Agile Corporate Real Estate:
Recent CoreNet Chapter End-User Round Table brings leaders together and highlights shared challenges and opportunities

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At the beginning of his 2018 term as President of the Carolinas Chapter of CoreNet Global, **Marty Scannell**, Senior Director, Real Estate and Facilities for Compass Group North America, made the point that in order for the Carolinas Chapter to remain a vibrant and relevant resource to the business community, there needed to be a heightened focus on embracing corporate real estate executives from leading local companies and actively facilitating an industry dialog on the most relevant topics of the day.

No topic seems to be hotter in today's environment than "Agility," with an ever-evolving understanding of the many ways CRE teams are bringing agility to their enterprises. As evidence, CBRE just released **The Agility Mandate**, leading edge research conducted in partnership with CoreNet Global, which asked 87 participating organizations to assess their agility-focused outlook and capabilities at the enterprise and CRE level. "The mid-term planning horizon for long-term real estate decisions is uncertain at this stage in the economic cycle and exponential technology advances are further challenging how and where work gets done," said Julie Whelan, CBRE Americas Head of Occupier Research. "Focusing on agile processes today will help occupiers better prepare for inevitable change in the future."

On **February 22nd**, the chapter hosted a group of ten local real estate executives at a round table discussion to share how agility is emerging in our leading local corporations. Moderated by chapter senior advisors and CoreNet Global MCR Faculty members, **Koo MacQueen**, IBM Strategic Planning Manager and **Chris LaPata**, Client Leader, BHDP Architecture and Planning, the group dove in to assess and share how leading corporate real estate groups are building their strategies to prepare for constant changes in the way people work, technology changes and the demands placed on physical space.

The first question posed to the group: **What agile elements currently exist in your CRE organization that allow you and your team to sense, create and respond quickly to and confidently to change?** Several attendees agreed that certain basic "blocking and tackling" methods such as constant visibility and data related to their portfolios were required in order to lay the groundwork for flexibility/agility. One attendee described it as "Agility through Structure".

Other elements included:

 - Trust-based relationships with the lines of business they serve.
 - Strong Client Relationship Management (CRM) through bi-weekly meetings.
 - Creating a feedback loop, which is constant.
 - Strong partnership with their HR Group.
 - Leverage and challenging of outsourced service providers to bring innovation.

Interestingly, only 2 of the 10 companies represented had their Corporate Real Estate functions reporting up through Human Resources.

As a follow-up, the group was asked: **What types of technology is your CRE group leveraging to gather data faster to help in the decision-making process?**

Many responded that they have created various forms of Utilization Data Dashboards with the help of various methods from Badge data, space occupancy sensors or Outlook Exchange data. The point was made that in order to get buy-in from leadership and the business units as to space requirements, the Corporate Real Estate team needs to come to the table armed with accurate information in order to support their case.

Agile Corporate Real Estate *continued*

The conversation then took an interesting turn toward the most important part of any corporate operation ... THE PEOPLE. The group was asked to write on three separate post-it notes: **What are the top 3 things your company employees care about most and how is your CRE group addressing them?**
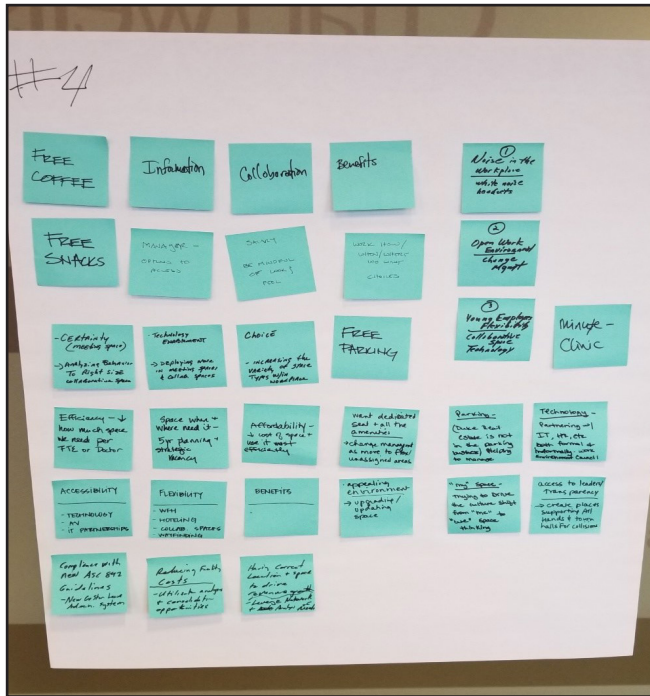
Free Snacks
Free Coffee
Free Parking
Collaboration
Benefits
White Noise Headsets
Open Work Environment
Flexibility
Intuitive Technology
Access to Manager
Great Pay
Choice on Where to Work
Right Amount of Meeting Space
A Minute Clinic
More Amenities
Appealing Work Environment
Still Need for Owned "I" Space
Transparency
Town Hall Style Meetings

There were some very interesting concepts shared when the moderators posed the last question to the group: **How is your CRE group building portfolio agility?**

Some of the concepts shared were as follows:

> ➢ Maintaining 20% Strategic Vacancy to account for any churn or relocation activities.
> ➢ Incorporating more LEASED vs. OWNED property into the portfolio.
> ➢ Starting lease renewal discussions much earlier in the term of the lease rather than later.
> ➢ Some identified a HUGE need to develop a robust strategy for accommodating the increasing number of contract or "contingent" workforce.
> ➢ Creating a scorecard for each facility related to Utilization and Churn and then subsequently "Benchmarking" sites against each other.
> ➢ With the shift toward Open Office ...Developing a process for the equitable handling of "exceptions" related to private office assignment.
> ➢ Creating a Stakeholder Committee or Workplace Advisory group that consists of IT/HR/Sourcing/Key Lines of Business/CRE and Yes ... someone even mentioned the need to include the Legal department.

Because of the vibrant conversation and the attendees' willingness to share their thoughts and challenges, the hour and a half session flew by. At the end of the discussion, Marty Scannell provided the group with a tour of the Compass Group NA Headquarters, which has been undergoing renovations to address the changing needs of their workforce and is helping Compass Group remain one of the most innovative companies in the world.

Finally, a big CoreNet "Thank you!" goes out to Compass Group and Steelcase for hosting and sponsoring this worthwhile event. Future End User Round tables are scheduled for Charleston, SC (May), The Triad (August), and RTP (November). If your company is interested in hosting or sponsoring, please contact clapata@bhdp.com.