



Assessment of Void Management Strategies in Multi-Tenanted Office Properties in Lagos State, Nigeria

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Abstract

The study assessed Void Management Strategies (VMS) adopted by estate surveying firms in multi-tenanted office properties in Lagos, Nigeria. Primary data were collected with the aid of questionnaires from estate surveying firms in the study area in line with the Directory of the Lagos State branch of the Nigerian Institution of Estate Surveyors and Valuers (NIESV). Seventy percent of this population, representing 223 firms, were selected randomly for the study and found helpful in the study. Data obtained was analysed using frequency tables, mean, mean deviation and mean ranking.

The study found that the void eradication strategy of adherence to vacation clauses and regular advertisement was the most frequently used strategy, probably due to their cheapness and effectiveness.

Keywords: empty property, vacancy, void, void management strategies, multi-tenanted properties

1. Introduction

In property investment parlance, a void property is a vacant investment property that does not have a legitimate tenant living in it for the period it is vacant (McCormack, 2008; Wilkinson, 2011). While such a property is an essential potential accommodation supply meant to mitigate

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the problem of rising property demand, it remains vacant for a long period of time (Housing Agency, 2016).

In Lagos, as well as in other major cities of the world, vacancies generally may be a result of tenants' actions or inaction, landlords' attitudes, economic hardship, property managers' unprofessional attitudes and physical property characteristics (Fabrizi, 2001). According to the author, a tenant may abandon the lease, a landlord may be discriminative, inflation may be biting, and property managers may be biased. In the same vein, a property may require some refurbishment, awaiting occupation, awaiting sales, or awaiting demolition due to irreparable defects. However, estate surveying and valuation (ESV) firms are constantly under pressure to reduce void turnaround time and increase occupancy rate by applying strategies to prevent its occurrence and increase re-let time since the presence of void is considered a bad omen in investment property and business (Gabriel and Nothhaft, 2001). This will make it possible to maintain property values, provide adequate returns and provide accommodation for millions of homeless people.

Void management is an efficient administration of strategies to provide timely tenancy changes in an empty investment property to enable a continuous stream of income (McCormack, 2008). Good void management practice will thus require efforts and policies as well as steps that will reduce the time lag between when a tenant moves out of the premises and when another person moves in. (Scott *et al.*, 2001). In doing this, an experienced property manager will begin to manage void from the date a tenant packed into an apartment through his general professional conduct and good personal attributes. The general process involves excellent customer service provision, customer satisfaction, void logging or reporting, void securing, advertisement, repairs, inspection with a prospective tenant, allocation, documentation, payment of rent and collection of keys (Norris, 2001; McPeake, 2014).

Void Management activities may be divided into two broad categories: management of the occupiers and management of vacant space (void) (Sanderson, 2014). The services and strategies required for different categories could also be various. In the case of managing occupiers, part of the key responsibilities of the property manager is to consciously manage the renters' occupation (tenancy) if the goal is to keep the tenant in the building continuously. Void elements will begin to creep in whenever there is mismanagement or constant core service failures, and sitting tenants will start comparing service qualities and other benefits with other agents in the neighbourhood (Sanderson, 2015). Strategies available for this type of category (void prevention) include excellent customer service, value-added services, giving incentives to tenants that provide adequate notice of exit, incentivise tenants that observe vacation clauses, offering rent holidays to sitting tenants, Service-Profit Chain, encouraging constant stakeholders meeting and giving priority to routine inspection (ACCS, 2004; Blackaby, 2009; Sanderson, 2011 & 2014)

Management of vacant space involves getting the apartment ready for occupation and re-letting within the shortest possible time. To increase void turnaround time, the property manager must be actively engaged in monitoring repair works to avoid unnecessary delay and prevent material wastage. Specifically, the critical three areas to monitor include the time between the end of the tenancy and the initial inspection, the period between when the work order is given and when the repair work is completed, and eventual re-letting (Scott *et al.*, 2001; Blackaby, 2009). Strategies to manage vacant space or eradicate void include the provision of a waiting list, demolition of old, dilapidated buildings and redevelopment, systems thinking, lean management process, regular advertisement, repartitioning of a bigger space to smaller units, reduction in the previous rent charging to a new, incoming tenant, conversion of the office to

other use, good and regular communications of responsibilities to void repair group, timely procurement, efficient and prompt allocation of procedures etc. (Keiningham, Perkins-Munn and Evans, 2003; Miller, 2009; McCormack, 2008; CIH, 2014; McPeake, 2014; O'Halloran and Davies, 2014; Sanderson, 2015).

