

CBRE presents

Strategy Drives Integration – Integration Drives Strategy

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GLOBAL CORPORATE SERVICES

TOP OF THE AGENDA WITH CORPORATE REAL ESTATE 2018

What is the key challenges today

1
Organizational
Alignment

2
Data
Transformation

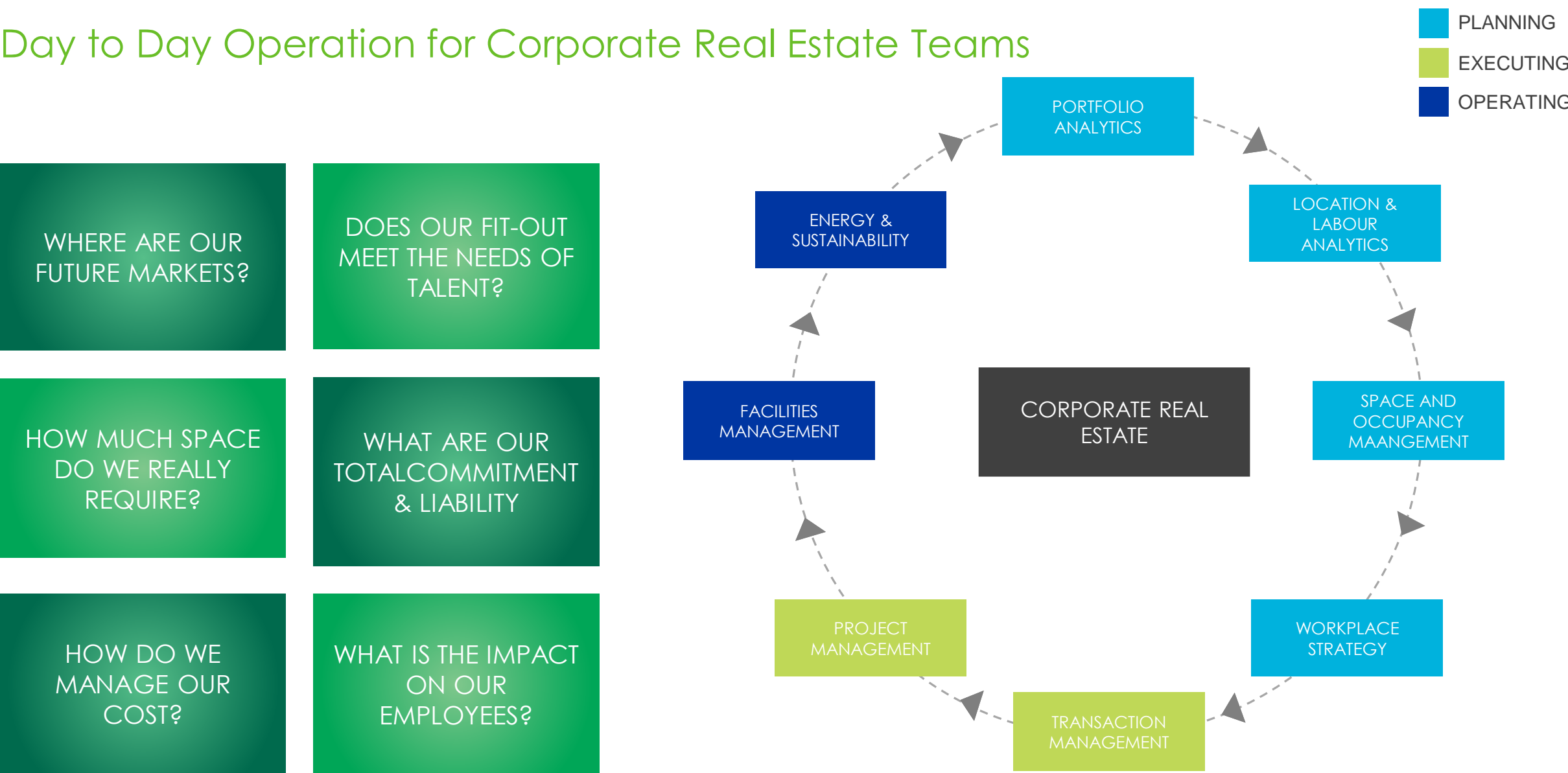
3
Technology
& Analytics

4
Strategic
Metro Planning

5
Workplace
Transformation

