The Journey of CRE BI & Analytics

29 Sept, 2016
The opportunity for real estate to impact the enterprise has never been greater
We regularly hear that companies need more from data and technology.

“Better benchmarking”

“Scenario modeling”

“Data integration”

“Smarter analytics”

“Mobile-friendly apps”

“Proactive CRE strategy”
But we operate in a somewhat complicated landscape….
What do we need to get there?
A comprehensive view of what analytics is

- Platform
- Capabilities
- Practice

= Analytics
Spectrum of capabilities

- Dashboards
- Advanced visualizations
- Operational reporting
- Statistical modeling and predictive analytics
Change management and the practice around BI is often overlooked.

- Continuous Improvement
- Intuitive Design
- Communication
- Training & Support
- Accountability
- Usage Monitoring
- Set Expectations
Data Governance is difficult but necessary

- Getting the data right first time
- Accelerating time to value
- Data Governance where it adds value
- Delivering a sustainable business solution
What does progress look like?
Data is raw observations and measurements.

Information adds context by defining relationships and historical perspective.

Knowledge relates information to experience and applies science to develop hypotheses and predictions.

Insight determines why, if and when to employ knowledge to drive decisions and actions.

Maturity View
Data View

- Expiring leases, FM service & cost performance….
- FM costs v market, Market rent comparisons….
- FM costs adjusted for labor rates, location v skills availability….
- Impact of RE strategy on Business performance….
What can we do once we get there?
Portfolio Opportunity Analysis
# Vacancy and Density

## Combined Opportunity

<table>
<thead>
<tr>
<th>Property</th>
<th>Combined Savings Opportunity</th>
<th>Total Savings Opportunity (%)</th>
<th>Excess Portfolio Area (Vacancy &amp; Density)</th>
<th>Excess Portfolio Area (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore, Singapore (Singapore)</td>
<td>$4,743,007</td>
<td>31%</td>
<td>2,429,261</td>
<td>27%</td>
</tr>
<tr>
<td>Paris, France (29 Rue de Berri)</td>
<td>$4,430,860</td>
<td>27%</td>
<td>2,429,261</td>
<td>27%</td>
</tr>
<tr>
<td>London, United Kingdom (Wallbrook Building)</td>
<td>$4,371,666</td>
<td>18%</td>
<td>2,429,261</td>
<td>27%</td>
</tr>
</tbody>
</table>

### Savings Opportunity Detail

<table>
<thead>
<tr>
<th>Property</th>
<th>Annual Total Cost</th>
<th>Expiration Date</th>
<th>Combined Savings Opportunity</th>
<th>Employee Density</th>
<th>Annual Cost of Excess Portfolio</th>
<th>Market Rent Risk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore, Singapore (Singapore)</td>
<td>$5,844,120</td>
<td>3/27/2017</td>
<td>$4,743,007</td>
<td>$5,994,130</td>
<td>$2,985,598</td>
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<tr>
<td>Paris, France (29 Rue de Berri)</td>
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<td>$4,430,860</td>
<td>$4,056,708</td>
<td>$593,252</td>
<td>Exposure Risk</td>
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<tr>
<td>London, United Kingdom (Wallbrook Building)</td>
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<td>10/27/2018</td>
<td>$4,371,666</td>
<td>$3,979,014</td>
<td>$399,392</td>
<td>Savings Opportunity</td>
</tr>
</tbody>
</table>
Cross Portfolio Analytics

UNDERSTAND THE STATE OF THE PORTFOLIO

What do I have? Where is it? How much does it cost me?

SURFACE OPPORTUNITIES AND INSIGHTS

Which sites have high cost and high vacancy? Where is the portfolio performing below average? Where is productivity and engagement low?

INTEGRATED WITH RESEARCH DATA

Where do I have above or below market opportunities? Where are leases expiring in markets that are trending towards landlord favorability?
Benchmarking

Identified savings opportunities by benchmarking against site peer groups

Regression model to score actuals vs. peers and identify large unexplained variance

Addressing sites with high variances saved $17+ million in first year