In the U.K., USA and France, where the bulk of state income emanates from property tax, property managers' assessment and performance are done through a set of indicators such as void rates, occupancy rates, re-let time, tenancy termination rate and vacancy turnover. Part of the strategies to return the properties to productive use and generate returns includes developing and redeveloping properties that are unproductive, environmentally contaminated, abandoned and generating little or no revenue by the government. Through Empty Dwelling Management Orders (EDMO), local authorities in the U.K. are allowed, by law, to take over an empty and obsolete property, renovate and redevelop it to acceptable living standards, and occupy it without necessarily changing ownership (Fabrizi, 2006; Housing Agency, 2016). Other strategies include proposing tax exemption to the owner of unproductive/vacant properties, providing funds to vacant property owners for home refurbishment and placing sanctions on properties in areas with high housing demand but whose homes have been vacant for a long time. Other factors are to return more vacant social homes to use by linking Exchequer funding for local authorities with better performance in estate management and developing an empty homes tool kit for adoption by local authorities (Housing Agency, 2016).

In Albany, New York, the conventional way of dealing with vacant and abandoned buildings is through the Vacant Building Registry and Vacant Building Committee, where owners of these properties are compelled to register vacant buildings annually and pay a yearly fee of \$200 for each building. This fee is to discourage owners from continuously keeping the unproductive property and thereby generating income for the state. It is to see that properties are continually occupied with maximising the benefits, preventing possible costs to the community and a geometric deterioration to the building itself. There seem to be no documented studies in African countries like Nigeria on the strategies that could be adopted to manage void in multi-tenanted office properties. However, these various efforts were commendable to reduce and/or prevent void in these countries.

This study is set to look at the void management strategies presently in use, those that are available for use and those that can be imported into the property management profession to improve the general property management practice in Lagos, Nigeria. The result of the study will show strategies that could minimise void so that property investors could be adequately compensated with a steady flow of income from their investments, and real estate practitioners would be adequately rewarded for best practices. With guaranteed income from real estate investment, it becomes easy for the government to create an organised, serene and crime-free environment for all. The followings summarise the previous studies on void management strategies.

2. Review of Previous Studies

Void has been generally regarded as a drainpipe that gradually erodes investors' profit. An increasing void rate in the property market could result in several other problems for the stakeholders: loss of revenue, high property deterioration, security and health hazards, and environmental degradation. However, to curb this universal problem and to proffer solutions, several scholars and researchers have conducted studies into strategies to minimise void so that property investors could be adequately compensated, practitioners could be adequately

rewarded, and the government will have an organised, serene and crime-free environment for all. The following summarises the previous studies on void management strategies.

UNISON (2000) focused on a variety of house management issues in the U.K., ranging from rent determinations, collections and their methods, rent arrears, good repair service, letting procedures, difficult to let/manage properties/estates, issues of void or empty properties, anti-social behaviour, discrimination in tenant selection and housing. In particular, the research showed how housing organisations could deal with vacant properties, suggested a performance indicator for housing organisations and thereafter suggested reasons for managing void viz: homelessness, loss of rent and performance management. In terms of void management, there are suggestions for strategies like constant reviewing of the prospective tenants' waiting list, obtaining adequate notice of termination of tenancy, pre-allocation of properties, securing voids from vandals, repairing void properties in a timely manner and redecoration of property to make it constantly attractive to occupiers. The study represents a foreign experience, and some of the strategies seem to be too sophisticated for the Nigerian property market.

In a study of the guidelines for local authorities on void management, Norris (2001) documented void management strategies such as delivering quality services to customers and clients; reducing red tape or bureaucracy; delegation, accountability, improving financial management, ensuring value for money, enhancing the use of new technology, establishment of performance monitoring system, automation system and guaranty adequate notice to quit as prominent strategies. Apart from being foreign, the study was conducted on publicly owned properties.

