



Strategic Corporate Real Estate

1-day course

Aim

To provide Senior Managers with an overview of the essential features of Corporate Real Estate (CRE) decision-making and understanding the long-term impact those decisions will have on the organisation.

Objectives

By the end of this course you will have an understanding of:

The long-term liability of CRE and cost reduction options

How to create a CRE strategy

Assess different options for occupying CRE (own, lease or licence)

What questions to ask of advisors when acquiring or disposing of CRE

Understand CRE benchmarking metrics and creating a set suitable for your organisation

What impact sustainability issues will have in the long-term on your CRE requirements

Description

The last few years has highlighted the transient nature of competitive advantage for any organisation and the need to be continuing to adjust strategy to react to changes in the business environment. Managers need to understand the drivers for their organisation's Corporate Real Estate (CRE) needs and how small strategy changes can have a big impact on the CRE portfolio. CRE is a significant cost and whilst other costs such as HR may be higher annually, CRE is considerably less flexible for cost cutting and removing the liability.

The inherent inflexibility of CRE and the consequential costs and risks means that senior managers need to understand CRE and its impact on the performance of the organisation. This programme will provide managers with the knowledge to question what space they need and how the procurement will have a long-lasting impact on costs. Different options for acquiring space are considered along with providing a decision-making framework to help decide which options to consider. The financial impact of CRE is considered and how simple benchmarking metrics can provide a focus for the Board on the impact of changing business strategy on CRE. When that happens CRE will need to be realigned and as part of that process unwanted space can be created. Without the right focus the drain on financial resources from this surplus CRE can run for years.

The presenter has been undertaking research into Decision-making, in particular to identify what variables Senior CRE Managers consider when realigning their portfolio. The trainer shares some of the key insights learnt throughout this program.

Content

- Purpose of Space
Asking the fundamental question as to why does the organisation want space? What are the requirements that the organisation is looking for from the space?

- **Space Options**
Own, lease, flexible space, virtual space (remote working and third-party options). Including considering whether a unit Core or Peripheral and how Flexible Space might be the solution, but not necessarily.
- **Decision-making Issues**
Balancing conflicting issues of certainty; risk; growth/decline of revenue/profit/people; the property market; getting it wrong - 'a lease is not just for Christmas'! What is important for your organisation at this point in time?
- **Finance**
What is the cost of CRE and how to assesses the organisations Total Commitment to CRE (including IFRS16; Book Value and Capital Expenditure)
- **CRE Benchmarking Metrics**
What benchmarks does your organisation use and how do they link through to CRE? What benchmarks should you be thinking about?
- **Aligning CRE with Business Strategy**
Changing the CRE portfolio is a slow process but changing business strategy can require a rapid realignment. How are these conflicting issues resolved?
- **Managing the Downside**
When the business strategy or business environment change how do you exit property commitments and what is the cost likely to be?
- **Long-Term Trends**
What needs to be on the 'CRE radar' now for the organisation? Changing Ways of Working and Sustainability are two frequently mentioned issues for the future. What do you need to consider?

Programme

0930 Welcome and Introduction

1045 Tea & coffee

1230 Lunch

1500 Tea & coffee

1700 Close

How do I book?

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