

**Scientific Problems of Engineering Economics of
Construction
and Real Estate Management, Regional and Territorial
Development**

Section in the annual 61st International Scientific
Conference
of Riga Technical University

**IMPROVEMENT OF
ACTIVITIES AND SYSTEM
OF REAL ESTATE MANAGEMENT COMPANY**

Anita Žimante, Riga Technical University
Kristine Fedotova, Riga Technical University

October, 2020



RTU
**INŽENIEREKONOMIKAS
UN VADĪBAS FAKULTĀTE**

Topicality

- A lot of management companies in Latvia do not have introduced quality management system to control the operations of management companies
- Working places of employees are not organized
- There are no standardized processes, applying any of the quality management theories that increase efficiency of work processes

The aim of the study

**to study real estate management company operation and
system improvement solutions**

Discussion

- The housing stock in statistical regions of Latvia is growing
- The monthly management fee calculated by the housing stock is increasing in statistical regions in Latvia
- Information provided by the management company to apartment owners
- Respondents not aware of the estimate but would like to know
- Average evaluation of the activities performed for maintenance of a residential house is medium
- Applied common area cleaning program, average rating is medium
- Applied territory cleaning and maintenance work program, average evaluation is medium
- Interview results

Conclusions

1. In Latvia, almost in each village and city, property management is dominated by municipal capital companies, which determine the management price, which consists of property maintenance and management costs.
2. It is important that provisions are made for the property, which is formed from the management fee, that is not used for maintenance and repairs.
3. The quality of products and services desired by customers can only be ensured by maintaining and improving the quality of processes they create in order to promote quality control and improvement.
4. The three main principles of QMS are outlined as customer focus, continuous improvement and teamwork

Proposals

1. Management companies must use the Lean process efficiency method of the QMS system, implementing service efficiency processes that allow the company to identify problems and create awareness within the company.
2. For each apartment house managed by the company, it is necessary to make a technical opinion, in which the necessary repair works are evaluated, and an estimate of the repair costs must also be found out.
3. The management company has to calculate the cost per square meter that needs to be made for each apartment property according to the area of the apartments to create a savings.
4. A new item "accumulation fund" must be added to the management account, where the costs of the accumulation of these repairs are made accordingly, so that the required amount can be accumulated within three years.



**Thank You for Your attention!
Questions?**

kristine.fedotova@rtu.lv