In their baseline study, Scott *et al.* (2001) assessed the policies and practices of public sector landlords in Scotland between 1990 and 1999. The study covered void management sequential activities, performance indicators and property management services. Void management sequential activities or void management process includes logging or reporting, inspection by staff, securing, repairs, inspection with prospective tenants, allocation, documentation, payment, and occupation. Void management performance indicators identified included void rates, re-let interval, tenancy termination rates, lease renewal rate, time of initial inspection, the period between ordering and completion of the repair, and the period between completion of works and re-letting. Property management services identified covered tenant allocations, homelessness, rent collection, rent arrears minimisation, repair and maintenance, housing management, community care, management of mixed tenure, lease renewal, notice to quit, tenants' eviction, housing advice, energy efficiency advice and regeneration. The study found a growing trend of low demand for housing. It recommended the effective management of repair contractors (people management) as a spontaneous way of closing the gap between the time of housing vacancy and housing re-occupation. The study was conducted on public and social landlords, thus, suggesting a need for similar research in African countries like Nigeria.

Kennedy and Dugan (2004) examined how low demand for properties had effectively contributed to void and increased re-let times. From the interview with 18 local councils and 77 registered social landlords, the research found that effective void management that will reduce empty housing must be based on relevant data about population needs and property demand. Other strategies adopted by local councils and registered social landlords were to give incentives (such as a rent-free period if the tenancy is accepted; offering decoration and furniture; or offering a tidy garden), aggressive marketing of properties (such as advertising and choice-based lettings), environmental improvement (such as tidying gardens, fixing gates, plastering and painting of walls, fencing and railings of an estate), re-designation, reconfiguration, demolition and redevelopment of properties. The study by Kennedy and

Dugan (2004) also found a low level of demand for properties to be about a quarter higher within registered social landlords (RSLs) than those of the councils and that the demand for properties is a function of location. The study identified reasons such as state of repair, size and internal arrangement, rent passing, old design, poor finishes, absence of modern facilities, population needs and very stringent letting conditions responsible for low demand. Since the study was conducted on local councils and registered social landlords, a study to examine strategies adopted for managing void in multi-tenanted office properties is desirable.

Blackaby (2009) examined the lifecycle of an empty property and its relationship with a potential tenant. The study affirmed that 'void properties' were potential homes and should be kept continuously available to be occupied. The study, which conducted an interview with housing associations, local authorities and Arms' Length Management Organisations (ALMOs), established the purposes for minimising long-standing empty building and re-let time to include rental loss, landlord's financial commitment, landlord's reputation, environmental degradation and dereliction, prevention of security threats and squatter settlement. The study also considered the relationship between the customer (tenants) and provider (landlord) and suggested systems thinking, lean management process, setting and upholding vacation standards, incentivise tenants that gave adequate notice of vacation, reducing dead time and adequate and prompt voids inspections as most important factors to be considered when looking at void management strategies. The result of the study, with a focus on local councils and registered social landlords, might be misleading if applied to office properties with a profit motive. Hence this study.

The study by Sanderson (2014), focusing on occupier satisfaction, found that the measures to manage void must include attitudinal change, good service quality and customer satisfaction. According to the author, the twin goals of void management include (i) having the lowest possible number of empty spaces and (ii) quicker re-letting of the available ones. The researcher opined that once the occupiers are satisfied with the services and conduct of property management firms, the switch rate will be drastically reduced. Thus, good service will increase lease renewal rates and result in fewer void periods without compromising rents. The study recommended the need for a combination of excellent customer service and 'value-added services as effective void minimisation techniques. However, the study was conducted outside Nigeria, and the results may not be applicable in the Nigerian property market, thus requiring a study of how void is managed in multi-tenanted office properties.

Housing Agency (2016) suggested close monitoring and giving incentives for the use of vacant properties. This can be achieved if local councils establish and adopt a vacant property registration ordinance (VPRO) which requires property owners to register their vacant property. For the registration, the owner is mandated to pay a fee which increases the longer a property stays empty. This measure is meant to force owners to adopt all available methods to return properties to use. With the register, tracking all vacant properties and securing the necessary funding for vacant property monitoring is possible. It also ensures the enforcement of building codes and health and safety regulations near the vacant property. Closely allied to this is a system of grants overseen by local authorities and made available, which assists owners of long-term empty properties to refurbish and bring the property back to productive use. The study was foreign, and its results may not be applicable to the Nigerian property market, hence a need for this study in the context of the Nigerian office market.