LIFECYCLE OF THE CORPORATE PORTFOLIO

Day to Day Operation for Corporate Real Estate Teams



INTEGRATION SUPPORTS STRATEGY

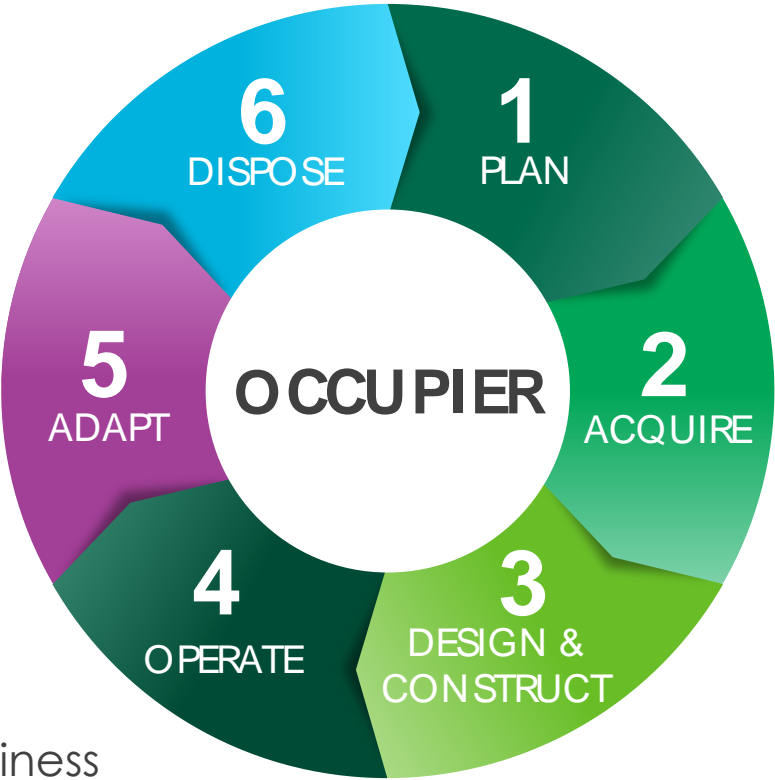
DISPOSE: Understand how much space is required and consolidate.

ADAPT: Evolving the workplace as business needs evolve

- Energy & Sustainability
- Occupancy Management

OPERATE: Ensuring the workplace operates correctly and creates business value.

