

Retaining Property Management Graduates: A Virginia Tech Case Study

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What we know . . .

- Research shows that employee loyalty and retention are significantly related to a firm's financial performance.
- Even in the midst of the Great Recession keeping good employees is a challenge for most property management companies.
- According to Chris Lee, finding and retaining the best talent with turnover rates around 30% is the key to long-term success.

What impacts
employee retention of
RPM graduates?



Career Survey—Who responded?

- 451 graduates of the residential property management program at Virginia Tech were surveyed from February to April 2010.
- 48% return rate



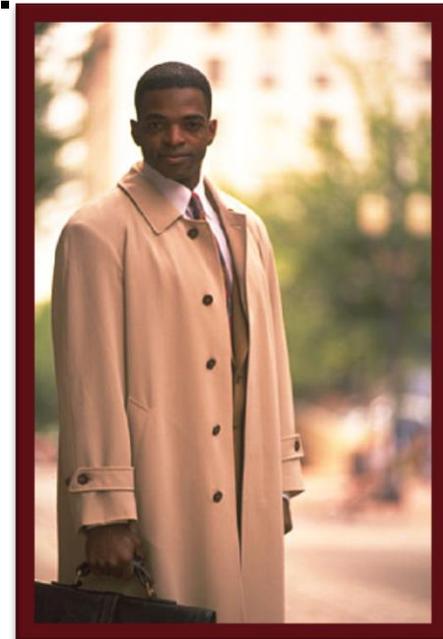
Respondent Profile

- 57% male, 43% female
- 86% Caucasian, 10% African American, and 3% Asian



What we learned . . .

- Only 10% of those returning the survey never entered the property management field.
- An additional 31% left the industry, and of those 42% left in the first two years.



Why did they leave?



The overwhelming reason for leaving the industry was personal/family reasons.

Poor pay and a lack of meaningful work followed.

Where did they go?

- Over 10 % were in real estate sales or construction.
- 5% were in medical sales or nursing
- Others positions included education, government, sales, insurance, and stay-at-home parent.

**59% remained in the
property management
industry.**

Why did they stay?





Opportunities for career growth, learning and development!

Other factors that kept these respondents in the industry...

- Job Security
- Exciting and challenging work
- Fair pay and benefits
- Meaningful work



What kept people
at their current
company?

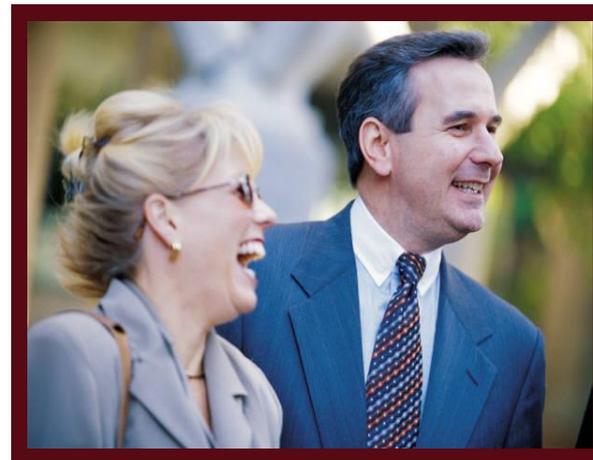


Again...

Most important factor was
the opportunity for career
growth, learning and
development.

Other factors that kept people with their companies...