Akalemeaku and Egbenta (2013) examined the effective approaches for managing void in the commercial property market of Enugu, Nigeria. The study, which built on the identified and

prevalent loss of income due to a void, advised that property managers should ensure proper selection of tenants and maintain reasonable rents to prevent voids in commercial properties.

Other void management strategies highlighted by Housing Agency 2016 included financial incentives that would encourage the owner to lease out or sell long-term vacant houses to the local authority or a housing association that is believed to have the financial muscle to refurbish and put it into immediate use. For example, some local authorities in England have the option for the property owner to let their property to council-nominated tenants on a long-term lease (say 5 to 10 years) and provide an Empty Property Grant (EPG). The grant may cover 50% of the cost of renovation work needed to bring the property to acceptable letting and occupation standards. Also, a New Homes Bonus (NHB) paid by the central government to local authorities is linked to the number of vacant homes brought back into use by such local authorities. In another dimension, incentives are designed to encourage people to move to areas with high concentrations of empty homes. This incentive may cover the improvement of infrastructural, educational, recreational and healthcare facilities. There were also strategies in the form of disincentives by which a council tax is set to increase by 100% on specific properties which have been empty for one year or more.

Barnett, Henriques and Husted (2018) explored the potential of sustainability for effective corporate governance. The authors found a big void between Stakeholder Management and Sustainability which poses problems to effective development unless such voids are correctly managed. While noting the importance of stakeholders' pressure on the government to enhance sustainability, the authors affirmed that effective corporate governance becomes difficult without government efforts to drive actions to overcome the void.

In 2019, Fotheringham examined the government's efforts at enhancing effective void management in Scotland. While analysing the contents of the empty premises law, the author noted that a landlord that conforms with the provisions of Section 27 of the Housing (Scotland) Act 2001, which stipulates the terms and conditions for tenants' entry and exit into the premises, will have less void period to cope with. Recently, the Chartered Institute of Housing (2019) chronicled the issues pertinent to effective void management in Ireland. Among others, the document categorised voids and documents the required inputs, processes and procedures for effective empty homes strategies. At the end of the efforts, the findings documented forty (40) issues of consideration for effective void management.

The aforementioned suggests that apart from the available studies on void were primarily on housing studies in the advanced countries of the U.K. and USA, little or none had been done in respect of office properties; hence, this study.

3. Methodology: Questionnaire Distribution, Response Rate and Analysis

The Directory of the Lagos State branch of the Nigerian Institution of Estate Surveyors and Valuers (NIESV) indicated a total of 360 ESV Firms (NIESV Lagos State Branch, 2019). The target population were all ESV firms registered with the Estate Surveyors and Valuers Registration Board of Nigeria (ESVARBON) practising in Lagos State. The study utilised primary data sourced with the help of questionnaire administration.

A sample size of 260 respondents out of the 360 Estate Surveying firms contained in the 2019 NIESV, Lagos State Branch Directory was selected using a probabilistic systematic technique. Adopting the Frankfort-Nachmias (1996) Sample Size Formula, having known the study

population and the sample size, the authors calculated the sampling interval as $1.93 \sim 2$, which was that, after selecting the first firm, the next second was selected.

Frankfort-Nachmias's (1996) formula for sample size determination (as cited in Rotimi and Kiptala, 2012) is stated thus:

$$n = \frac{Z^2 pqN}{e^2(N - 1) + Z^2 pq}$$

Where N = Population size

n = Sample size

p = Sample population (50% of the target population assumed)

q = 1 - p

e = Acceptable error (e = 0.05, since the estimated, should be 95% of the true value)

Z = The standard normal deviate at the required confidence level = 1.96

The Senior Partner of each ESV firm or assignee was the target resource person. The information obtained through the questionnaires included the profile and strategies for managing void. The random selection technique was considered adequate because all estate firms in the study area were homogenous in terms of property portfolio (they all have multi-tenanted properties) and in terms of operations. Of this sample size, a total of 223 ESV firms was the response rate and found useful for the study.

