

ACHIEVING BETTER VALUE FROM A DISPERSED PROPERTY PORTFOLIO



Kingfisher Group is one of the original Retail ‘Powerhouses’ and has a stable of retail brands, including B&Q, Castorama and Screwfix all focused on the DIY/home improvement market.

The challenge

The legacy of aggressive international expansion has meant that Kingfisher Group was operating as a loose collection of companies rather than leveraging the ‘power of the group’. The Kingfisher Group required a clear and cohesive strategy to deliver greater value from the property.

The challenge Kingfisher faced was to provide consistent reporting on assets with different tenures from robust data across disparate operating companies. It was increasingly difficult to gather this information as well as cater for different in-country requirements.

The approach

The core to driving additional value from the property portfolio lies with securing greater visibility and insight into its make-up and management. The delivery of a web-based portfolio decision making system, the EC Harris’ ‘On²’ system, was customised for Kingfisher. This provided the group with a review of the performance of their portfolio at a glance. This solution delivered Kingfisher with the tool to provide:

- An asset information database holding details and supporting documents on over 1,000 properties
- Information that’s tailored to each country’s legislative and operating needs
- A property management information dashboard
- Exception based alerts to Property and Project Managers
- A customised web-based interface that reflects the operating company branding, local language and currency.

“EC Harris was able to provide the leadership and expertise to deliver the project in support of the small focused property team at Kingfisher.”

Graham Orton, International Property Director,
Kingfisher Group

“The input and advice from EC Harris has helped to shape our future plans.”

B&Q, China

Although the drive for the project was initially ‘global’ the solution was ‘localised’ as much as possible. With office locations in all of the markets where Kingfisher have operating companies, we have the professional experience and capability to engage with the various territory stakeholders to lead and drive the project forward. Working with the sponsorship of Kingfisher Group Property, relationships were established with each operating company that enabled local requirements to be gathered and effectively woven into the overall solution. Through extensive stakeholder engagement a design was developed that met both the core information needs and local variants due to local legislation and operating needs.

As an example in China, Kingfisher specifically requested our support for project management process improvement. To help with this we called upon our awareness of retail operational processes in China to provide recommendations for implementation. We implemented a suite of changes to enhance the procurement and execution process. Furthermore, we were able to provide confidence in the incurred expenses aligned to our independent benchmarks.

The value added

The result was a system that delivered the core portfolio reporting data at group level but provided added value to the local operating companies. Evidently, we were able to provide the leadership and expertise to deliver the project in support of the small focused property team at Kingfisher.

To date EC Harris has delivered:

- Improved overall visibility in the Group and at local operating company level and are able to make better decisions as a result
- Overall reduction in use of standalone spreadsheets and separate systems to manage the asset portfolio
- The system has been deployed to support Kingfisher’s B&Q China turnaround programme - supporting how the business manages its sub leasing activities including lease details, rent payments and licences.

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