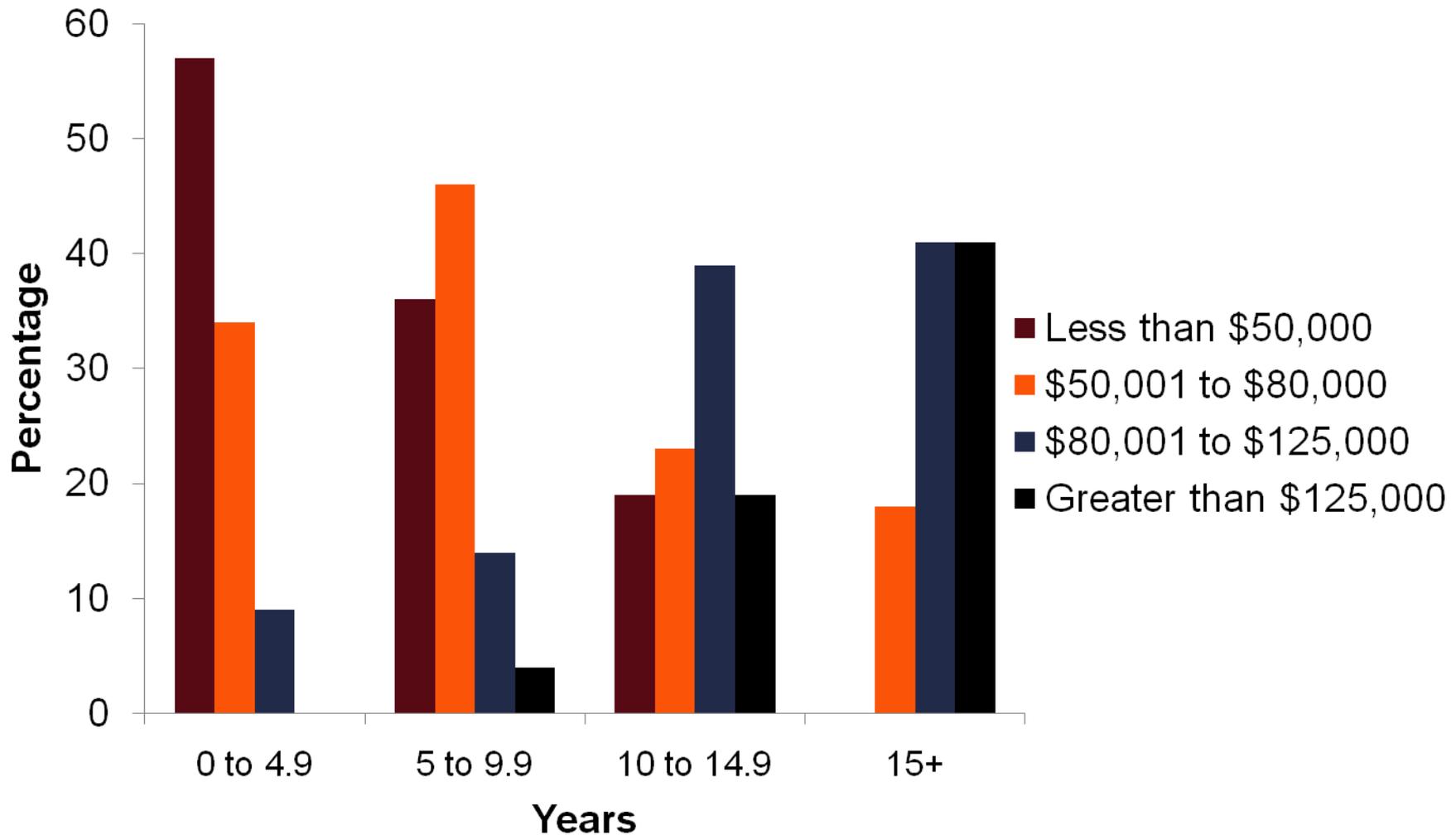
- Job security
- Fair pay and benefits
- Great people
- Pride in organization, mission and quality of product.



What else did we
learn?



Salary based on years in industry



There was no difference
in the salary of men and
women.

Barriers to career advancement

- No barriers → 60%
- Age discrimination → 17%
- Promotion/salary not based on performance → 9%
- Sexual discrimination → 6%
- Racial discrimination → 2%

Statistically, males were less likely to experience barriers to advancement, and females were more likely to report sex discrimination as a barrier.

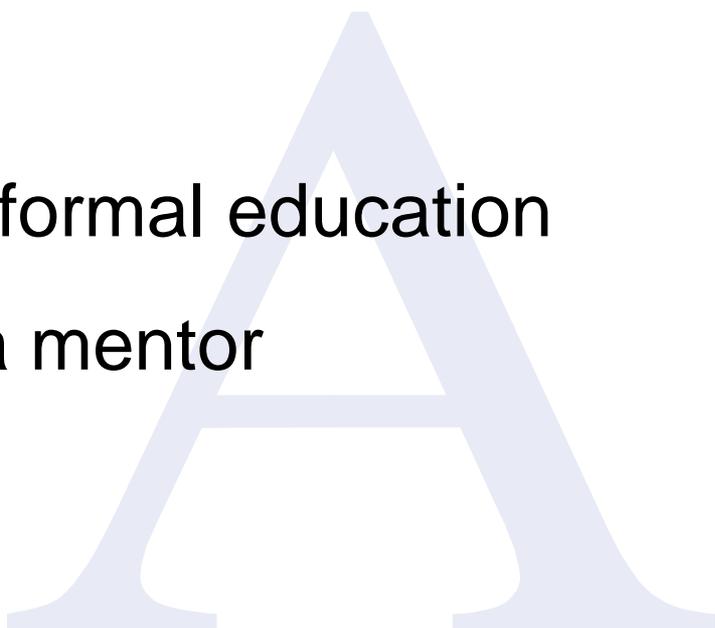
Factors contributing to career advancement...

