PREDICTIONS AND RESOLUTIONS

January is a traditional time to make predictions and resolutions for the year ahead and so it was that CoreNet's UK chapter brought together a panel to debate the big issues facing the corporate real estate world – two days before Brexit. But that's where the predictable ended.

While **Ian McCafferty, senior adviser at Oxford Economics,** said that Brexit would reduce some uncertainty, there remain issues as we move into the transition period. He questioned whether it was possible to negotiate a comprehensive trade deal before the end of the year which left the possibility that the UK could still crash out without a deal. The long-term impact of the Johnson deal was still unpredictable, he added.

But McCafferty did give some reasons for optimism. Although the UK economy has slowed sharply from the fastest growth of the G7 to one of slowest and is currently flatlining, he predicted growth in 2020-21. This is the result of an increase in Government spending, together with improving consumer conditions thanks to low unemployment and wage growth. Reduced Brexit uncertainty should see improved business confidence, he predicted. But the ongoing era of low interest rates could lead to more worrying increases in debt, and geopolitical events involving the US, China, North Korea, Russia and the EU could impact the global economy.

McCafferty concluded with a warning: "This is the age of uncertainty compared to the nice decades of the 1990s and early noughties. Any number of these risks could knock my relatively sanguine outlook off track."

Climate change was the focus for **Mary-Louise Gray, head of real estate and facilities EMEA at Microsoft,** who talked about the company's vision to take leadership in climate action. "Neutral is not enough, we need to be carbon negative," she said, describing some of the tools the organisation was using to meet its target to be carbon negative by 2030 and to remove its historical carbon emissions by 2050. Many other organisations will follow suit in 2020, she predicted, with Amazon and Starbucks having already announced similar targets.

She also predicted a world without access cards thanks to facial recognition technology in buildings; empowered meeting spaces allowing you to collaborate seamlessly with people elsewhere on the planet; and increasingly accessible gender neutral environments. In talking about food waste, she urged delegates to "under-cater at meetings. You can always ask for more."

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Adam Hoy, head of worldwide real estate and facilities at GSK, predicted a change in how shared services will be delivered. Instead of the current silo approach, he saw a future with the employee at the centre with the services created around them. Organisations will come to market with different bundles of services to create competitive advantage, Hoy said, citing the example of one organisation which had tendered CRE and FM as part of a BPO package. "Companies are going to get bolder in the way they come to market."

Flex space, which is part of GSK's portfolio, will continue to grow, he added. But he said that organisations will have to work out how to embrace flex space, which provided numerous benefits such as being able to get in/ out of a market quickly, while also making sure that the branding is right (that it feels like a GSK space) and that the cost is palatable to the CFO. Hoy's 2020 resolution is to do the CRE basics brilliantly, but also spend more time impacting the organisation's top line and demonstrating CRE's impact to the board.

Michelle Marwood, a CRE professional who has worked in New York, Tokyo and London, concluded the debate with a call for both individuals and organisations to do more to support work-life balance. "How do you know that a WELL building, an on-site gym and yoga classes are going to improve people's balance? Michelle posed the question "Is it appropriate that our industry try and solve the problem of work-life balance and is it actually equipped to do so?"

She urged the audience to resolve to have greater awareness of work-life balance in 2020 and support colleagues when they needed to take a break. "Athletes are only at peak performance for around six years. What makes us think we can be at peak performance for 15-20 years?"

Delegates would do well to remember McCafferty's conclusion in quoting John Kenneth Galbraith. "When it comes to people who predict, there are those who know, and those who know that they don't know." The packed audience will have to decide which of this year's panellists fall into which camp.

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