



Best-in-Class or Single Stack: What Is the Best Tech Strategy for Your Business?

A comparative look at technology strategies to help meet your business's specific needs, goals, and resources.



In today's multifamily real estate industry, technology plays a pivotal role in improving operational efficiency, streamlining training, and enhancing the resident experience. As a multifamily professional, you're faced with a fundamental decision: Is it better to integrate various technologies using a best-in-class approach or embrace a single-stack solution?

Both integration and stacking strategies come with their own set of benefits and drawbacks, and making the right choice can significantly impact efficiency and productivity.

Let's explore the options for each strategy, delve into their advantages and disadvantages, find the sweet spot where they intersect, and unpack the power of automation to improve operational efficiency.

Integration or Stacking: Which Is Better?

The choice between integrating various best-in-class software solutions or adopting a single-stack technology strategy hinges on your business's specific requirements.

Best-in-class integration involves using specialized software for individual tasks or departments, each designed to excel in its niche. These solutions are unified to create an interconnected ecosystem, often through APIs, to work seamlessly together, providing real-time synchronization between systems. This approach prioritizes investing in top-performing solutions that match the specific needs of your business. A best-in-class tech strategy recognizes the unique complexities of a company and seeks top-tier, proven solutions to drive excellence and results. Ultimately, it can lead to a more agile and responsive organization capable of adapting to changing market conditions and emerging opportunities.

Single-stacking, on the other hand, entails using a centralized software suite — developed, managed, and maintained by a single provider — that encompasses various functions under one “roof.” Depending on the provider, the integration of third-party solutions may or may not be allowed.

The solution you choose boils down to whether you prioritize depth of functionality or ease of use and efficiency. And the right choice depends on your business requirements, objectives, and appetite for complexity.





For those considering a best-in-class solution, you'll want to research industry-specific options that fit your business. For instance, in the multifamily property management space, you can select distinct tools for leasing, maintenance, training, resident communication, reputation management, and more, and tailor your technology solutions to your precise needs.

Conversely, if you opt for a single-stack strategy, you can turn to centralized property management software platforms that bundle these functions together in one system.

With pros and cons associated with each approach, what's most important is understanding these advantages and disadvantages so that you can make informed decisions about your property's technology setup. Each business is unique, but you can't overlook the importance of choosing a tech strategy that prioritizes your organization's needs, goals, and budget.

Advantages of a Best-in-Class Technology Strategy

A best-in-class, or integrated, strategy emphasizes connectivity and the efficient sharing of data and resources to eliminate silos and improve collaboration. The advantages of choosing this type of technology solution include the following:

- 1. Maximize Performance:** By integrating best-in-class technology for each element of your business, property management companies can build a tech stack that maximizes the performance of individual tools to optimize workflows and make data-driven decisions. Best-in-class solutions provide industry-specific features and are continually updated to stay on top of emerging trends, ensuring you operate with competency, excellence, and a competitive edge.
- 2. Flexibility:** You can choose the best tools for each function, allowing for a customized solution. By customizing your tech stack to meet the specific needs of your business, rather than generalities of the market, you can avoid the pitfalls of using a one-size-fits-all approach.
- 3. Scalability and Adaptability:** With this strategy, expanding or adjusting services is easier, enabling you to add or switch out individual components as your property portfolio grows or evolves or market demands change.

Just like an all-star sports team gets the best player in each position, a best-in-class technology strategy provides specialized solutions for each element of your operation. This collectively empowers multifamily property managers to deliver top-notch service and surpass the competition.





Advantages of a Single-Stack Technology Strategy

Opting for a single-stack strategy offers a streamlined and unified system, consolidating all essential functions into one platform, which makes it an appealing option for many organizations. In this approach, cohesion and simplicity are the cornerstones, reducing the learning curve and potential errors.