- Level of formal education → 95%
- Culture at place of employment → 56%
- Having a mentor → 55%
- Willingness to relocate → 44%
- Participating in continuing ed. → 39%



When asked which of these factors was most important, the survey said...



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- Level of formal education → 37%
 - Having a mentor → 21%

- 65% reported having a mentor and almost everyone who had a mentor reported that they were somewhat (17%) or very helpful (80%) to their career.



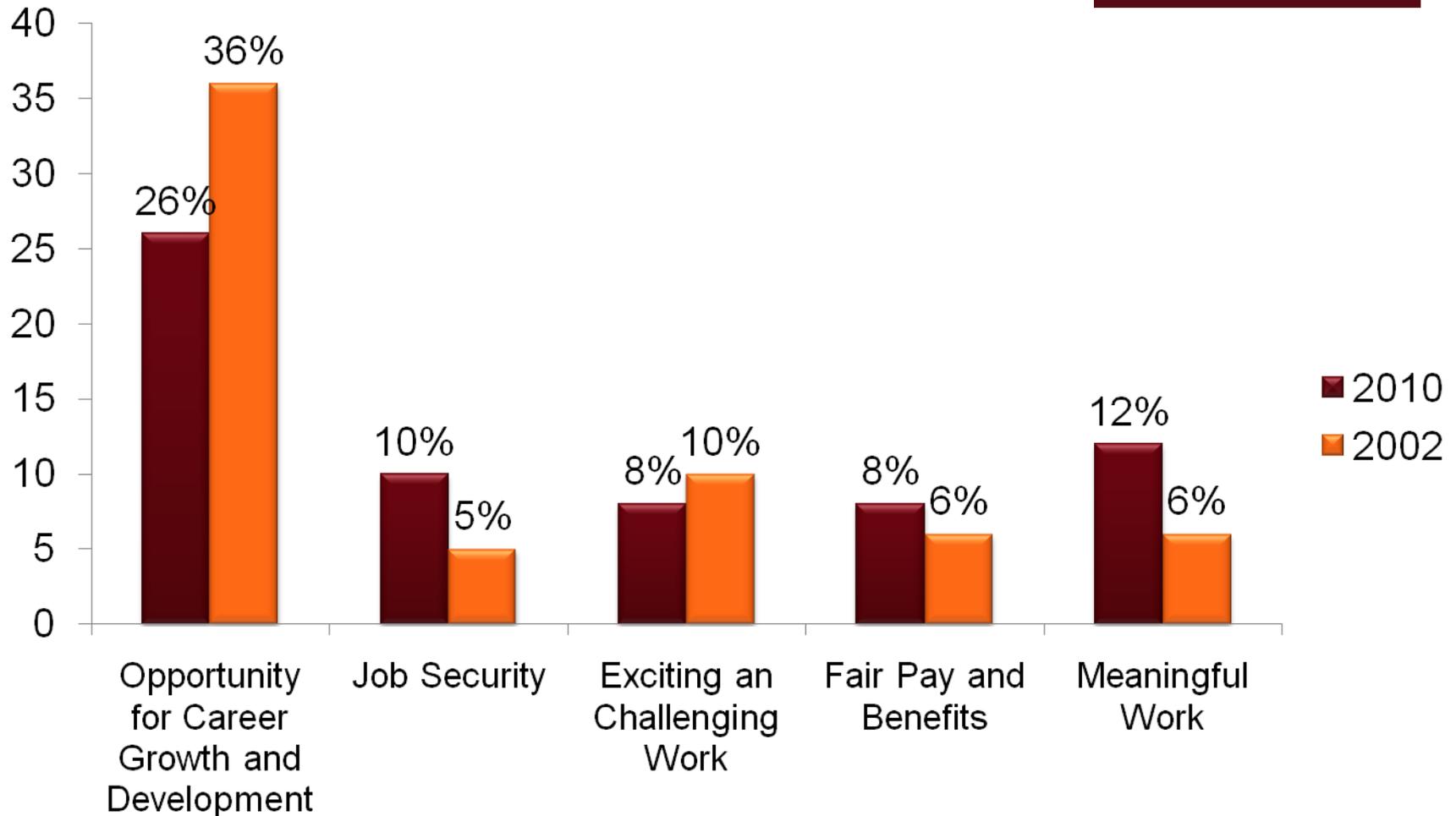


This study was almost identical to a survey of Virginia Tech RPM graduates conducted in 2002.