Data collected were analysed using descriptive statistics tools of frequency table, mean and mean ranking. Variables (strategies) were weighed and ranked using these analytical methods according to their mean value. Variables were evaluated using the Five-point Likert scale exhibiting a five-point rating, which includes: Never =1, Rarely =2, Occasionally=3, Sometimes =4 and Frequently =5. The ranking shows the level of importance of each variable.

Practitioners' Perception Index (\overline{PPI}) is obtained by dividing the sum weighted value (SWV) by the total number of respondents expressed as $\overline{PPI} = \frac{SWV}{\sum_{i=1}^{18} P_i}$. Sum Weighted Value (SWV)

for each strategy was obtained by summing up the product of the number of responses and the respective weight of the value expressed as $SWV = \sum_{i=1}^{18} X_i Y_i$, where SWV was the summation

of weighted value, X_i was the number of respondents rating criterion i, of particular indicator, Y_i was the weight value assigned to each indicator i. Grand Mean (denoted as G/M) was obtained by dividing the addition of all \overline{PPI} by the number of the strategies. M.D. (Mean deviation) was obtained by deducting G/M from each of the \overline{PPI} s.

4. Results

4.1 Response Rate

Table 1 contains details of the questionnaire distribution to ESV firms and the response rate. The results indicate that of the 260 questionnaires distributed, 223, representing 85.77%, questionnaires were returned and found useful for analysis. The excellent response rate recorded from Lagos has resulted from the practitioners' high awareness of the importance of research as a solution vehicle to all identified problems in practice.

Table 1: Analysis of Response Rate

Location	Questionnaire Administered	Total no retrieved	Rate of response (%)
Total	260	223	85.77

Source: Field Survey, 2018

4.2 Profile of the Estate Surveying and Valuation Firms

The result in respect of the profile of the organisations is contained in Table 2. The finding is that 74 (33.2%) of the respondents were more than 15 years ago, 69 (30.9%) were established between 11 and 15 years ago, and 56 (25.1%) of the ESV firms have been in practice between 6 and 10 years ago. 24 (10.8%) of the respondents' ESV firms were established within the last five years. The good number of years of the establishment is suggestive of their relevance to the study

Table 2: Profile of the Estate Surveying and Valuation Firms

	Mainland		Island		Ikeja		Total	
	Freq.	%	Freq.	%	Freq.	%	Freq.	%
Years of Establishment of the firm								
1-5 years	3	1.3%	10	4.5%	11	4.9%	24	10.8%
6-10 years	19	8.5%	23	10.3%	14	6.3%	56	25.1%
11-15 years	44	19.7%	18	8.1%	7	3.1%	69	30.9%
Above 15 yrs	13	5.8%	42	18.8%	19	8.5%	74	33.2%
Total	79	35.4%	93	41.7%	51	22.9%	223	100%
Years of Experience of the Respondents								
1-5 years	3	1.3%	24	10.8%	18	8.1%	45	20.2%
6-10 years	33	14.8%	36	16.1%	20	9.0%	89	39.9%
11-15	38	17.0%	11	4.9%	3	1.3%	52	23.3%
Above 15 years	5	2.2%	22	9.9%	10	4.5%	37	16.6%
Total	79	35.4%	93	41.7%	51	22.9%	223	100%
Number of Multi-tenanted properties in ESV firm portfolios								
1-5	50	22.4%	49	22.0%	31	13.9%	130	58.3%
6-10	27	12.1%	23	10.3%	15	6.7%	65	29.1%
11-15	2	0.9%	15	6.7%	3	1.3%	20	9.0%
16-20	0	0.0%	4	1.8%	2	0.9%	6	2.7%
Above 20	0	0.0%	2	0.9%	0	0.0%	2	0.9%
Total	79	35.4%	93	41.7%	51	22.9%	223	100%
Average Occupancy rate								
Below 50%	2	0.9%	3	1.3%	2	0.9%	7	3.1%
50-59%	7	3.1%	9	4.0%	4	1.8%	20	9.0%
60-69%	21	9.4%	30	13.5%	17	7.6%	68	30.5%
70-79%	39	17.5%	41	18.4%	18	8.1%	98	43.9%
80-89%	8	3.6%	7	3.1%	8	3.6%	23	10.3%
90-100%	2	0.9%	3	1.3%	2	0.9%	7	3.1%
Total	79	35.4%	93	41.7%	51	22.9%	223	100%

Source: Field Survey, 2018

Concerning the years of experience of the respondents' organisations, the result as contained in Table 2 shows that the majority, 89 (39.9%) of the respondents had between 6-10 years post-service experience while 52 (23.3%) and 37 (16.6%) had between 11 and 15 years and above 15-year professional expertise respectively. The result that all together, 178 (79.8%) of the respondents had a minimum of 6 years post National Youth Service Corps (NYSC) experience indicated high reliability of the information given by the respondents for the study.

