



RUN Property - The Business

RUN Property Ltd is Australia's largest property management company, managing around 20 000 residential and commercial properties across the Australian eastern seaboard. RUN provides property owners specialist property management services unsurpassed in the industry. RUN's innovative technology systems helps ensure its property management team is able to consistently deliver high quality services.

Ordinarily, property management is an adjunct to real estate sales in most agencies. By concentrating solely on property management, RUN is able to deliver impartial rental valuations, focused service and a higher level of specialist knowledge and expertise.



Know what drives business performance

A well-structured remuneration incentive creates a better outcome for the business and the employee than would otherwise have been achieved

The Challenge

RUN need to retain and motivate quality to ensure client relationships are disrupted as little as possible. The customer relationship lies primarily with RUN's property manager and the potential for a break in that relationship is high if the property manager leaves the RUN organisation. However, client and property manager retention are only one variable. RUN faced the challenge of engaging its workforce to ensure property managers were providing excellent service while realising their potential to gain new business through referrals.

The Solution

Motivation and reward structures are an underdeveloped area in most businesses and the majority of incentive systems fail to drive or change behaviour. However, by making employees think more like business owners, and rewarding them as such, the benefits to the business are twofold: an increase in profitability and employee engagement. Committing to a longer term remuneration structure to drive these desired behaviours required a solid understanding, analysis and evaluation of the key profit drivers in the business.

RUN, along with DC Strategy (DCS), identified a remuneration incentive model that would allow RUN to address the following issues:

- Driving behaviour to increase new business acquisition while maintaining existing client relationships
- Alignment of the remuneration incentive with key drivers of profitability
- Overcoming challenges with staff retention and motivation by providing rewards that are significant enough to change behaviour and allow staff to build an asset, the value of which increases with tenure



Positioned for Growth

The new RUN remuneration incentive rewards individuals for driving business growth by sharing the financial benefit gained by refocusing work on the key business drivers

The Outcomes

The result for RUN has been the development of an effective human resource management tool to drive performance, staff retention and business profitability.

The remuneration strategy's focus is on ensuring each operator is well rewarded for leveraging existing contacts to drive new business, managing their portfolio to increase client retention and continuing to provide a level of service consistent with the RUN value proposition. This has been achieved without increasing the wage to revenue ratio.

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