

// USING THE SCIENTIFIC METHOD TO SCALE OPERATIONS

From Chaos to Confidence

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// THE PROBLEM WITH SCALING

Growth amplifies everything.

Every strength. Every weakness. Every shortcut.

// THE PROBLEM WITH SCALING

Complexity compounds faster than headcount

10

PROPERTIES

45 possible handoffs between people, systems and vendors.

30

PROPERTIES

435 handoffs. The same process, four times more places to break.

100

PROPERTIES

4,950 handoffs. Every small inefficiency is now a system-wide failure.

A process that works at 10 properties does not simply become less efficient at 100 properties. Small gaps can become systemwide failures.

**The challenge is
not making change.
The challenge is making the
right change.**

Most operational damage comes from confident decisions made without evidence.

**We stopped making decisions
like property managers.
We started making them like
scientists.**

Not because instinct is worthless. Because at scale, instinct alone is expensive.

// SECTION 02

Choosing Your Hard

Every operational decision has a cost, including the decision to do nothing.

// CHOOSING YOUR HARD

Choosing Your Hard

Every operational decision has a cost, including the decision to do nothing.

THE HARD OF CHANGE

- Implementing new technology
- Redesigning established processes
- Training and retraining teams
- Managing disruption and change fatigue
- Investing before the pain becomes urgent

THE HARD OF STAYING THE SAME

- Manual work continues to grow
- Existing gaps compound
- Teams operate without the right tools
- Leadership loses visibility
- The eventual change becomes more expensive

This hard compounds quietly, and nobody schedules it.

**You cannot eliminate hard.
You can choose which hard
creates **long term** value.**

The goal is not constant innovation. The goal is **making today's decisions with tomorrow's growth in mind.**

// SECTION 03

The Enclave Method

A repeatable way to make operational decisions under uncertainty.

// THE FRAMEWORK

Five steps, **one loop**

THE ENCLAVE METHOD

Identify. Test. Measure. Decide. Improve.

01

**IDENTIFY THE
PROBLEM**

02

**FORM A
HYPOTHESIS
AND DEFINE
SUCCESS**

03

**RUN A PILOT,
MEASURE, AND
ANALYZE**

04

**DECIDE WITH
DATA**

05

**STANDARDIZE
AND OPTIMIZE**

A loop, not a line. Each cycle creates a stronger baseline for the next decision.

// STEP 1

Identify the Problem

EVIDENCE

What are we actually trying to solve?

Resident feedback

Team member feedback

Leadership feedback

NOI performance

KPI performance

Business needs

Operational risk

START HERE

Do not begin with the tool you want to buy.

Begin with the problem you need to solve.

Challenge the assumption before you challenge the process.

// STEP 2

Form a Hypothesis and Define Success

What do we believe will improve the problem? What must be true for it to work? How will we know whether it worked?

Challenge assumptions

What are we taking for granted?

Evaluate cost versus value

What does this cost to run, not just to buy?

Review operational impact

What else does this touch?

Confirm resource capacity

Who actually has capacity to do this?

Identify technology dependencies

What has to be true for this to work?

Define measurable success factors

How will we know whether it worked?

Success must be defined before the pilot begins.

// STEP 2 / SUCCESS FACTORS

Decide what **success** means before you start

**Resident
experience**

Team experience

Financial return

**Operational
efficiency**

**Risk and
compliance**

STATUS QUO



PILOT



IMPLEMENTATION



OPTIMIZATION

Every stage has a different bar for success. Name the bar before you start, or the result becomes a matter of opinion.

If you cannot measure it, you cannot decide on it.

// STEP 3

Run a Pilot, Measure, and Analyze

A pilot is not a soft launch. It is a contained test with a defined end.

Defined scope

What is in, and explicitly what is out

Clear objective

The problem we expect to move

One project owner

One name, not a committee

Representative pilot group

Small, willing, representative

Start and end dates

A start date and a hard end date

Success factor tracker

Measured during the pilot, not after

Reporting cadence

How often we look, and who looks

Known risks and stop rules

What we will watch for, and when we stop

Small enough to learn. Contained enough to fail safely. Fail fast, in a safe environment.

// STEP 4

Decide With Data

GO

The evidence supports the hypothesis. Move forward deliberately.

MAYBE SO

The result is promising but incomplete. Adjust the hypothesis or pilot and test again.

NO GO

The evidence does not support continued investment. Stop and retain the learning.

Let the data finish the sentence. Facts, not feelings.

Failure is not a pilot that did not work. Failure is scaling something the evidence already told you was not working.

// STEP 5

Standardize and Optimize

01

Document

02

Train

03

Implement

04

Measure

05

Audit

06

Improve

Then the cycle restarts with a better baseline.

What works becomes how we work.

Scaling something does not make it standardized. Standardizing it does.

// CASE STUDY

Property Meld, Run Through the Method

How we decide whether a tool is worth what it will cost us to adopt.

// EARLY ADOPTION

Being Early Is a **Strategy**, Not a Personality

Sometimes the right time to change is before the current process is visibly broken.

WHAT IT BUYS

- Influence over the product roadmap
- Solve problems before competitors do
- Develop a real partnership with the vendor
- Create operational leverage

WHAT IT COSTS

- The product changes during implementation
- Some functionality arrives incomplete
- Implementation work lands on the internal team
- Training and retraining are required
- Unclear expectations create frustration

The question is not whether the technology is impressive. The question is whether it **measurably improves the problem we identified.**

Property Meld, Run Through the Method

STEP 1 • IDENTIFY

Growth outpaced our visibility into maintenance performance. A count of open work orders was no longer enough.

