
THE GREEN OFFICE

THE TENANT OR OCCUPIERS PERSPECTIVE

*Feedback from the **GREEN CITIES 09** Conference on the 'Sustainability Toolbox'
Concurrent Session 6B – Titled: "Facilities Management the Missing Link"*



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Tenant and Owner Occupier organisations have always been at the forefront of the sustainability agenda. The 'demand' requirement has always lead 'supply'; although in recent times, particularly here in Australia, you could be forgiven for believing that ESD and a more sustainable built environment was the sole domain of Developers and Building Owners. Nothing could be further from the truth.

Certainly, some Developers have been instrumental in developing Green Star rated buildings of national significance and world class. Additionally, some major Builders have modified their practices, procurement procedures and methodologies to ensure construction materials and techniques result in sustainable, energy efficient outcomes. Definitely, Architects and Consulting Engineers have focussed on design and innovation that results in a functional, sustainable and efficient built environment; and Facility Management (FM) organisations have had to up-skill in order to manage the complexities of these modern buildings with alternate energy sources, digital management systems, HVAC Systems such as Chilled Beam, Cogeneration, etc. However, all of this was predicated by a market and particularly Tenants/Owner Occupiers that demanded this level of sustainable design, development and construction that was consistent with their requirements.

In recent times many organisations have embraced the need for sustainability as part of their corporate values. The term 'Clean and Green' has almost been used to death to describe an organisational agenda that embraces a healthy, safe and sustainable work environment. Corporate planning along these lines has progressed so far that it is almost heretical to not include an environmental agenda in the strategic planning of an organisation. Climate Change and the various solutions necessary to ensure an environmentally friendly solution for future generations are still having a significant impact at Government and at corporate level.

However, the question now begs; just how much of an impact on the environmentally sustainable agenda will the Global and National economic crisis have? It is clear that there has been a softening of the environmental attitudes in some organisations recently. CEO's and Boards of Management still want to be 'Clean and Green' – but not at any cost?

At the recent Green Cities 09 Conference in Brisbane an expert Panel Discussion elaborated on a particular aspect of the Sustainability Agenda and discussed whether Facility Management (FM) is the '*missing link*' in the formulae for success.

The Panel Moderator was **Mark Thompson** from TVS Partnership and comprised four different viewpoints:

- **Jon McCormick** from Brookfield Multiplex representing FM Service Providers;
- **Steven Ballesty** from Rider Levett Bucknall and the Facility Management Association of Australia representing the FMA Industry Peak Body Organisation;
- **Alex McKenna** from DEXUS representing the Owner/Landlord perspective; and
- **Frank Riley** from CBRE-Global Corporate Services and the CoreNet Global Association representing the Tenant and Occupier's voice.

Naturally, having such a diverse group with different perspectives raised many issues as to how FM might take a greater role in the sustainability race in Australia. Indeed there was a lot of reference to "*Passing the Baton*" as being an analogy for how important it is to the successful greening of the built environment that the FM Manager be included in the planning and management of sustainability and energy performance of the facility.

The key discussion points to come from the Panel Session at Green Cities 09 were as follows:

- a. There is a definite need for closer collaboration by all key stakeholders in the design and operational life of a sustainable or Green Star Building. This involves Developers, Builders, Designers, Consultants, and FM Services Contractors and last but by no means least, the Tenants or Occupants. It was agreed that FM was not the 'missing link', but they were certainly a necessary part of the chain;
- b. There was an acknowledged need for improved education of FM Service Providers in supporting facilities, that by their very nature are becoming more technically complex and environmentally diverse.
- c. There was also strong support that education should be coupled with greater understanding by Landlords and Lessees/Occupants about the characteristics of managing or occupying a complex environmental structure; and
- d. The panel acknowledged that there is an issue, exacerbated by the current economic crisis and consequential market conditions, that successful progression of sustainability may be hampered by the ability of organisations to afford 'Clean and Green' outcomes.

There is no doubt definite risks going forward that Tenant or Occupiers of commercial property will yield to financial pressures and abandon their 'Clean and Green' intentions. Government has recognised this and initiated a Program known as CitySwitch which is a national office tenancy energy management program.

www.cityswitch.net.au



CitySwitch encourages business leaders to 'commit' to improving energy management within the office environment and offers assistance as the Signatory takes the journey to becoming more energy efficient as well as providing a vehicle for profiling their efforts.

Notwithstanding, the above CitySwitch initiative; there are other smart ways that tenant or occupiers of space can cost effectively improve the office environment. However, the most effective way to ensure sustainable outcomes for the future are achieved is for all key stakeholders to work collaboratively. There will always be the growing imperative for organisations to improve their environmental performance, minimise Greenhouse Gas

emissions and adopt more sustainable practices, however in the current economic climate the cost of those objectives will be monitored closely. Nonetheless, this should not be misinterpreted by other parties as the demand for sustainable development and the related affordability for such outcomes will return with earnest as the economy recovers.

In summary, the tenant and/or Owner organisations will continue to seek to maintain their 'Clean and Green' credentials. However, in the current economic climate the sustainability objectives of organisations will be tailored to meet affordability constraints and this will have an impact on demand. Conversely, there is no doubt that as the economy recovers tenant and/or Owner Occupiers of commercial office space will increase their expectations and force demand for more sustainable outcomes to better meet corporate objectives. All the key elements of the property industry need to position themselves to be able to respond to this increase demand when it comes. It may not be as far away as people think.....

ABOUT THE AUTHOR

Frank Riley has a background of managing large, diverse and geographically dispersed property portfolios. He was previously Chief Engineer for the Australian Army in Queensland, State Asset Manager with Queensland Education and most recently as Manager City Property with the Brisbane City Council.

Frank is presently Director Portfolio Management with the Brisbane Office of CB Richard Ellis – Global Corporate Services. He is a former FMA National Facility Manager of the Year (2007) and CoreNet Global's Corporate Real Estate Executive of the Year in 2006-07.

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