

THE CROSS ROADS OF OPPORTUNITY FOR CRE PROFESSIONALS. BUSINESS CHANGE

“Change management, corporate strategy, customer relationship management, executive coaching, and supply chain management. Are these really the skills that 21st century corporate real estate (CRE) executives need in order to deliver demonstrable value for their business?”

Identifying the opportunity

In gaining these skills, CRE executives are equipping themselves to be repositioned within their companies. No longer are they simply the deliverers of the physical asset, but they are the custodians of the environments in which substantial amounts of business change happen. CRE professionals, and the industry as a whole, stand at the crossroads of opportunity.

The real challenge for the CRE professional is to make these their core skills and become ‘expert’ in their use. Historically business has looked to IT and HR to drive this change through the core business. CRE professionals have a great opportunity to grasp this position of driving change, which can only be obtained if the skills offered apply to the whole business and not just to property.

Simply put, the property portfolio and the property skills that CRE professionals have offered in the past are not the answers for the future. The new skills to embrace should be seen as the vehicles for change.

Driving business change

In addition, necessary skills include facilitation, meeting management, high-performance team creation, overall change management and change governance, and benefit change creation. Some within the business will ask, “Is the CRE professional best placed to deliver business change? Are they the right people for the job?”

The key benefit that CRE has over, say IT or HR, is that its role interacts right across the business. When delivered correctly, and when it adds real value, CRE can give intent and real direction to the tricky business of change management and, should be focused solely on the business. To put the current situation in context, there is a real danger that if we do not grasp the nettle of delivering change, then IT or HR will - and CRE will find itself reacting to change rather than driving the change.

A growing number of organizations have seen the necessity to develop these skills in their in-house CRE teams and no longer use top change management consultants. Instead, these companies are now building their own capability or expecting it from their traditional supply-chain partners.

CRE must embrace the idea of changing its skills set or face the real possibility that they, and the service delivered in the past, could be increasingly seen as an expensive commodity and one of the leading candidates for outsourcing.

Greater business efficiencies

A move to outsourcing does not create the right environment for business productivity. Keeping CRE in-house offers greater efficiencies that can be optimised if the property portfolio is used correctly. This is where CRE professionals can come into their own. Instead of creating a new budget line which occurs with outsourcing, existing CRE skills can be a real driver for the business to deliver change in a more cost-effective way. In addition, outsourcing is usually judged against service level agreements, such as delivering a certain amount of square feet for a set amount of money, rather than dynamic changing requirements.

“To conclude, CRE professionals, not IT or HR, are best placed to offer a business what it needs. Not just for property, but how to drive change and meet the core business needs.”

Contact

Jonathan Moore

Head of CRE

t +44 (0)20 7833 6775

e jonathan.moore@echarris.com

w echarris.com/cre