Breakfast Briefing
So what does cake have to do with portfolio planning?
Wednesday 21 October 2015

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Moderator: Tamas Polster, Cushman & Wakefield
Speakers: Nigel Bunclark
Lewis Love, AON
Steve Mallen

Organised by the UK Chapter's Strategy & Portfolio Planning Community, headed by **James Crisp**, this event was billed as a debate on the 'layered' approach to portfolio planning and what the future might look like. James introduced us to moderator for the meeting, **Tamas Polster**, Cushman & Wakefield, also a member of the CoreNet Benelux chapter. He outlined the themes to be discussed which he described as : Data, Engagement and Influences.

First off with Data was **Nigel Bunclark**, currently Programme Director, Property, for Network Rail (nobly standing in for Tim Oldman founder and CEO of Leesman, producers of the Leesman Index). A workplace he said needs to be three things: Efficient, Effective, and Engaging. Explaining how a myopic focus on cost and space efficiency can be counterproductive, he described the Leesman index as a helpful 'safety net' injecting a dynamic tension to provide and maintain value for money from the broader business perspective. It also gives the corporate real estate team and their advisors great insight to assess workplace performance and to inform design. Nigel went on to introduce employee engagement as a bigger organisational issue, pointing to analysis of the Gallup Q^{12} and work by the World Green Building Council on the Health, Wellbeing and Productivity of Buildings.

Next up with Business was **Lewis Love,** global chief procurement officer of Aon plc, who started by telling us that he doesn't have a real estate background. But his varied career has produced for him three real estate challenges: colleague engagement and productivity, the possibility of collaboration, and the transfer of knowledge. It is important to align space to the way people operate and in a changing marketplace with evolving technology and a cultural shift from offices to open space, the CRE function needs to be an active business partner. A rapid dash then through the need for rational data rather than emotions in driving business decisions, and the need for articulated horizons (lease lengths), led to the summing up: there is a high correlation between workplace and how employees feel at work, and that the sustainability of any business relies on the transfer of knowledge.

Finally **Steve Mallen**, billed as a ‘Futurologist’, a title he disputed, challenging the audience to see that we can all influence the future if we so choose, and giving us a view of the future as he sees it. A view which includes 3-D printing, Robotisation, Big Data, and the Carbon Challenge. Starting with 3-D printing he pointed out that product can be printed in living rooms not overseas factories - so how does that change life for CRE professionals? Then Robotisation, undermining the need for a back office function and replacing people in distribution. Next Big Data, or the ‘revenge of the nerds’: the need to surf a tsunami of information successfully and effectively. And last the Carbon Challenge: the pressing need to reduce CO_2 emissions calls for a transformation in the UK’s property sector, full as it is with old outdated buildings, many of which will, without an upgrade, be illegal by 2018. ‘What’ he asked ‘are you going to do about it?’ What indeed?

Tamas then took back the helm, dividing us into groups to discuss key impacts of selected trends on future corporate portfolios in light of what we’d just heard and in line with a brief questionnaire, the results of which will be published in due course by the Strategy & Portfolio Planning Community.

Furious discussions then ensued before the official session came to a close, with thanks to our kind hosts, Argent. Just one thing: what does cake have to do with portfolio planning?

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