- Portfolio Services
- Facilities Management

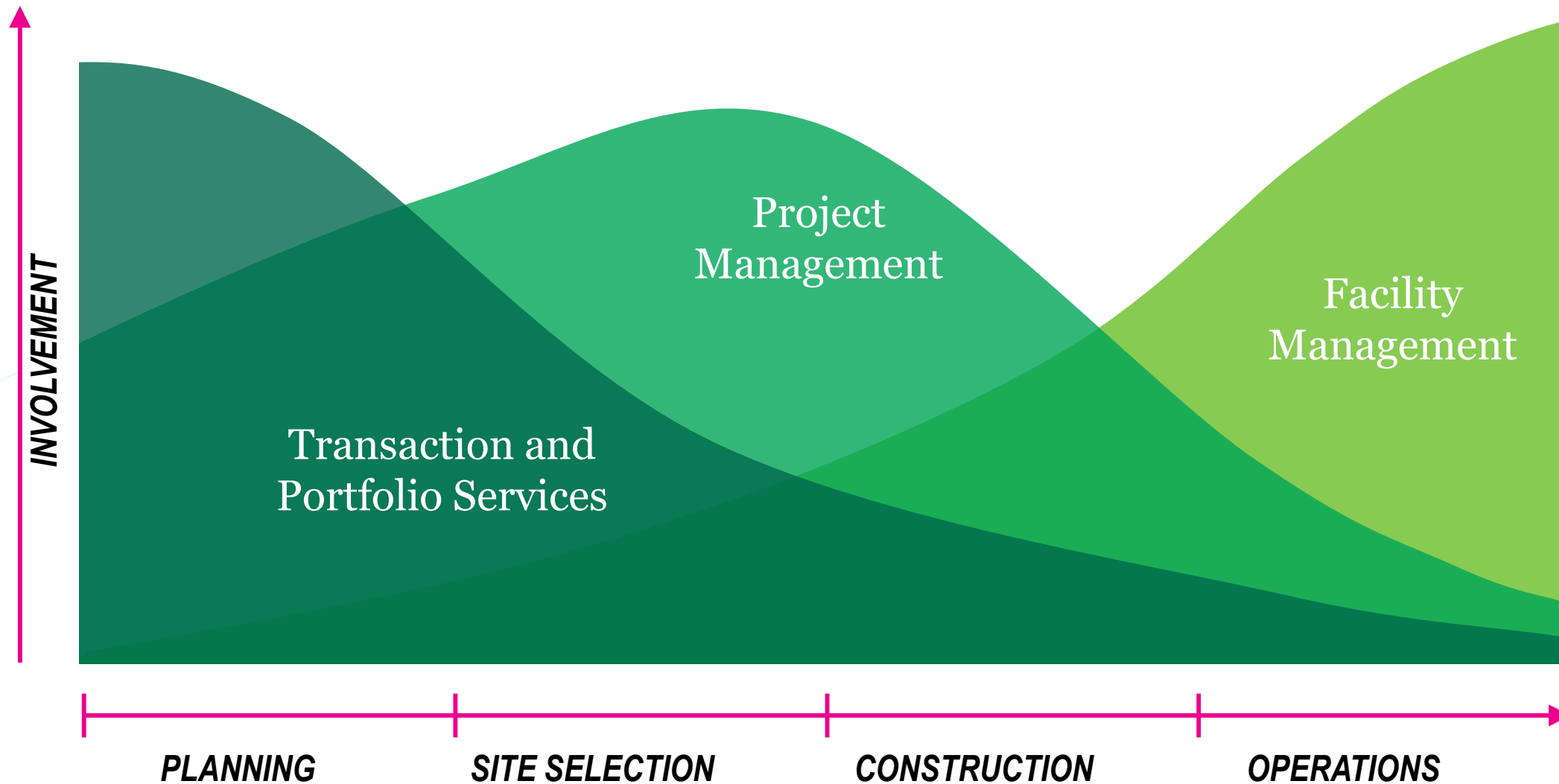


PLAN: Defining a Real Estate strategy and team to deliver business objectives.

ACQUIRE: Locating and acquiring the right property for your business, employees and clients.