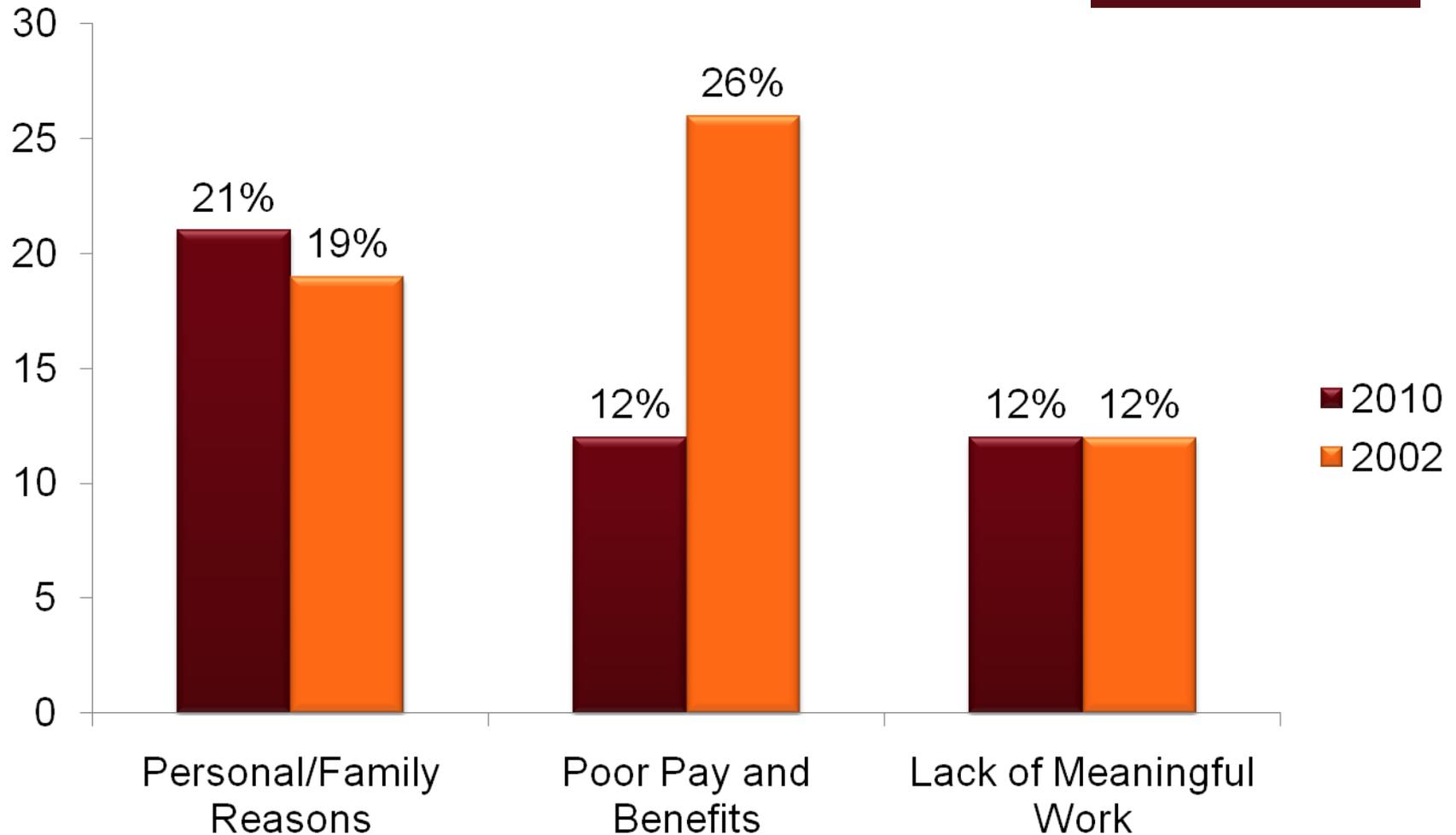
So how do they
compare?



Why did they remain in the industry?



Why did they leave the industry?



Implications for retention

- 90% of RPM graduates entered the industry.
- 31% left the industry.
- Mentors were seen as very helpful by the 65% who had had them.
- Retention can be enhanced by providing opportunities for career growth and development, as well as providing competitive salaries.

Questions?