Using a single-stack technology strategy in multifamily property management offers the following advantages:

- 1. Streamlined System:** A single-stack system integrates all property management functions into one unified platform. This can lead to a more straightforward implementation and training process for property management staff, reducing the learning curve.
- 2. Cohesive Data:** Information is available cross-functionally and in one place, saving staff time searching for information across several systems.
- 3. Lower Initial Costs:** Because you don't need to buy and integrate multiple software solutions, your upfront costs are lower.

While single-stack technology offers some advantages, it lacks the specialization and depth of functionality of best-in-class solutions. Additionally, it can limit the ability to tailor technology to specific property management needs and adapt to evolving industry trends.

However, as with any strategy, there are trade-offs.

Disadvantages of a Best-In-Class Technology Strategy

- 1. Multiple Integrations:** Ensuring all the software solutions work seamlessly together can be challenging and may require a dedicated IT team.
- 2. Potential Compatibility Issues:** Not all specialized software solutions integrate seamlessly with each other. If not addressed, this could cause potential redundancies in your operation.
- 3. Financial Investment:** Adopting an integrated strategy means getting the best specialized tools in the industry, but it could initially require additional investment.

Disadvantages of a Single-Stack Technology Strategy

While often alluring due to its simplicity and streamlined approach, a single-stack technology strategy does include some drawbacks.

- 1. Lacks Specialization:** Single-stack solutions might not offer the depth of expertise found in best-in-class tools. Going this route could hinder an organization's ability to respond to changing market dynamics. Additionally, it can make your organization less responsive and limit your ability to stay ahead of emerging technologies.
- 2. Limited Adaptability:** A single-stack software provider may not be able to quickly adapt their technology as the market or your business needs change, impacting your ability to meet specific business needs or requirements.
- 3. Vendor Dependence:** Becoming dependent on a single vendor or platform can become challenging for property management companies, particularly when deciding to switch to a different solution, which can be a complex and costly process.





Where Is the Seam?

In your business's technology strategy, the "seam" is the point at which various software applications and systems are integrated. These integration points are critical junctures where data and processes flow between different components of your technology infrastructure.

A strong seam integration is one way to unify your data across multiple technology solutions, ensuring a uniform experience and making any tech stack feel like a single stack. These integration points are typically managed through APIs, which allow the various components to communicate effectively. A well-managed and robust seam is the key to getting the best of both worlds: the specialization of best-in-class solutions and the efficiency and ease of a single tech stack.

A seamless and efficient integration process allows for consistent data sharing and collaboration between different departments, reduces redundancy, minimizes errors, and ultimately improves the overall operational efficiency of your organization.

The seam in your tech strategy is where you eliminate compatibility concerns, as the digital threads of your business intertwine. Optimizing this integration is a fundamental part of your strategy.

The Benefit of Automation

Regardless of whether you choose a best-in-class or single-stack strategy, automation plays a pivotal role in enhancing the efficiency of your technology solutions. By automating repetitive and time-consuming tasks, businesses can significantly reduce manual workloads, cut operational costs, and minimize the risk of human errors.

In the context of best-in-class solutions, automation helps streamline the flow of data between various specialized software, making the integration smoother and data consistency more reliable. For single-stack strategies, automation optimizes the functioning of an all-in-one platform, ensuring that all internal processes are carried out seamlessly.

Whether it's rent collection, maintenance requests, or resident surveys, automation simplifies and accelerates these operations, resulting in increased productivity and, ultimately, higher resident satisfaction. In either case, automation is a valuable tool for modern businesses seeking to maximize their technological investments and remain competitive in today's fast-paced digital landscape.





In conclusion, the choice between a best-in-class or single-stack technology strategy hinges on your business's specific needs, goals, and resources. It's crucial to evaluate the depth of functionality required, the ease of integration, and your ability to adapt to changing market dynamics. Whichever path you choose, adopting automation will undoubtedly enhance the efficiency of your technology solutions, making your business more agile and responsive in the ever-evolving technology landscape.

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