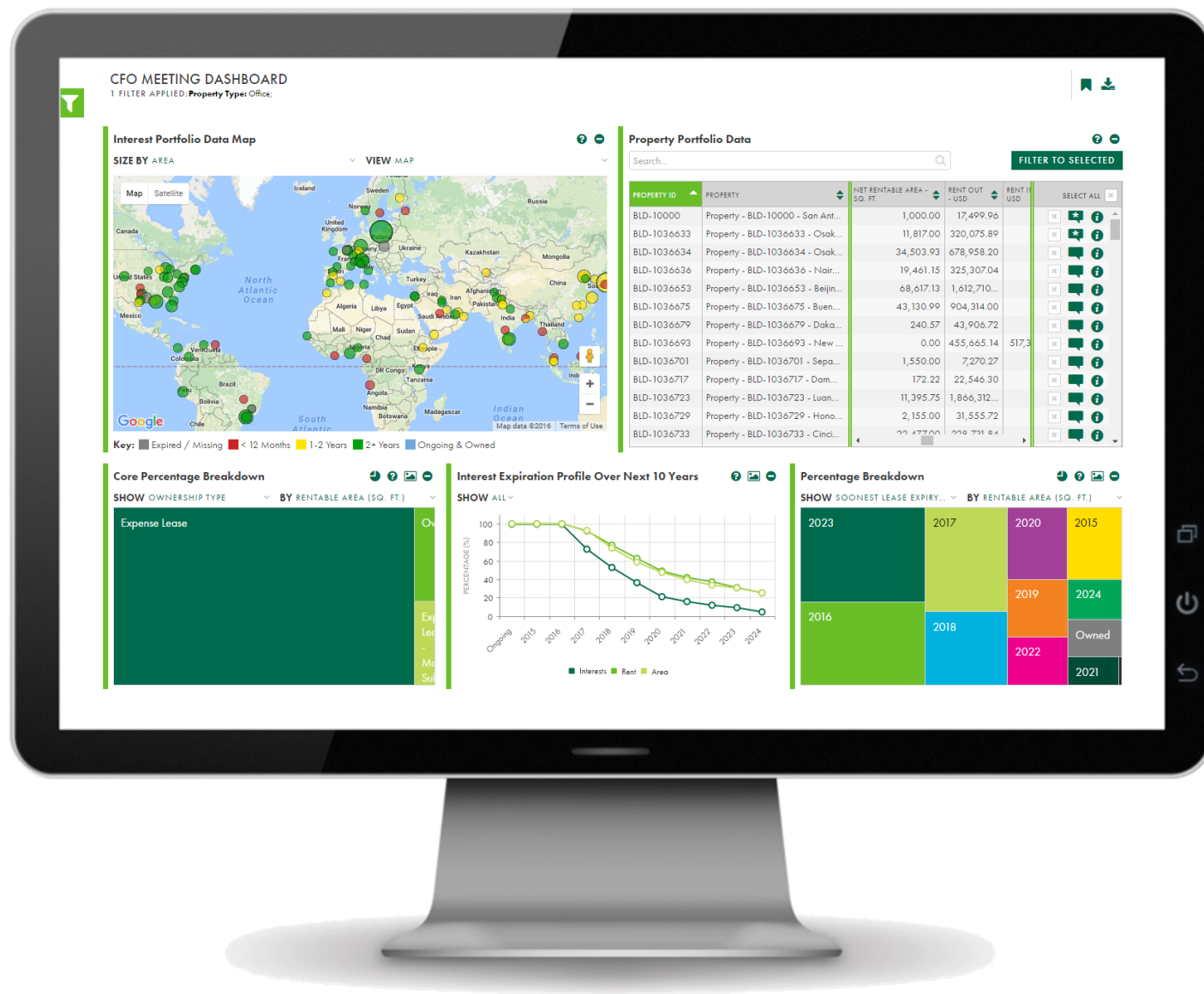
DESIGN & CONSTRUCT: Transforming the workplace to meet the needs of occupants and brand.