The result regarding the number of multi-tenanted office properties under ESV firms' management portfolio revealed that the majority, 130 (58.3%) of ESV firms, had between 1 and 5 properties. While 65 (29.1%) of the ESV firms had between 6 and 10 multi-tenanted office properties, 20 (9.0%) ESV firms had between 11 and 15 office properties. Other results were: 6 (2.7%) who had between 16 and 20 office properties and 2 (0.9%) ESV firms who had above 20 office properties in their management portfolio.

The result of the average occupancy rate of the properties in their portfolio, as contained in Table 2, shows that the majority, 166 (74.4%) of ESV firms, had between 60 and 79% occupancy rates. Further analysis showed that very few, 30 (13.4%) of ESV firms, had between 80 and 100% occupancy rates and very few, 27 (12.1%) of them had between 0 and 59% occupancy rates. A closer look at the result, as contained in Table 2, reveals the existence of different void rates (between 10 and 90%) in all surveyed ESV firms. With several void experiences, there is a high indication that the respondents would have, overtimes, developing effective strategies for managing voids.

Further findings revealed that the years of the establishment had an inverse relationship with the number of properties in ESV firms' portfolios and the occupancy rate. As ESV firms were getting older, there was a drastic reduction in properties' occupancy rates and a reduction in the number of managed properties. This might suggest the possibility of the firms' previous 'good management styles' diminishing over time, thereby resulting in increased tenants' switching rates' and landlords withdrawing properties from older ESV firms in Lagos.

4.3 Void Management Strategies (VMS) in Lagos State

The study evaluated the strategies adopted by real estate practitioners for managing voids in the study area. The result is contained in Table 3.

The result is that 'strict adherence to tenants' vacation clauses' was the most used strategy, ranked 1st with *PPI* 4.75 and a mean deviation of 1.45. The majority of the ESV firms frequently use the strategy, 60 (75.95%). The adoption could be because of its cheapness and effectiveness. In a typical tenancy agreement, it was the exiting tenant's covenant to leave the apartment in habitable condition, thereby reducing the quantum of repairs and the time needed to carry out the repair and reducing expenses that are required to carry out repairs after a tenant's exit. This has been helping in reducing void turnaround time and making tenancy changes easy and faster. This is a void eradivative strategy.

Table 3: Void Management Strategies in Lagos State

Void Management Strategies	Rating and weight value					SWV	PPI	$(PPI - \overline{PPI})^2$	RANK
	N(1)	R(2)	O(3)	S(4)	F(5)				
Adherence to vacation clauses	0	0	1	18	60	375	4.75	1.45	1 st

Periodic stakeholders meetings	0	0	6	29	44	354	4.48	1.18	1.3924	2 nd
Feedback from occupiers	0	0	12	19	48	352	4.46	1.16	1.3456	3 rd
Excellence customer service	0	0	9	31	39	346	4.38	1.08	1.1664	4 th
Regular advertisement	4	0	21	25	29	312	3.95	0.65	0.4225	5 th
Prioritise routine inspection	0	0	38	16	25	303	3.84	0.54	0.2916	6 th
Arbitration in lieu of litigation	0	0	16	63	0	300	3.80	0.50	0.2500	7 th
In-house maintenance team	1	0	33	29	16	296	3.75	0.45	0.2025	8 th
Systems thinking (no delays)	6	3	18	31	21	295	3.73	0.43	0.1849	9 th
Pegging of rent reserve	3	36	9	11	20	246	3.11	-0.19	0.0361	10 th
Provision of a waiting list	1	11	57	10	0	234	2.96	-0.34	0.1156	11 th
Reduction in generator hour	2	33	17	26	1	228	2.89	-0.41	0.1681	12 th
Converting office to other use	1	29	33	12	4	226	2.86	-0.44	0.1936	13 th
Repartitioning of vacant office	5	51	18	1	4	185	2.34	-0.96	0.9216	14 th
Service charge every three months	8	42	24	5	0	184	2.33	-0.97	0.9409	15 th
Rent holiday to sitting tenant	19	39	20	1	0	161	2.04	-1.26	1.5876	16 th
Reduction of rent to in-tenant	18	51	8	2	0	152	1.92	-1.38	1.9044	17 th
Collection of rent every six months	33	38	0	8	0	141	1.78	-1.52	2.3104	18 th
TOTAL	101	333	340	337	311	4690	59.37		15.537	

