How to Use Corporate Real Estate Data for Competitive Advantage

How does your company's real estate support and enhance corporate goals and objectives?

I.E. - if a corporate goal is to be a low-cost producer, does the real estate footprint support that objective? If retaining and attracting talent is critical, how do locational decisions, workplace decisions, and facilities decisions advance that goal? Many C-suite executives are not currently taking advantage of the insights that a robust data and analytics platform provides.

When space utilization, site selection, and location metrics are integrated with information from HR, IT, marketing, finance and other departments, a company can fully understand its employee and customer behavior, and align with it. Real estate data is a powerful tool that helps ensure that the C-suite's goals and objectives are addressed and achieved. This includes broader decisions such as location and workplace strategy. It can also provide clear insights into how corporate real estate impacts the employee and customer experience.

A recent study conducted by Forrester Research reveals that, while 94% of companies have a formal corporate data and analytics strategy in place, the sophisticated use of real estate data is in its infancy. Today, only 17% of corporate real estate teams consider themselves to be data-centric.

Here are four ways real estate data and analytics bring value to your company and contribute to overall strategy:

- **Pinpointing the best locations for facilities and employees.**

Better access to more sophisticated location data helps executives invest capital in the right projects and places. New data analytics platforms enable teams to incorporate such disparate factors as lease expirations, projected capital investments and labor analytics to validate strategic location, investment, acquisition, and disposition recommendations. Decisions that improve efficiency and productivity are more likely to emerge when a company is able to integrate the right corporate real estate analytics with information from HR, IT, and other functions. The alignment with HR data, for example, is particularly powerful to prevent disruptive impacts of location changes on the workforce.

Consider a multinational pharmaceutical company that used a business intelligence tool to aggregate and analyze more than 100,000 real estate and business data points. By combining that with on-the-ground market intelligence, it was able to create a multi-phase strategy for reducing ongoing facilities costs by more than $200 million.

- **Improving employee collaboration and productivity.**

Many companies – particularly those in professional services, manufacturing and retailing – are focused on workplace collaboration to generate value. This means being thoughtful about allowing employees to work from anywhere, while providing the right environments within facilities for in-person collaboration and innovation. New data from workplace sensors and mapping technology can help determine where employees need to be located and which environments work best for individuals and teams.

- **Challenging assumptions about workplace environmental sustainability programs.**

Many studies have linked green offices to improvements in productivity. Today, new data and analytics techniques and technologies can uncover which green programs achieve the most immediate and impactful productivity gains. Armed with this information, companies are making data-driven decisions and increasing returns on investment in green initiatives.

One multinational company seeking to green its corporate offices used web-based software to track approximately 100 detailed best practices relating to energy, water, carbon use and waste. The project team measured this against employee well-being and productivity markers such as thermal comfort, indoor air quality, visual comfort and other features. By benchmarking each facility in its portfolio and adopting best practices to improve acoustics, ergonomics, flexible workspaces and hoteling, the company was able to find more than $370,000 in annual productivity gains in a single facility. That number, if multiplied across a global portfolio of hundreds of locations, clearly shows the power of analytics.

- **Making your facilities work for you rather than against you.**

Smart building systems generate enormous volumes of data and are becoming a reality for many corporations. The use of real-time smart building management and control software, when combined with analytics expertise, can reduce energy use and cost, prevent disruptive equipment failure and maximize building performance. In fact, a new report found that smart buildings are not only useful for saving energy costs (10% to 15% or more, depending on a building's current efficiency), but also helping maintenance staff be more productive. The report cites that rich data streams from smart building technology can also provide insight into space utilization that can lead to additional energy and cost savings.

Applying data and analytics to forecast capital needs and mining data from smart buildings, real estate portfolio dashboards and environmental sustainability programs can reveal significant hidden savings and productivity gains that impact and entire organization.

Are you using corporate real estate data for competitive advantages?
We can help!

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