PORTFOLIO DELIVERY 360



PORTFOLIO OPTIMIZER

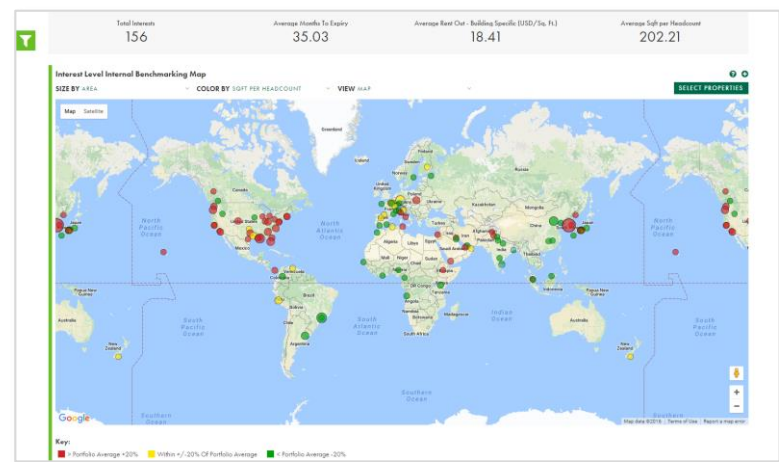
CBRE'S PORTFOLIO ANALYSIS, BENCHMARKING AND OPTIMIZATION SYSTEM



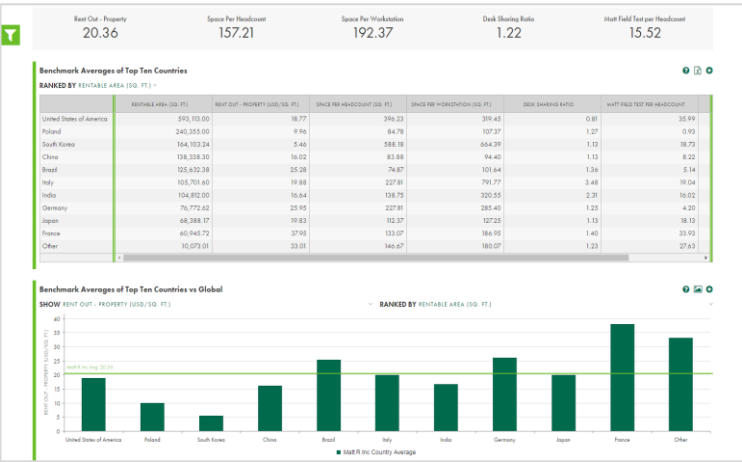
SUPPORTING YOUR STRATEGIC DECISIONS

CBRE PORTFOLIO OPTIMIZER

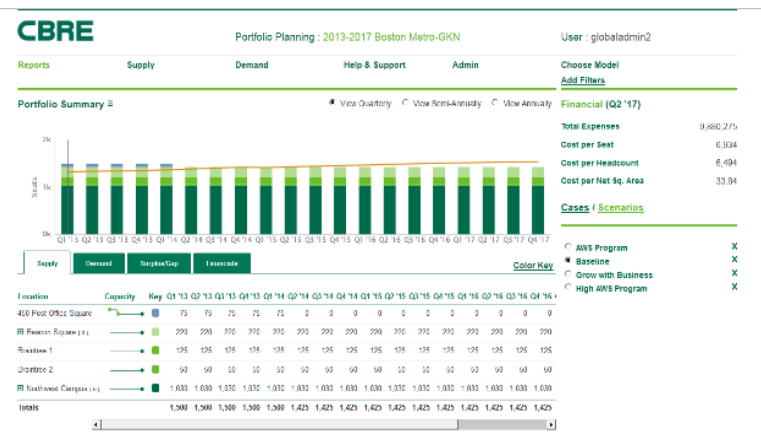
Internal Portfolio Benchmarking



Portfolio Summary Metrics



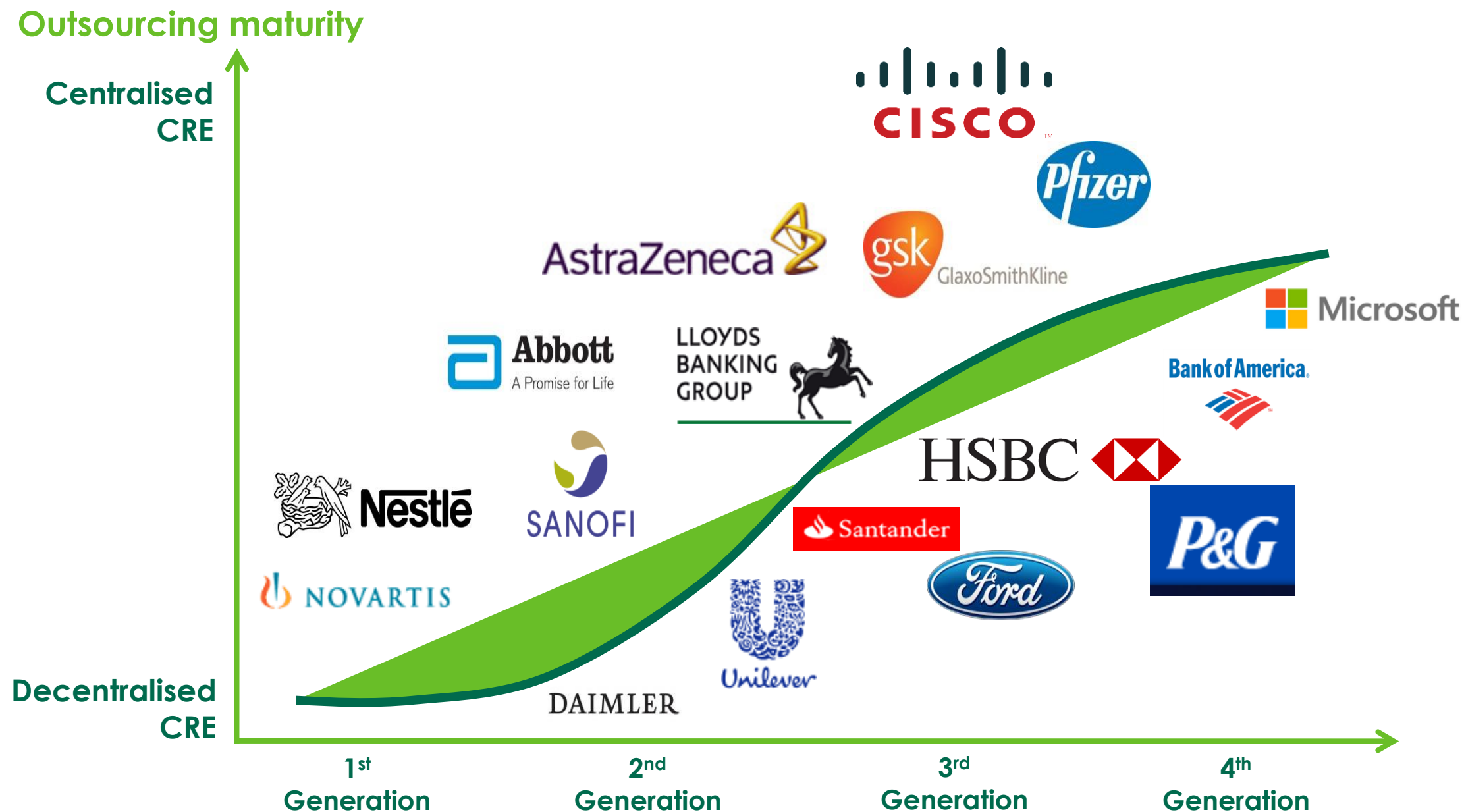
Portfolio Savings Opportunities



External Benchmarking and Market Context

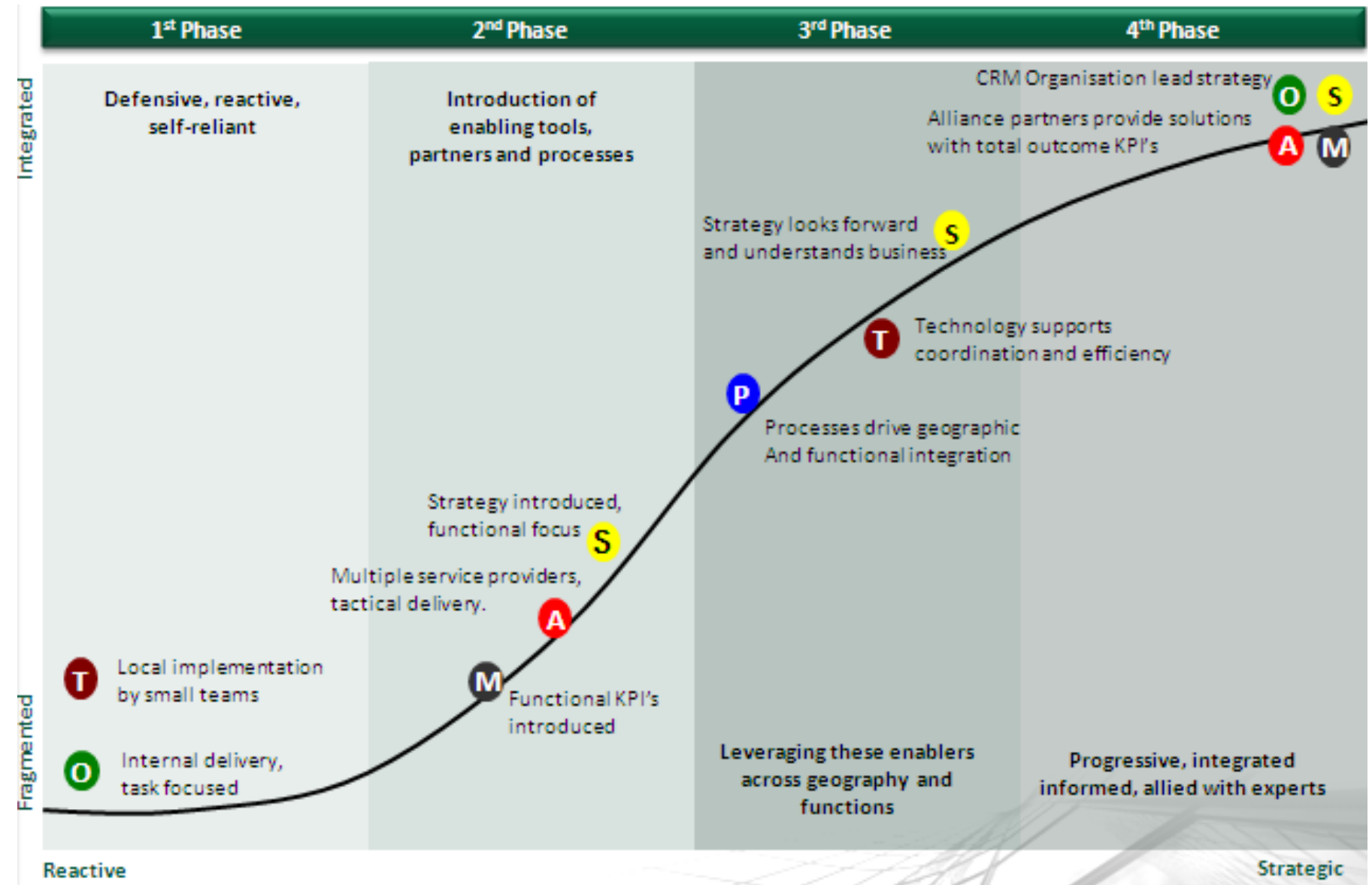
SEQUENTRA Lease Portfolio Data

HOW ARE CORPORATES ORGANISING?



EVOLUTION OF CRE FUNCTIONS

- T** Technology
- P** Processes
- S** Strategy
- A** Alliances
- O** Organisation



	First Generation	Second Generation	Third Generation	Fourth Generation
Strategy	Reactive to date driven events, business unit requests and statutory compliance	Extended planning horizon on lease dates and occupancy. Systematic compliance solution	Established occupancy and location planning discipline RE planning linked to business planning	Integrated and evolving with the business CRE driver for HR, Finance and Operations objectives
