



Teel **StratVisor** Group

Are You Aligned for Top Performance?

Creating an Efficient, Accountable and Profitable Organizational Design for your Corporate Real Estate Department



It is not unexpected to discover that Corporate Real Estate departments have often developed in a rather ad hoc manner, frequently in direct response to core business space requirements. Before bringing new personnel into an organization many companies first have to follow internal *recruitment from within* policies. Often as a result of these policies, seniority rather than formal real estate training or experience become leading decision factors in filling key positions in Corporate Real Estate departments. With the continual rise in real estate values, many corporate real estate portfolios have grown into multimillion dollar assets worthy of their own strategy. The new, fast-paced world economy demands far greater agility and more immediate action than ever before. Therefore the need for Corporate Real Estate departments staffed with highly-skilled personnel and aligned with their company's core business is highly critical.

How is your alignment?



How should you go about designing or redesigning a Corporate Real Estate department in response to these new realities - *or should you?* This is the time when you must first evaluate whether your Corporate Real Estate department is in alignment with your company strategy. StratVisor's Core Value Model© (pictured above) visually demonstrates that when Real Estate Asset, Portfolio and Company strategies with the processes, tools and people that execute them are linked by metrics, communication and training, the result is an operation aligned to work with increased efficiency, greater accountability and profitability.



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Top-down approach

Corporate Real Estate companies are increasingly deciding that outsourcing certain real estate-related roles and functions, particularly those in the facilities and construction management areas, is the right move for them. However, it is also growing more apparent that there is great value in keeping strategic real estate management in-house. Prior to starting an organizational redesign, it is crucial that the feasibility of outsourcing has been assessed and analyzed, since outsourcing any process will impact the organizational design structure of your future Corporate Real Estate department. StratVisor can provide assistance with this process and help you analyze which strategy would achieve the best results in your organization.

Bottom-up approach

Designing the new Corporate Real Estate department will prove most successful if you involve the senior management team that currently performs the work and has an acute understanding of what does and does not work in the current organization. It will also create greater buy-in to a new structure. Then, your corporate requirements and comfort level for proper span of control should determine how many groups or divisions the department needs for the most efficient operation. Developing a "Best Practices" functional organizational chart based solely on roles, without any names, is an approach that works well as a first step. Once roles are identified, determine which tasks are assigned to the roles. Soon a picture will emerge of an organization with minimized hand-off, proper span of control and greater efficiency that is positioned to be more proactive and nimble in responding to core business needs. Building your Corporate Real Estate department by clearly defining roles and tasks will also allow you to conduct an assessment of skills needed compared with the skill sets your team currently has, and identify where the gaps are. This would also be an important tool to take to your Human Resources department.

Over the last year StratVisor worked with several organizations on reorganizing their Corporate Real Estate departments and helped position them to be better aligned with corporate goals and primary business drivers. This alignment enabled them to provide more responsive service to their core business units. For more information on how Teel StratVisor Group can assist you with getting aligned to achieve Top Performance in your Corporate Real Estate Department, call 214-503-1453 or email us at info@stratvisor.com *today!*