Source: Field Survey, 2018

N=Never; R=Rarely; O=Occasionally; S=Sometimes; F=Frequently; SWV=Sum Weighted Value; PPI=Practitioners' Perspective Index

The stakeholder meeting involved the landlord, ESV firms and the tenants. From practice, the period and timing of such meetings depend on the individual firm and the structural condition of the subject property. Meetings are expected to present a performance scorecard for the landlord, ESV firm and tenants (feedback), and it also enables ESV firms to pass new instructions to tenants. In the same vein, periodic stakeholders meetings, feedback from the occupiers, excellent customer service, regular advertisement and prioritising routine inspection were ranked 2nd, 3rd, 4th, 5th and 6th position with PPIs of 4.48, 4.46, 4.38, 3.95 and 3.84 and mean deviation of 1.18, 1.16, 1.08, 0.65 and 0.54 respectively.

Practitioners operating in Lagos State considered periodic stakeholder meetings with a mean figure of 4.48 as the second most commonly adopted strategy to manage void in the study area. Involving stakeholders in property management made it possible for the opinion of all to be considered as input for management. Where frequently done, feedback from tenants assisted the firms in providing satisfactory service, which enhanced compliance on the part of the tenants. The smooth relationship arising from the periodic stakeholders' meeting resulted in

good usage of the building and its facilities and made subsequent letting easy when the tenant eventually vacates the premises.

Findings, as contained in Table 3, reveal that 44 (55.70%) of ESV firms frequently used the strategy, 29 (36.71%) sometimes adopted this strategy, while only 6 (7.59%) occasionally adopted strategy. The 3rd position is 'feedback', which enabled ESV firms to understand feelers from the occupiers and act instantaneously to prevent the degeneration of issues.

Excellence in customer service and routine inspection were mainly used strategies by the practitioners in Lagos State. Analysis from Table 3 showed that 93 (100%) ESV firms frequently adopt these two strategies, probably due to their cheapness. They were both ranked 4th with PPIs of 5.00 and a mean deviation of 1.44. This could be in affirmation of the service-profit chain theory of Sanderson 2014 that excellent customer service will lead to super profit.

The fifth factor rated as commonly adopted was the regular advertisement of vacant properties. As a strategy, regular advertisement costs could have been more economical than allowing for a void. This is because prospective tenants were easily matched to buildings that were to be vacated from enquiries generated from such adverts. As such, the void is reduced.

The routine inspection was ranked 6th position probably since it kept ESV firms abreast of management issues affecting the property, to which action must be taken urgently or postponed. Another critical strategy from Table 3, ranked 7th position, is arbitration in place of litigation. The result showed that many ESV firms in Lagos mainland frequently adopted arbitration to resolve tenancy issues. 63 (79.75%) ESV firms sometimes used arbitration, while 16 (20.25%) ESV firms occasionally used arbitration. This allows stakeholders to participate in their tenancy issues, thus making compliance easy.

Keeping the management team in-house was the commonly adopted strategy to prevent voids in Ikeja. Being the capital of Lagos State, most commercial properties, being high-rise buildings, were serviced. Hence, in-house management staff would enhance not only effective and efficient delivery of services but also strengthen prompt response in fault/repair, thus encouraging tenants to stay long in the building

Towards the lower end of Table 3 are nine strategies ranked very low because they had negative mean deviations and were rarely used. They included pegging of rent reserve, provision of a waiting list, and reduction in the period of running the generator. In the same vein, a reduction in the period of running the generator with a mean deviation of -0.19 was another strategy on the negative mean ladder. For office premises, a generator may not be used during the off-peak period, such as from 9 pm to 8 am daily and on Sundays. This tended to reduce generator and gas consumption expenses, which was often a significant cost centre in service charge administration in Nigeria.