People & Organisation	Heavily task oriented Local BU dominates service discussion and organisation structure	Internal CRE organisation is core competency focussed Functional silo outsourcing Heavy functional shadowing	Integrated outsourcing Eliminate the shadows Variable resource models	Global integrated outsourcing “Just in time ” expertise Leadership
Partnerships	Cost selected vendors deliver work to client specification and processes	Multiple service providers aggregate service delivery and develop functional processes	Partnership few key providers work to common objectives and win and lose together Solutions are co - developed	Collaborator owns tools and process for service outcome Innovator invests in tools, technology and process improvements that add mutual benefit
Process	Ad hoc , inconsistent process across multiple locations	Process documentation and codification	The drive for consistency Global processes with regional modifications	Multi -disciplinary programme mgmt, even across business functions
Systems and Technology	Ad hoc implementation by local CRE teams	Focus on key functions (e.g., lease administration) Leveraging service providers to own tools	Standardisation; integration Global reporting of trusted numbers CRE retains core data only	Breakthrough efficiency through BU systems integration Transparency of technology focuses conversations on strategy
Performance Measurement	Ad hoc	Functional KPIs tend to be ‘defensive ’ in nature to show operational competence.	Measure what matters Benchmarking Measurement informs strategy and focus	Total outcome KPIs Measure value contribution of CRE to business via retention, productivity, financial return
Mandate	Local teams are managed by country level or functional business units Financial authority and reporting sits within BU 's	Matrix central oversight of regionally managed teams. Financial authority remains in region, but may be ‘owned ’ by CRE	CRE has full visibility and sole ownership of operating and capital expense commitments Consultative offerings on	Global mandate for service level and financial performance Expectation that CRE delivers measured top line value



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