffing a priority if the community is to run optimally.

COVID era, that statement from Sir Richard never rings truer.”

Barriers To Entry

To recruit and retain the best and brightest for any job or position, employers must first understand the individuals that comprise this workforce. This includes what makes them tick, where their priorities lie and what sets off red flags for them.

Cardinal Group does this, in part, through close interactions with junior colleges, trade schools, internal engagement groups and trade associations. Through these organizations the company has learned that many desirable maintenance candidates are only aware of traditional paths that involve HVAC, pools or construction. They don’t necessarily think about a career in multifamily or student housing.

Research conducted by Cardinal on its 16,000 maintenance applications since January 2020 also found that only 12 percent of applicants were willing to relocate.

“Upon digging deeper, we realized that the majority — 67 percent — of applicants had an address within 100 miles of the first job listed on their resume,” Morrison adds. “We can conclude that a maintenance-minded individual is not as fluid as we might see with office operations professionals. This further limits the pools of available candidates in any given market, causing some issues, such as qualifications and turnover.”

This makes it all the more crucial for coveted employees to feel...coveted.

“Employees need to know they are appreciated and valued and supported by their organization,” Lujan says. “One of our core values at Michaels is ‘I’ve got your back,’ and we try to live that every, single day. When employees feel appreciated and enjoy going to work, they become an advocate for your company and the face of your organization to attract new talent. Bottom line is it’s about the teammates that you currently employ. Care for them as much as they care for their community.”

Communication is also key, especially as teams went remote. This was true whether the entire team, such as an office staff, was working from home, as well as in cases where essential

workers, such as maintenance teams, remained on site while their employers went virtual.

Clark notes Preiss released a company-wide internal messaging video to fortify company culture during the pandemic. The video provided updates on the organization, how it was performing year-over-year, information on its pipeline and success stories.

“This has helped reassure our employees that our company and their job security remains strong,” Clark says. “We are also planning to conduct one-on-one stay interviews with all of our team members within the first two quarters of this year in hopes of gathering feedback and further helping us refine our retention strategies.”

Drummond is also a fan of one-on-ones, especially when major changes are afoot.

“We recently acquired one of several properties,” he says. “As with all transactions, the site team is almost always concerned with whether they’re going to have a job when the new ownership group takes over. We were very intentional to reach out to each of the on-site team members ahead of closing to have one-on-one meetings so they could get to know us and we could get to know them.”

The key to these meetings, Drummond asserts, is open communication, honesty and really listening to the people who have been there all along. And as with anything, friendliness goes a long way.

“Instead of approaching employees with an ‘interview’ we take a less formal approach and have some casual conversations,” he continues. “We answer questions about our organization and talk expectations early on with the site team. They seem to really appreciate that approach.”

Though Morrison may take inspiration from Sir Richard now and then, he has some pretty good advice himself when it comes to staffing in challenging times. And anytime, really.

“Treat the people who are responsible for your business like they are responsible for your business,” he says. “Upskill, reward and constantly engage or they will lose right alongside you.” **SHB**