The result, as contained in Table 3, showed that 2 (0.90%) ESV firms had never reduced the period of running generators, 59 (26.46%) ESV firms rarely adopted the strategy, and 61 (27.35%) occasionally used the strategy. A further 99 (44.39%) firms sometimes reduced the period of running generators, while only 2 (0.90%) ESV firms frequently reduced the period of running generators. As such, the service charge account could always have a supplementary budget to cover excess diesel consumption and generator maintenance, which sometimes influence tenants' relocation to other places.

Conversion to other uses and repartitioning of vacant office with mean deviations of -0.19, -0.34, -0.41, -0.44 and -0.96 and ranked 10th, 11th, 12th, 13th and 14th positions, respectively. Further analysis from Table 3 shows that 3 (3.80%) ESV firms did not peg rent reserve. While the remaining 28 (12.56%) firms frequently pegged their rent. The remaining 7 (3.14%) frequently repartitioned overstayed vacant offices to smaller units to accommodate all categories of prospective occupiers' budgets. The adoption of repartitioning of offices into smaller units was to allow tenants with a low financial budget to be able to afford the payment and hence make the property easy to let.

From the result, the ratio of the firm that frequently pegged rent reserve during the economic recession to those that rarely/occasionally/sometimes pegged rent was 1:7. This suggested that landlords who frequently reviewed the rent of their properties upward during economic recession occasionally forced occupiers out of the property. 36 (45.57%) of the firms rarely used the strategy, 9 (11.39%) ESV firms made use of the strategy occasionally, 11 (13.92%) of the firms sometimes used the strategy and only 20 (25.32%) respondents actively and frequently adopted the strategy. Also, 2 (2.53%) had never been reducing the period of running generators, 33 (41.77%) of the firms had rarely used the strategy, 17 (21.52%) ESV firms used the strategy occasionally, 26 (32.91%) sometimes adopted the strategy and only 1 (1.27%) frequently adopted the strategy.

Other strategies included collecting service charges every quarter, giving rent holidays to sitting tenants, reduction of rent to incoming tenants and collecting rent from sitting tenants every six months, ranked 15th, 16th, 17th and 18th positions with respective PPIs of 2.33, 2.04, 1.92 and 1.78 and mean deviation of -0.97, -1.26, -1.38 and -1.52. The finding showed that 18 (22.78%) of the respondents had never reduced rent for incoming tenants, 51 (64.56%) of the firms rarely reduced rent, 8 (10.13%) occasionally reduced rent, 2 (2.53%) ESV firms adopted the strategy sometimes. At the same time, none of the surveyors frequently used the strategy. Collection of rent every six months was another strategy that could be used to manage void. The result, as contained in Table 3, showed that 33 (41.77%) of the respondents had never collected rent below one year at minimum, 38 (48.10%) rarely collected rent on six monthly bases, 8 (10.13%) sometimes collected rent on six monthly bases. In contrast, none of the respondents frequently used the strategy. These responses explained why tenants moved out of buildings where they could not afford the advanced annual payment.

5. Conclusions and Recommendations

The study delved into the void management strategies adopted by estate surveying firms in Lagos State and found that strategies to prevent voids were mostly adopted in the study area. Among others, adherence to vacation clauses was an effective strategy adopted to prevent voids in the Lagos property market. In addition, regular advertisement afforded managing agents the opportunity to maintain a good database of would-be tenants that could be easily used to fill vacated premises and, as such, prevent a long period of void during re-letting activities.

A further finding was that excellent customer service provision enhances tenants' satisfaction. When tenants are retained for a long period of time, a void is prevented, and the investment values of properties are enhanced. Sometimes, using an in-house maintenance team and feedback from property occupiers give stakeholders a sense of belonging in property management. They are thus made to feel the sense of responsibility to use the property well and not be willing to move out of the premises. Therefore, a void is reduced.

The study concludes that with the effective use of preventive void management strategies, property managers will be able to prevent the occurrence of a void, increase the lease renewal rate and eradicate existing vacancies within investment properties in an economic time. The implication is a need for flexible tenancy administration policies developed with inputs from stakeholders that will enhance easy compliance.

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