STEP 2 • HYPOTHESIS

A shared platform with detailed reporting could give us the visibility to decide faster and better.

STEP 3 • PILOT

A defined group of properties. Measure performance, team experience, resident feedback, reporting and trends.

STEP 4 • DECIDE

Did it improve visibility and support leadership decisions, not simply install successfully?

STEP 5 • STANDARDIZE

Refine the process, adjust workflows, expand reporting, train teams and keep optimizing.

Leadership needed the type, cause, age, location and operational impact of maintenance activity.

The feedback loop between frontline teams, operations, leadership and the vendor is what made that possible.

What We Needed the Data to Tell Us

OPERATIONAL VISIBILITY

What the data had to show us

Work order volume by category

Work order aging

Unit count per maintenance team member

Recurring equipment or product failures

Trends affecting staffing models

Response and completion time

Resident feedback and sentiment

Technician throughput

Performance by property, region, or portfolio

Patterns affecting development or product decisions

BETTER QUESTIONS

“Fifty open work orders” is only a number.

What are they for? How old are they? Why are they recurring? What decision should leadership make because of them?

Finite data allows leaders to move from awareness to action.

Technology does not fix operations. Technology amplifies the operating model around it.

Automate an unclear process and you receive unclear results faster and at greater expense.

The pilot exposed process gaps the software could not solve.

Frontline feedback required us to adjust both the platform and our internal workflows.

Implementation was not the finish line. Continued measurement and optimization were required.

// CASE STUDY

The **Method** Beyond Maintenance

An internal leasing strategy, run through the Enclave Method.

An internal leasing strategy, run through the method

STEP 1 • IDENTIFY

A new high end community needed a strong lease up strategy. Could the internal team deliver, or was an outside consultant required?

STEP 2 • HYPOTHESIS

The regional team believed the existing team could lease it with targeted process adjustments. Success factor: 10 to 15 percent preleased by certificate of occupancy.

STEP 3 • PILOT

A 30 day pilot with the internal team. Track leasing activity, conversion, preleasing and execution, with a consultant held as backup.

STEP 4 • DECIDE

The pilot achieved **20 percent preleased**, exceeding the defined success factor.

STEP 5 • STANDARDIZE

Proceed with the internal leasing strategy and avoid the cost of an external consultant.

Same method. Different department. Same discipline.

The point is not the specific leasing strategy. The point is that the method travels.

// ONE METHOD

Once you have a decision framework, it goes everywhere

Maintenance

Where we started

Leasing

Strategy and conversion

Risk

Exposure and decisions

Technology

Adoption and integration

Finance

Spend and return

Resident experience

Communication and renewals

The framework is portable. The expertise stays local.

Different departments use different data, but the discipline about what counts as proof remains the same.

// MANAGING CHANGE

**Your team does not
experience your strategy.
They experience your changes.**

Leadership sees separate strategic initiatives. The frontline experiences all of them at once.

// CHANGE CAPACITY

Every initiative lands on the same **people**

New technology

New processes

New policies

Staffing changes

New training

New reporting

New vendors

New systems

Change capacity is a real operational constraint. Budget it the way you budget money, staffing, and time.

What are we giving people permission to stop doing?

// BEFORE YOU LAUNCH ANYTHING

Six questions leadership should answer first

01 Is this change necessary?

03 Do we have the resources to support it?

05 What problem are we actually solving?

02 Is this the right time?

04 What are we asking people to stop doing?

06 How will people know it worked?

If leadership cannot answer these questions, the frontline certainly cannot.

Choose the Pilot Team Intentionally

CHOOSE CAREFULLY

Do not automatically choose the highest performing team or the team with the greatest problem.

FOUR CONSIDERATIONS

Capacity. Can the team participate without damaging current performance?

Readiness. Is the team open to testing and to honest feedback?

Representation. Does the group reflect where the solution may operate?

Opportunity. Can it produce a measurable result within the pilot period?

The right pilot team creates credible evidence. The wrong pilot team can distort the result.

// PILOTS AS CHANGE MANAGEMENT

A Pilot Is How Change Earns Trust

Reduces organizational risk

Surfaces implementation problems early

Produces real examples instead of promises

Builds credibility for the next change

Creates peer advocates before rollout

Acts on feedback, or explains why it was not adopted

Create champions, not compliance.

The people closest to the work should help determine whether the experiment actually worked.

Mandates create quiet resistance. Evidence and peers create adoption.

// WHAT WE LEARNED

- **Data beats opinions.**
- **Define success before you begin.**
- **Small experiments reduce large risks.**
- **A failed pilot is less expensive than a failed rollout.**
- **Not every hypothesis will be proven, and that is the purpose of testing.**

None of these were obvious to us in advance. All of them were cheap to learn at pilot scale.

// WHAT WE LEARNED

- **Operational problems rarely have one cause.**
- **Technology cannot compensate for an unclear process.**
- **If you cannot explain the problem, you are not ready to buy the solution.**
- **Do not confuse implementation with success. Facts, not feelings.**
- **Continuous improvement is a mindset, not a project.**

Operational excellence is not the absence of failure. It is learning faster and paying less for the lesson.

// THE PRACTICAL TAKEAWAY

Run an experiment tomorrow

Five questions. One problem. One contained test.

01

What problem keeps showing up?

02

What do you believe could improve it?

03

What measurable result would indicate success?

04

What is the smallest contained pilot you could run?

05

What decision will you make based on the result?

Then decide: Go, No Go, or Maybe So, and put a date on the decision.

Scale what works. Learn from what doesn't. Repeat.

What is your next hypothesis?

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